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August 22, 2025

Honorable Members of the San Francisco Board of Supervisors Attention: Angela Calvillo, Clerk of the Board of Supervisors

Re: Ethics Commission Streamlining Legislation

Dear Members of the Board of Supervisors:

I am writing today to introduce two ordinances to the Board of Supervisors for consideration. These ordinances stem from the Commission's current Streamlining Project that was undertaken to evaluate various programs and policies administered by the Commission to determine if they are effective, efficient, adding value to the City, and furthering the Commission's mission of promoting the highest standards of integrity in government.

Recommendations & Legislation

The first of the two ordinances we are introducing involve campaign consultants, supplemental recusal notifications, and major developer disclosures. This proposed legislation would enact the following changes to City law:

- Discontinue the registration and reporting requirements for campaign consultants and instead
 require consultants to supply their clients with the information necessary to report the
 consultant's activities through the campaign committee's other existing campaign finance
 disclosures.
- Remove the City's requirement to file supplemental recusal notifications with the Ethics
 Commission but retain the existing recusal procedures that occur during the meeting in which
 the recusal is made.
- 3. Discontinue the disclosure requirements for major developers and instead, if a developer is paying a nonprofit for lobbyist services, require the developer to provide the lobbyist with the information they need to register and report as a lobbyist under the City's existing rules.

Each of these programs and policies is unique to San Francisco and not found in comparable jurisdictions. The proposed changes would streamline these programs and policies which are currently overly complicated, burdensome, and adding limited value the City. By adjusting the scope and structure of these policies, City resources can be better focused on the core functions of the Commission.

The second ordinance would make changes to expenditure ceilings and reporting requirements within the City's Public Financing Program and adjust the City's campaign contribution limit. It is important to note these amendments would not change the eligibility requirements for the Public Financing Program or change the amount of public financing a candidate could receive under the program. This proposed ordinance would:

- 1. Streamline how expenditure ceilings apply to candidates by having ceilings apply consistently to all participating candidates in a race and establishing a process for then removing the ceiling in a race based on spending by third parties and non-participating candidates. This would replace the current process of applying unique ceilings to individual candidates, which are then adjusted indefinitely throughout the election. This change would simplify a process that is currently unnecessarily complicated and time-consuming for candidates, treasurers, and City staff who administer the Public Financing Program.
- 2. Increase the City's campaign contribution limit from \$500 to \$1,000 to adjust for inflation for the first time in 25 years and establish a clear mechanism for future updates to the limit.

 Adjusting the campaign contribution limit will help candidates run viable campaigns from their controlled committees in the face of increased third-party spending.

In addition to the legislative digests provided by the City Attorney's Office, Ethics Commission staff have also provided an overview document for each of these two ordinances that covers each proposed change and is organized by code section, which is provided below as **Attachment 1**.

Additional Background & Resources

Ethics Commission staff began working on the Streamlining Project in January of this year. This project included soliciting feedback from the regulated community, members of the public, and other stakeholders. This stakeholder engagement work included two public Interested Persons meetings related to this project, which were held on March 11 and March 13.

In June, Staff presented preliminary recommendations to the Ethics Commission regarding this project. Memoranda containing findings and recommendations can be found in the Commission's June 2025 meeting materials. In August, Staff provided the Commission with an additional memorandum and drafts of the ordinances being introduced today.

Both ordinances would amend the Campaign & Governmental Conduct Code and require supermajority approval from both the Ethics Commission and the Board of Supervisors to be enacted. The Ethics Commission intends to consider both ordinances during its next regular meeting on September 12.

Thank you for your consideration of these two ordinances. If you have questions or would like to engage on this matter, please contact me or our Policy & Legislative Affairs Manager, Michael Canning (Michael.A.Canning@sfgov.org).

Sincerely,

Patrick Ford \
Executive Director

San Francisco Ethics Commission

Attachment 1: Overview of Ethics Commission Streamlining Legislation

¹ See Items 7 and 8 of the June 13, 2025 Agenda, https://sfethics.org/ethics/2025/06/june-13-2025-agenda.html.

² See Item 7 and related attachments from the August 8, 2025 Agenda, https://sfethics.org/ethics/2025/08/agenda-august-8-2025.html



Attachment 1: Overview of Streamlining Legislation

This document contains two tables, which summarize the two pieces of streamlining legislation currently before the Board of Supervisors and the Ethics Commission that would amend the Campaign & Governmental Conduct Code (C&GCC). The tables are organized by the code section.

Overview of Legislation Amending the City's Rules Regarding Campaign Consultants, Supplemental Recusal Notifications, & Major Developers

Type of Change & Code Section	Description of Change
Remove: Article I, Chapter 5 – Section 1.500	Deletes this entire section on findings as this is no longer necessary.
Amend: Article I, Chapter 5 – Section 1.510	Amends this section so that it no longer requires campaign consultants to register and file reports with the Ethics Commission. Instead, the section requires campaign consultants to provide their clients with the information the client needs to fully disclosure their campaign spending associated with the consultant. This information includes:
	The name, business address, and business phone number of the campaign consultant;
	 If the campaign consultant is an individual, the name of the campaign consultant's employer and a description of the business activity engaged in by the employer; and
	 Any economic consideration promised to or received by the campaign consultant from vendors and subvendors who provided campaign-related goods or services to the client's campaign, provided that the total is \$500 or more.
Remove: Article I, Chapter 5 – Section 1.515	Deletes this entire section related to registration, reporting, and fees from campaign consultants.
Remove: Article I, Chapter 5 – Section 1.520	Deletes this entire section related to duties of the Ethics Commission regarding registration and reporting by campaign consultants.
	The Ethics Commission will continue to provide advice to campaign consultants and maintain regulations related to campaign consultants as necessary, however these duties do

	not need to be articulated in this section, as they are part of the Commission's charter mandated duties.
Amend: Article I, Chapter 5 – Section 1.525	Removes subsection (a) dealing with penalties for failing to register and report, as this subsection will no longer be needed.
	Amends subsection (b) (formerly subsubsection (c)) to remove references to the registration and reporting requirements but retains the one-year ban on engaging in campaign consultant services, if the Commission finds the campaign consultant has violated the rules in Chapter 5.
	Adds new subsection (g) to require campaign consultants to retain the records necessary to substantiate the information they will be required to provide to their clients under Chapter 5.
Remove: Article I, Chapter 5 – Section 1.530	Deletes this entire section related to a campaign consultant code of conduct. If there is a need for a voluntary code of conduct for campaign consultants, such a document can be developed by the Commission through regulation and does not need to be stated in the C&GCC.
Amend: Article I, Chapter 5 – Section 1.540	Amends this section on electronic filing requirements so that references to the current registration and reporting requirements are removed. The section retains a general requirement that specifies required documents may be required electronically by the Commission, as is standard throughout other C&GCC chapters.
Amend: Article II, Chapter 1 – Section 2.117	Amends this section to retain the prohibition on lobbying by campaign consultants.
	Removes the references to the registration and reporting requirements in the definition or "current client."
	Removes the definition of "former client" and combines it with the definition of "current client" to instead jointly define "current or former client."
Amend: Article III, Chapter 2 – Section 3.209	Deletes the current subsections (b) and (c) to remove the supplemental recusal notification requirement, while retaining the recusal procedures currently in subsection (a).
	Updates subsection (a) to use gender neutral language.
Amend: Article III, Chapter 2 – Section 3.216	Amends this subsection (d) on gifts of travel to reflect that campaign consultants will no longer be required to register with the Ethics Commission and adds references to the appropriate code sections.

Remove: Article III, Chapter 5 – Section 3.500	Deletes this entire section on findings as this is no longer necessary.
Amend: Article III, Chapter 5 – Section 3.520	Amends this section so that it removes the current disclosure requirement for major developers and replaces it with a requirement on the major developer to provide anyone performing lobbyist services for the developer with the information such persons would need to register and report as a lobbyist.
Amend: Article III, Chapter 5 – Section 3.530	Removes subsection (a) dealing with penalties for failing to disclose, as this subsection will no longer be needed.

Overview of Legislation on Expenditure Ceilings & Contribution Limits

Type of Change & Code Section	Description of Change
Amend: Article I, Chapter 1 – Section 1.104	Removes the following definitions as they will no longer be relevant:
	 "Individual Expenditure Ceiling" "Total Opposition Spending" "Total Supportive Spending"
	These terms are used in the current individual expenditure ceiling adjustment process but will not be used in the amended process.
Amend: Article I, Chapter 1 – Section 1.114	Updates the contribution limit to \$1,000 to reflect changes in the California Consumer Price Index (CA CPI) since 2000.
	Adds language specifying the Ethics Commission may adjust the contribution limit going forward to reflect changes in CA CPI.
	Updates subsection (d) to use gender neutral language.
Amend: Article I, Chapter	Updates the limits on loan amounts for changes in CA CPI.
1 – Section 1.116	Removes references specific to voluntary expenditure ceilings and updates a reference from Section 1.130 to Section 1.131.
	Clarifies that future adjustments to the limits on loan amounts shall be rounded to the nearest \$1,000.
Remove: Article I, Chapter 1 – Section 1.128	Deletes this entire section on the acceptance or rejection of voluntary expenditure ceilings. Similar information regarding voluntary expenditure ceilings will be covered in the new Section 1.129.
Add: Article I, Chapter 1 – Section 1.129 (New)	Creates a new section that covers how and when expenditure ceilings are required under the Public Financing Program and

	how non-mayoral and non-supervisorial candidates may accept or reject the voluntary expenditure ceiling in their race.
Remove: Article I, Chapter 1 – Section 1.130	Deletes this entire section on the amount of voluntary expenditure ceilings. Similar information regarding voluntary expenditure ceilings will be covered in the new Section 1.131.
Add: Article I, Chapter 1 – Section 1.131 <i>(New)</i>	Creates a new section that specifies the amounts of the expenditure ceilings for each of the following races:
	Board of Supervisors
	Mayor
	Other Citywide Offices
	Education Related Boards
	This section also includes language clarifying that the Commission is authorized to adjust these amounts going forward to reflect changes in the CA CPI to the nearest \$1,000.
Add: Article I, Chapter 1 – Section 1.133 (New)	Creates a new section that covers when expenditure ceilings will be lifted for a race, what additional reporting is required, the process for lifting the expenditure ceiling for a race, and the process for candidate objections to the lifting of an expenditure ceiling.
	This new process will remove the expenditure ceiling in a race as soon as either:
	 A non-participating candidate, not subject to the expenditure ceiling, makes expenditures or receives contributions in excess of 75% percent of the ceiling in their race, or Independent expenditures made in the race exceed 75% of the current expenditure ceiling in the race.
Remove: Article I, Chapter 1 – Section 1.134	Deletes this entire section on the lifting of the voluntary expenditure ceilings and supplemental reporting requirements. Similar information will be covered in the new Section 1.133.
Amend: Article I, Chapter 1 – Section 1.140	Amends subsection (b)(4) to remove a reference to individual expenditure ceilings and updates references to other sections.
	Amends subsection (c)(4) to remove reference to individual expenditure ceilings and updates references to other sections.
	Removes subsection (d)(1) as information on future ceiling adjustments is now covered in the new Section 1.131.
	Updates section to use gender neutral language throughout.

Amend: Article I, Chapter 1 – Section 1.142	Removes a reference in subsection (d) to Section 1.152 as it is being removed and replaces it with a reference to the new Section 1.333. Updates section to use gender neutral language throughout.
Remove: Article I, Chapter 1 – Section 1.143	Deletes this entire section on adjusting individual expenditure ceilings. Similar information regarding expenditure ceilings will be covered in the new Section 1.133.
Remove: Article I, Chapter 1 – Section 1.152	Deletes this entire section on supplemental reporting in elections for Board of Supervisors and Mayor. Similar information regarding reporting requirements will be covered in the new Section 1.133.
Amend: Article I, Chapter 1 – Section 1.161	Changes the text in subsections (a)(2) and (a)(4) to replace "sfethics.org" with "[website address designated by the Ethics Commission]." This language needs to be updated before the Ethics Commission is soon required to change its website domain per State law.
Amend: Article I, Chapter 1 – Section 1.162	Changes text of subsection (a)(1) to replace "sfethics.org" with "[website address designated by the Ethics Commission]." This language needs to be updated before the Ethics Commission is soon required to change its website domain per State law.
Amend: Article I, Chapter 1 – Section 1.170	Changes this section to update references to other sections and makes non-substantive formatting amendments.