

File No. 170868

Committee Item No. 1

Board Item No. \_\_\_\_\_

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Rules Committee

Date June 13, 2018

Board of Supervisors Meeting

Date \_\_\_\_\_

### Cmte Board

- |                                     |                          |  |
|-------------------------------------|--------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Resolution                                   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Ordinance                                    |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | Memorandum of Understanding (MOU)            |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 126 - Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 700                                     |
| <input type="checkbox"/>            | <input type="checkbox"/> | Vacancy Notice                               |
| <input type="checkbox"/>            | <input type="checkbox"/> | Information Sheet                            |
| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

OTHER (Use back side if additional space is needed)

- |                                     |                          |  |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Ethics Commission Recommendation 051618</u> |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____  |

Completed by: Alisa Somera Date June 8, 2018

Completed by: \_\_\_\_\_ Date \_\_\_\_\_

[Campaign and Governmental Conduct Code - Campaign Finance Amendments]

**Ordinance amending the Campaign and Governmental Conduct Code to require candidates to attest to the lack of any coordination with other committees; and that the Voter Information Pamphlet note which candidates have agreed to voluntary spending limits.**

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
**Additions to Codes** are in *single-underline italics Times New Roman font*.  
**Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
**Board amendment additions** are in double-underlined Arial font.  
**Board amendment deletions** are in ~~strikethrough Arial font~~.  
**Asterisks (\* \* \* \*)** indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. The Campaign and Governmental Conduct Code is hereby amended by adding Section 1.165, and revising Sections 1.115, 1.128, 1.152, and 1.156, to read as follows:

**SEC. 1.115. COORDINATION OF EXPENDITURES.**

(a) **General.** An expenditure is not considered independent and shall be treated as a contribution from the person making the expenditure to the candidate on whose behalf, or for whose benefit the expenditure is made, if the expenditure funds a communication that expressly advocate the nomination, election or defeat of a clearly identified candidate and is made under the following circumstance:

(1) The expenditure is made at the request, suggestion, or direction of, or in cooperation, consultation, concert or coordination with, the candidate on whose behalf, or for whose benefit, the expenditure is made; or

1 (2) The communication funded by the expenditure is created, produced or  
2 disseminated:

3 (A) After the candidate has made or participated in making any decision  
4 regarding the content, timing, location, mode, intended audience, volume of distribution, or  
5 frequency of placement of the communication; or

6 (B) After discussion between the creator, producer or distributor of a  
7 communication, or the person paying for that communication, and the candidate or committee  
8 regarding the content, timing, location, mode, intended audience, volume of distribution or  
9 frequency of placement of that communication, the result of which is agreement on any of  
10 these topics.

11 (b) **Rebuttable Presumption of Coordination.** In addition to ~~Subsection (a) of this~~  
12 ~~section~~ subsection (a), there shall be a presumption that an expenditure funding a  
13 communication that expressly advocates the nomination, election or defeat of a clearly  
14 identified candidate is not independent of the candidate on whose behalf or for whose benefit  
15 the expenditure is made, when:

16 (1) It is based on information about the candidate or committee's campaign  
17 needs or plans provided to the spender by the candidate;

18 (2) It is made by or through any agent of the candidate in the course of the  
19 agent's involvement in the current campaign;

20 (3) The spender retains the services of a person, including a campaign  
21 consultant, who provides, or has provided, the candidate with professional services related to  
22 campaign or fund raising strategy for that same election;

23 (4) The communication replicates, reproduces, republishes or disseminates, in  
24 whole or in substantial part, a communication designed, produced, paid for or distributed by  
25 the candidate; or

1 (5) In the same election that the expenditure is made, the spender or spender's  
2 agent is serving or served in an executive or policymaking role for the candidate's campaign  
3 or participated in strategy or policy making discussions with the candidate's campaign relating  
4 to the candidate's pursuit of election to office and the candidate is pursuing the same office as  
5 a candidate whose nomination or election the expenditure is intended to influence.

6 (c) **Exceptions.** Notwithstanding the foregoing, an expenditure shall not be  
7 considered a contribution to a candidate merely because:

8 (1) The spender interviews a candidate on issues affecting the spender;

9 (2) The spender has obtained a photograph, biography, position paper, press  
10 release, or similar material from the candidate;

11 (3) The spender has previously made a contribution to the candidate;

12 (4) The spender makes an expenditure in response to a general, non-specific  
13 request for support by a candidate, provided that there is no discussion with the candidate  
14 prior to the expenditure relating to details of the expenditures;

15 (5) The spender has invited the candidate or committee to make an appearance  
16 before the spender's members, employees, shareholders, or the families thereof, provided  
17 that there is no discussion with the candidate prior to the expenditure relating to details of the  
18 expenditure;

19 (6) The spender informs a candidate that the spender has made an expenditure  
20 provided that there is no other exchange of information not otherwise available to the public,  
21 relating to the details of the expenditure; or

22 (7) The expenditure is made at the request or suggestion of the candidate for  
23 the benefit of another candidate or committee.  
24  
25

1 (d) **Definition.** For purposes of ~~this Section~~ subsections (a)-(c), the terms "candidate"  
2 includes an agent of the candidate when the agent is acting within the course and scope of  
3 the agency.

4 (e) Candidate Statements Regarding Coordination of Expenditures. Candidates required to  
5 file campaign disclosure statements with the Ethics Commission shall attest, under penalty of perjury,  
6 that their candidate committees have not failed to report any expenditure made by another committee  
7 that would constitute a contribution to their candidate committees. Candidates shall file the form  
8 required by this subsection (e) on the deadlines established by Section 1.135 for supplemental  
9 preelection statements.

10  
11 **SEC. 1.128. ACCEPTANCE OR REJECTION OF VOLUNTARY EXPENDITURE**  
12 **CEILINGS.**

13 (a) Eligible Candidates. Candidates for Assessor, City Attorney, District Attorney,  
14 Public Defender, Sheriff, Treasurer, the Board of Education of the San Francisco Unified  
15 School District or the Governing Board of the San Francisco Community College District may  
16 accept the applicable voluntary expenditure ceiling. Candidates for the Board of Supervisors  
17 or Mayor may not accept a voluntary expenditure ceiling.

18 (b) Acceptance of Voluntary Expenditure Ceiling. To accept the applicable voluntary  
19 expenditure ceiling, a candidate must file a statement with the Ethics Commission accepting  
20 the applicable voluntary expenditure ceiling. A candidate who has filed such a statement may not  
21 make qualified campaign expenditures in excess of the voluntary expenditure ceiling, unless under  
22 Section 1.134, the Ethics Commission has lifted the applicable voluntary expenditure ceiling. The  
23 candidate shall file this statement no later than the deadline for filing nomination papers with  
24 the Department of Elections. A candidate may not withdraw the statement accepting the  
25 voluntary expenditure ceiling after filing the statement. A candidate may not file the statement

1 accepting the applicable voluntary expenditure ceiling if the Ethics Commission has lifted the  
2 voluntary expenditure ceiling under Section 1.134 of this Chapter.

3 **(c) Voter Information Pamphlet.**

4 **(1) Notice regarding each eligible candidate.** *The Director of Elections shall include*  
5 *in the Voter Information Pamphlet a notice informing voters whether each candidate for Assessor, City*  
6 *Attorney, District Attorney, Public Defender, Sheriff, Treasurer, the Board of Education of the San*  
7 *Francisco Unified School District or the Governing Board of the San Francisco Community College*  
8 *District has accepted the voluntary expenditure ceiling. For candidates who have accepted the*  
9 *voluntary expenditure ceiling, the notice shall state: "The above candidate has accepted the City's*  
10 *voluntary spending limit." For candidates who have not accepted the voluntary expenditure ceiling,*  
11 *the notice shall state: "The above candidate has NOT accepted the City's voluntary spending limit."*  
12 *If a candidate was precluded from accepting the voluntary expenditure ceiling because the expenditure*  
13 *ceiling for a particular race was lifted under Section 1.134 of the Chapter before the candidate filed the*  
14 *statement required by this Section, the notice for that candidate shall state: "The City's voluntary*  
15 *spending limit was lifted before the candidate decided whether to accept or not accept the limit." The*  
16 *notice shall be printed in the same font size and type, and on the same page, as the candidate's*  
17 *statement of qualifications.*

18 **(2) Notice regarding candidates for the Board of Supervisors and Mayor.** *The*  
19 *Director of Elections shall include in the Voter Information Pamphlet a notice informing voters that*  
20 *candidates for the Board of Supervisors and Mayor are not eligible to accept voluntary expenditure*  
21 *ceilings. Within 60 days after the effective date of the ordinance in Board File No. 170868, after*  
22 *consulting with the Executive Director of the Ethics Commission, the Director of Elections shall*  
23 *determine the wording of the notice.*

24 **(e) (d) Website.** The Ethics Commission shall maintain, on its website, a list of the  
25 candidates who have accepted the voluntary expenditure ceiling. If the Ethics Commission

1 has lifted a voluntary expenditure ceiling for a particular race under Section 1.134 of this  
2 Chapter, the Ethics Commission shall instead maintain a list of the candidates who have  
3 accepted, but are no longer subject to the voluntary expenditure ceiling in that race.

4 ~~(d) A candidate who has accepted the applicable voluntary expenditure ceiling and makes~~  
5 ~~qualified campaign expenditures in excess of the voluntary expenditure ceiling, at a time when the~~  
6 ~~Ethics Commission has not lifted the applicable voluntary expenditure ceiling, is subject to the~~  
7 ~~penalties in Section 1.170.~~

8  
9 **SEC. 1.152. SUPPLEMENTAL REPORTING IN ELECTIONS FOR BOARD OF**  
10 **SUPERVISORS AND MAYOR.**

11 (a) ELECTIONS FOR THE BOARD OF SUPERVISORS.

12 (1) In addition to the campaign disclosure requirements imposed by the  
13 California Political Reform Act and other provisions of this Chapter, each candidate committee  
14 supporting a candidate for the Board of Supervisors shall file a statement with the Ethics  
15 Commission indicating when the committee has received contributions to be deposited into its  
16 Campaign Contribution Trust Account or made expenditures that equal or exceed ~~\$5,000~~  
17 \$10,000 within 24 hours of reaching or exceeding that amount.

18 (2) In addition to the supplemental report in Subsection (a)(1) of this Section,  
19 each candidate committee supporting a candidate for the Board of Supervisors shall file a  
20 statement with the Ethics Commission disclosing when the committee has received  
21 contributions to be deposited into its Campaign Contribution Trust Account or made  
22 expenditures that in the aggregate equal or exceed \$100,000. The candidate committee shall  
23 file this report within 24 hours of reaching or exceeding the threshold. Thereafter, the  
24 candidate committee shall file an additional supplemental report within 24 hours of every time  
25 the candidate committee receives additional contributions to be deposited into its Campaign

1 Contribution Trust Account or makes additional expenditures that in the aggregate equal or  
2 exceed \$10,000.

3 (3) The Executive Director shall post the information disclosed on statements  
4 required by this subsection on the website of the Ethics Commission within two business days  
5 of the statement's filing.

6 \* \* \* \*

7  
8 **SEC. 1.156. REPORT TO THE MAYOR AND BOARD OF SUPERVISORS - PUBLIC**  
9 **FINANCING.**

10 Following each election at which the Mayor or members of the Board of Supervisors  
11 are elected, the Ethics Commission shall submit a report to the Mayor and Board of  
12 Supervisors *regarding the administration, efficacy, and operation of the City's public financing*  
13 *program*. The report shall state the amount of public funds used to pay for election campaigns  
14 in that election and such other information as the Ethics Commission deems useful, including  
15 the number of candidates who received public funds; the number of nonparticipating  
16 candidates; the amount of qualified campaign expenditures made by all candidates in that  
17 election; and the amount of independent expenditures made in connection with the election.

18  
19 **SEC. 1.165. INFORMATION REGARDING THIRD-PARTY SPENDING IN MUNICIPAL**  
20 **ELECTIONS.** *Prior to each municipal election, the Ethics Commission shall create a public webpage*  
21 *that provides the most readily available information regarding independent expenditures made in*  
22 *support of or opposition to candidates appearing on the ballot for that election.*

23  
24 Section 2. Effective Date. This ordinance shall become effective 30 days after  
25 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the

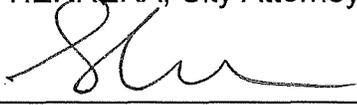
1 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
2 of Supervisors overrides the Mayor's veto of the ordinance.

3  
4 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
5 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
6 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
7 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
8 additions, and Board amendment deletions in accordance with the "Note" that appears under  
9 the official title of the ordinance.

10  
11 Section 4. Severability. If any section, subsection, sentence, clause, phrase, or word  
12 of this ordinance, or any application thereof to any person or circumstance, is held to be  
13 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
14 shall not affect the validity of the remaining portions or applications of the ordinance. The  
15 Board of Supervisors hereby declares that it would have passed this ordinance and each and  
16 every section, subsection, sentence, clause, phrase, and word not declared invalid or  
17 unconstitutional without regard to whether any other portion of this ordinance or application  
18 thereof would be subsequently declared invalid or unconstitutional.

19  
20 APPROVED AS TO FORM:  
21 DENNIS J. HERRERA, City Attorney

22 By:

  
23 ANDREW SHEN  
24 Deputy City Attorney

25 n:\legana\as2017\1700761\01272009.docx

**REVISED LEGISLATIVE DIGEST**

(Substituted, 5/1/2018)

[Campaign and Governmental Conduct Code - Campaign Finance Amendments]

**Ordinance amending the Campaign and Governmental Conduct Code to require candidates to attest to the lack of any coordination with other committees; and that the Voter Information Pamphlet note which candidates have agreed to voluntary spending limits.**

Existing Law

1. Independent Expenditures; Coordination

Consistent with state law, local law specifies that if an expenditure is made at the behest of a candidate, the expenditure constitutes a contribution to the candidate it benefits. S.F. Campaign & Gov'tal Conduct Code § 1.115. Local law does not require candidates to make any explicit representations or statements regarding this potential "coordination" with committees making expenditures on their behalf.

2. Voluntary Expenditure Ceilings

Candidates for Assessor, City Attorney, District Attorney, Public Defender, Sheriff, Treasurer, the Board of Education of the San Francisco Unified School District ("School Board") or the Board of Trustees for the San Francisco Community College District ("City College Board") may accept voluntary spending limits, referred to as "voluntary expenditure ceilings." *Id.* § 1.128(a). The voluntary expenditure ceiling for candidates for Assessor, City Attorney, District Attorney, Public Defender, Sheriff, and Treasurer is \$243,000. *Id.* § 1.130(a). The voluntary expenditure ceiling for School Board and City College Board candidates is \$104,000. *Id.* § 1.130(b). The Ethics Commission may "lift" these voluntary expenditure ceilings in specified circumstances. *See id.* § 1.134.

Candidates for the Board of Supervisors and Mayor cannot accept these voluntary spending limits. But these candidates may participate in the City's separate public financing program.

Amendments to Current Law

1. Independent Expenditures; Coordination

The proposed ordinance would require candidates to file statements with the Ethics Commission attesting, under penalty of perjury, that they have not engaged in any "coordination" with committees making independent expenditures.

## 2. Voluntary Expenditure Ceilings

The proposed ordinance would require the Director of Elections to include a notation in the Voter Information Pamphlet for each candidate for Assessor, City Attorney, District Attorney, Public Defender, Sheriff, Treasurer, School Board, and City College Board indicating whether the candidate has accepted the applicable voluntary expenditure ceiling. The proposal would also require the Director of Elections, in consultation with the Executive Director of the Ethics Commission, to also include a notation in the Voter Information Pamphlet explaining that candidates for the Board of Supervisors and Mayor are not eligible to accept voluntary expenditure ceilings.

### Background Information

Under Campaign and Governmental Conduct Code section 1.103, the Board of Supervisors may amend the campaign finance provisions of the Code if:

- (a) The amendment furthers the purposes of this Chapter;
- (b) The Ethics Commission approves the proposed amendment in advance by at least a four-fifths vote of all its members;
- (c) The proposed amendment is available for public review at least 30 days before the amendment is considered by the Board of Supervisors or any committee of the Board of Supervisors; and
- (d) The Board of Supervisors approves the proposed amendment by at least a two-thirds vote of all its members.

n:\egana\as2017\1700761\01208732.docx



# ETHICS COMMISSION

## CITY AND COUNTY OF SAN FRANCISCO

DAINA CHIU  
CHAIR

May 16, 2018

QUENTIN L. KOPP  
VICE-CHAIR

Honorable Members

PAUL A. RENNE  
COMMISSIONER

San Francisco Board of Supervisors  
Attention: Angela Calvillo, Clerk of the Board of Supervisors  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

YVONNE LEE  
COMMISSIONER

**Re: Proposed Ordinance amending the Campaign and Governmental Conduct Code (File No. 170868)**

NOREEN AMBROSE  
COMMISSIONER

Honorable Members:

LEEANN PELHAM  
EXECUTIVE DIRECTOR

At its May 7, 2018 Regular Meeting, the Ethics Commission voted unanimously to support File 170868, an ordinance sponsored by Supervisor Kim that would amend the Campaign and Governmental Conduct Code (the "Code"). A copy of the legislation considered and acted on by the Ethics Commission appears in the Attachment.

For the reasons detailed below, the Ethics Commission supports this legislation to further promote accountability in City campaigns and assist voters in making informed electoral decisions.

### Non-Coordination Attestation by Candidates

The Ordinance would add subsection (e) to section 1.115 of the Code, requiring all candidates who file campaign statements with the Commission to "attest, under penalty of perjury, that their candidate committees have not failed to report any expenditure made by another committee that would constitute a contribution to their candidate committees." Under the California Government Code, a payment for a communication that is made in coordination with a candidate constitutes a contribution to that candidate. By requiring candidates to attest that they have not failed to report any contributions from other committees, this legislation would effectively require candidates to attest did they have not surreptitiously coordinated with an outside committee. This attestation requirement would help to remind candidates about rules regarding independent expenditures, coordination, and reporting of "nonmonetary" contributions (contributions that do not take the form of a cash payment, loan, or debt).

### Noting Acceptance of the Voluntary Expenditure Ceiling in the Voter Information Pamphlet

The Ordinance would amend section 1.128 to require that the voter information pamphlet note which candidates have accepted the Voluntary Expenditure Ceiling (VEC) and which have not. The VEC is a limit on campaign expenditures that candidates in applicable races may voluntarily chose to abide by in their campaigns. Under City law, the VEC applies only to

candidates seeking election to the offices of Assessor, City Attorney, District Attorney, Public Defender, Sheriff, Treasurer, the Board of Education of the San Francisco Unified School District or the Governing Board of the San Francisco Community College District.<sup>1</sup> A candidate who has accepted the applicable voluntary expenditure ceiling and makes qualified campaign expenditures in excess of those ceiling when the Ethics Commission has not lifted the applicable ceiling when required to under the law is subject to penalties. Current law requires the Ethics Commission to maintain on its website a list of the candidates who have accepted the voluntary expenditure ceiling. Indicating directly in the Voter Information Pamphlet whether a candidate who may abide by a VEC has opted to do so will equip voters with information about that candidate's choice at the time they are considering their vote.

#### Clarifying Contents of the Public Financing Report

Current law requires the Ethics Commission to report to the Mayor and Board of Supervisors on the City's public financing program following each election at which on or more candidates to those offices is elected. The proposed Ordinance would add language to existing law at Section 1.156 specifying that the report must additionally analyze "the administration, efficacy, and operation of the City's public financing program." The Ethics Commission supports this statutory change, which is consistent with its current practices.

#### Information Regarding Third-Party Spending

The Ordinance would create a new statutory requirement in Section 1.165 that the Commission provide data on its website regarding independent expenditures supporting or opposing candidates in City elections. The data would have to reflect the most current information disclosed on committee statements and reports. The Ethics Commission supports this statutory change, which is consistent with its current practices.

The Commission supports the proposed Ordinance and encourages its enactment when it comes before the Board for its consideration.

If you have any questions for the Ethics Commission or would like any additional information from our office, please feel free to contact me at (415) 252-3100.

Sincerely,

*LeeAnn Pelham*

LeeAnn Pelham  
Executive Director

*Attachment*

---

<sup>1</sup> Candidates for the Board of Supervisors or Mayor may not accept a VEC and instead have the option to participate in a public financing system that enables them to receive limited public funds in exchange for agreeing to voluntarily limit their campaign spending, among other things.

1 [Campaign and Governmental Conduct Code - Campaign Finance Amendments]

2  
3 **Ordinance amending the Campaign and Governmental Conduct Code to 1) require**  
4 **candidates to attest to the lack of any coordination with other committees; and 2)**  
5 **require that the Voter Information Pamphlet note which candidates have agreed to**  
6 **voluntary spending limits.**

7 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
8 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
9 **Deletions to Codes** are in ~~*italics Times New Roman font*~~.  
10 **Board amendment additions** are in double-underlined Arial font.  
11 **Board amendment deletions** are in ~~Arial font~~.  
12 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
13 subsections or parts of tables.

14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. The Campaign and Governmental Conduct Code is hereby amended by  
16 adding Section 1.165, and revising Sections 1.115, 1.128, 1.152, and 1.156, to read as  
17 follows:

18 **SEC. 1.115. COORDINATION OF EXPENDITURES.**

19 (a) **General.** An expenditure is not considered independent and shall be treated as a  
20 contribution from the person making the expenditure to the candidate on whose behalf, or for  
21 whose benefit the expenditure is made, if the expenditure funds a communication that  
22 expressly advocate the nomination, election or defeat of a clearly identified candidate and is  
23 made under the following circumstance:

24 (1) The expenditure is made at the request, suggestion, or direction of, or in  
25 cooperation, consultation, concert or coordination with, the candidate on whose behalf, or for  
whose benefit, the expenditure is made; or

1 (2) The communication funded by the expenditure is created, produced or  
2 disseminated:

3 (A) After the candidate has made or participated in making any decision  
4 regarding the content, timing, location, mode, intended audience, volume of distribution, or  
5 frequency of placement of the communication; or

6 (B) After discussion between the creator, producer or distributor of a  
7 communication, or the person paying for that communication, and the candidate or committee  
8 regarding the content, timing, location, mode, intended audience, volume of distribution or  
9 frequency of placement of that communication, the result of which is agreement on any of  
10 these topics.

11 (b) **Rebuttable Presumption of Coordination.** In addition to *Subsection (a) of this*  
12 *section subsection (a)*, there shall be a presumption that an expenditure funding a  
13 communication that expressly advocates the nomination, election or defeat of a clearly  
14 identified candidate is not independent of the candidate on whose behalf or for whose benefit  
15 the expenditure is made, when:

16 (1) It is based on information about the candidate or committee's campaign  
17 needs or plans provided to the spender by the candidate;

18 (2) It is made by or through any agent of the candidate in the course of the  
19 agent's involvement in the current campaign;

20 (3) The spender retains the services of a person, including a campaign  
21 consultant, who provides, or has provided, the candidate with professional services related to  
22 campaign or fund raising strategy for that same election;

23 (4) The communication replicates, reproduces, republishes or disseminates, in  
24 whole or in substantial part, a communication designed, produced, paid for or distributed by  
25 the candidate; or

1           (5) In the same election that the expenditure is made, the spender or spender's  
2 agent is serving or served in an executive or policymaking role for the candidate's campaign  
3 or participated in strategy or policy making discussions with the candidate's campaign relating  
4 to the candidate's pursuit of election to office and the candidate is pursuing the same office as  
5 a candidate whose nomination or election the expenditure is intended to influence.

6           (c) **Exceptions.** Notwithstanding the foregoing, an expenditure shall not be  
7 considered a contribution to a candidate merely because:

8           (1) The spender interviews a candidate on issues affecting the spender;

9           (2) The spender has obtained a photograph, biography, position paper, press  
10 release, or similar material from the candidate;

11          (3) The spender has previously made a contribution to the candidate;

12          (4) The spender makes an expenditure in response to a general, non-specific  
13 request for support by a candidate, provided that there is no discussion with the candidate  
14 prior to the expenditure relating to details of the expenditures;

15          (5) The spender has invited the candidate or committee to make an appearance  
16 before the spender's members, employees, shareholders, or the families thereof, provided  
17 that there is no discussion with the candidate prior to the expenditure relating to details of the  
18 expenditure;

19          (6) The spender informs a candidate that the spender has made an expenditure  
20 provided that there is no other exchange of information not otherwise available to the public,  
21 relating to the details of the expenditure; or

22          (7) The expenditure is made at the request or suggestion of the candidate for  
23 the benefit of another candidate or committee.  
24  
25

1 (d) **Definition.** For purposes of ~~this Section~~ subsections (a)-(c), the terms "candidate"  
2 includes an agent of the candidate when the agent is acting within the course and scope of  
3 the agency.

4 (e) Candidate Statements Regarding Coordination of Expenditures. Candidates required to  
5 file campaign disclosure statements with the Ethics Commission shall attest, under penalty of perjury,  
6 that their candidate committees have not failed to report any expenditure made by another committee  
7 that would constitute a contribution to their candidate committees. Candidates shall file the form  
8 required by this subsection (e) on the deadlines established by Section 1.135 for supplemental  
9 preelection statements.

10  
11 **SEC. 1.128. ACCEPTANCE OR REJECTION OF VOLUNTARY EXPENDITURE**  
12 **CEILINGS.**

13 (a) Eligible Candidates. Candidates for Assessor, City Attorney, District Attorney,  
14 Public Defender, Sheriff, Treasurer, the Board of Education of the San Francisco Unified  
15 School District or the Governing Board of the San Francisco Community College District may  
16 accept the applicable voluntary expenditure ceiling. Candidates for the Board of Supervisors  
17 or Mayor may not accept a voluntary expenditure ceiling.

18 (b) Acceptance of Voluntary Expenditure Ceiling. To accept the applicable voluntary  
19 expenditure ceiling, a candidate must file a statement with the Ethics Commission accepting  
20 the applicable voluntary expenditure ceiling. A candidate who has filed such a statement may not  
21 make qualified campaign expenditures in excess of the voluntary expenditure ceiling, unless under  
22 Section 1.134, the Ethics Commission has lifted the applicable voluntary expenditure ceiling. The  
23 candidate shall file this statement no later than the deadline for filing nomination papers with  
24 the Department of Elections. A candidate may not withdraw the statement accepting the  
25 voluntary expenditure ceiling after filing the statement. A candidate may not file the statement

1 accepting the applicable voluntary expenditure ceiling if the Ethics Commission has lifted the  
2 voluntary expenditure ceiling under Section 1.134 of this Chapter.

3 (c) Voter Information Pamphlet.

4 (1) Notice regarding each eligible candidate. The Director of Elections shall include  
5 in the Voter Information Pamphlet a notice informing voters whether each candidate for Assessor, City  
6 Attorney, District Attorney, Public Defender, Sheriff, Treasurer, the Board of Education of the San  
7 Francisco Unified School District or the Governing Board of the San Francisco Community College  
8 District has accepted the voluntary expenditure ceiling. For candidates who have accepted the  
9 voluntary expenditure ceiling, the notice shall state: "The above candidate has accepted the City's  
10 voluntary spending limit." For candidates who have not accepted the voluntary expenditure ceiling,  
11 the notice shall state: "The above candidate has NOT accepted the City's voluntary spending limit."  
12 If a candidate was precluded from accepting the voluntary expenditure ceiling because the expenditure  
13 ceiling for a particular race was lifted under Section 1.134 of the Chapter before the candidate filed the  
14 statement required by this Section, the notice for that candidate shall state: "The City's voluntary  
15 spending limit was lifted before the candidate decided whether to accept or not accept the limit." The  
16 notice shall be printed in the same font size and type, and on the same page, as the candidate's  
17 statement of qualifications.

18 (2) Notice regarding candidates for the Board of Supervisors and Mayor. The  
19 Director of Elections shall include in the Voter Information Pamphlet a notice informing voters that  
20 candidates for the Board of Supervisors and Mayor are not eligible to accept voluntary expenditure  
21 ceilings. Within 60 days after the effective date of the ordinance in Board File No. \_\_\_\_\_, after  
22 consulting with the Executive Director of the Ethics Commission, the Director of Elections shall  
23 determine the wording of the notice.

24 (e) (d) Website. The Ethics Commission shall maintain, on its website, a list of the  
25 candidates who have accepted the voluntary expenditure ceiling. If the Ethics Commission

1 has lifted a voluntary expenditure ceiling for a particular race under Section 1.134 of this  
2 Chapter, the Ethics Commission shall instead maintain a list of the candidates who have  
3 accepted, but are no longer subject to the voluntary expenditure ceiling in that race.

4 ~~(d) A candidate who has accepted the applicable voluntary expenditure ceiling and makes~~  
5 ~~qualified campaign expenditures in excess of the voluntary expenditure ceiling, at a time when the~~  
6 ~~Ethics Commission has not lifted the applicable voluntary expenditure ceiling, is subject to the~~  
7 ~~penalties in Section 1.170.~~

8  
9 **SEC. 1.152. SUPPLEMENTAL REPORTING IN ELECTIONS FOR BOARD OF**  
10 **SUPERVISORS AND MAYOR.**

11 (a) ELECTIONS FOR THE BOARD OF SUPERVISORS.

12 (1) In addition to the campaign disclosure requirements imposed by the  
13 California Political Reform Act and other provisions of this Chapter, each candidate committee  
14 supporting a candidate for the Board of Supervisors shall file a statement with the Ethics  
15 Commission indicating when the committee has received contributions to be deposited into its  
16 Campaign Contribution Trust Account or made expenditures that equal or exceed ~~\$5,000~~  
17 \$10,000 within 24 hours of reaching or exceeding that amount.

18 (2) In addition to the supplemental report in Subsection (a)(1) of this Section,  
19 each candidate committee supporting a candidate for the Board of Supervisors shall file a  
20 statement with the Ethics Commission disclosing when the committee has received  
21 contributions to be deposited into its Campaign Contribution Trust Account or made  
22 expenditures that in the aggregate equal or exceed \$100,000. The candidate committee shall  
23 file this report within 24 hours of reaching or exceeding the threshold. Thereafter, the  
24 candidate committee shall file an additional supplemental report within 24 hours of every time  
25 the candidate committee receives additional contributions to be deposited into its Campaign

1 Contribution Trust Account or makes additional expenditures that in the aggregate equal or  
2 exceed \$10,000.

3 (3) The Executive Director shall post the information disclosed on statements  
4 required by this subsection on the website of the Ethics Commission within two business days  
5 of the statement's filing.

6 \* \* \* \*

7 **SEC. 1.156. REPORT TO THE MAYOR AND BOARD OF SUPERVISORS - PUBLIC**  
8 **FINANCING.**

9 Following each election at which the Mayor or members of the Board of Supervisors  
10 are elected, the Ethics Commission shall submit a report to the Mayor and Board of  
11 Supervisors *regarding the administration, efficacy, and operation of the City's public financing*  
12 *program.* The report shall state the amount of public funds used to pay for election campaigns  
13 in that election and such other information as the Ethics Commission deems useful, including  
14 the number of candidates who received public funds; the number of nonparticipating  
15 candidates; the amount of qualified campaign expenditures made by all candidates in that  
16 election; and the amount of independent expenditures made in connection with the election.

17  
18 **SEC. 1.165. INFORMATION REGARDING THIRD-PARTY SPENDING IN MUNICIPAL**  
19 **ELECTIONS.** *Prior to each municipal election, the Ethics Commission shall create a public webpage*  
20 *that provides the most readily available information regarding independent expenditures made in*  
21 *support of or opposition to candidates appearing on the ballot for that election.*

22  
23 Section 2. Effective Date. This ordinance shall become effective 30 days after  
24 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
25

1 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
2 of Supervisors overrides the Mayor's veto of the ordinance.

3  
4 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
5 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
6 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
7 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
8 additions, and Board amendment deletions in accordance with the "Note" that appears under  
9 the official title of the ordinance.

10  
11 Section 4. Severability. If any section, subsection, sentence, clause, phrase, or word  
12 of this ordinance, or any application thereof to any person or circumstance, is held to be  
13 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
14 shall not affect the validity of the remaining portions or applications of the ordinance. The  
15 Board of Supervisors hereby declares that it would have passed this ordinance and each and  
16 every section, subsection, sentence, clause, phrase, and word not declared invalid or  
17 unconstitutional without regard to whether any other portion of this ordinance or application  
18 thereof would be subsequently declared invalid or unconstitutional.

19  
20 APPROVED AS TO FORM:  
21 DENNIS J. HERRERA, City Attorney

22 By: \_\_\_\_\_  
23 ANDREW SHEN  
24 Deputy City Attorney

25  
n:\egana\as2017\1700761\01272009.docx

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

TO: John Arntz, Director, Department of Elections

FROM: *al*  
*bn* Alisa Somera, Legislative Deputy Director  
Rules Committee

DATE: May 7, 2018

SUBJECT: SUBSTITUTE LEGISLATION INTRODUCED

---

The Board of Supervisors' Land Use and Transportation Committee has received the following substitute legislation, introduced by Supervisor Kim on May 1, 2018:

**File No. 170868-3**

**Ordinance amending the Campaign and Governmental Conduct Code to require candidates to attest to the lack of any coordination with other committees; and that the Voter Information Pamphlet note which candidates have agreed to voluntary spending limits.**

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [alisa.somera@sfgov.org](mailto:alisa.somera@sfgov.org).

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

TO: LeeAnn Pelham, Executive Director, Ethics Commission

FROM: *ll* Alisa Somera, Legislative Deputy Director, Rules Committee  
*bs* Board of Supervisors

DATE: May 7, 2018

SUBJECT: SUBSTITUTE LEGISLATION INTRODUCED

---

The Board of Supervisors' Rules Committee received the following substitute legislation, introduced by Supervisor Kim on May 1, 2018. This matter has been referred to the Ethics Commission for comment and recommendation.

Pursuant to Campaign and Governmental Conduct Code, Section 1.103, the Board of Supervisors may amend Chapter 1 of that code if the Ethics Commission approves the proposed amendment in advance by at least a 4/5 vote of all its members.

### File No. 170868-3

**Ordinance amending the Campaign and Governmental Conduct Code to require candidates to attest to the lack of any coordination with other committees; and that the Voter Information Pamphlet note which candidates have agreed to voluntary spending limits.**

Please submit the Commission's response, which will be included with the legislation, with this cover sheet.

---

### RESPONSE FROM ETHICS COMMISSION

\_\_\_ Approved (by \_\_\_ vote)

\_\_\_ Rejected (by \_\_\_ vote)

\_\_\_ Recommendation Attached

\_\_\_\_\_  
Chairperson, Ethics Commission

\_\_\_\_\_  
Date

c: Kyle Kundert, Ethics Commission

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

TO: LeeAnn Pelham, Executive Director, Ethics Commission

FROM: *AS* Alisa Somera, Legislative Deputy Director  
*AS* Board of Supervisors, Rules Committee

DATE: October 26, 2017

SUBJECT: LEGISLATION INTRODUCED

---

The Board of Supervisors' Rules Committee received the following legislation, introduced by Supervisor Kim on July 25, 2017. This matter has been referred to the Ethics Commission for comment and recommendation.

Pursuant to Campaign and Governmental Conduct Code, Section 1.103, the Board of Supervisors may amend Chapter 1 of that code if the Ethics Commission approves the proposed amendment in advance by at least a 4/5 vote of all its members.

### File No. 170868

**Ordinance amending the Campaign and Governmental Conduct Code to 1) require candidates to attest, under penalty of perjury, to the lack of any coordination with other committees; 2) require that the Voter Information Pamphlet note which candidates have agreed to voluntary spending limits; 3) clarify supplemental reporting for the public financing program; 4) require written disclaimers to appear in 14-point font; 5) require that disclaimers be included at the beginning of audio and video advertisements; 6) require that disclaimers include the top four donors to committees, if the donors have contributed \$20,000 or more; and 7) prior to each municipal election, require the Ethics Commission to distribute a pamphlet to San Francisco voters regarding third-party spending.**

Please submit the Commission's response, which will be included with the legislation, with this cover sheet.

---

**RESPONSE FROM ETHICS COMMISSION**

\_\_\_\_ **Approved** (*by \_\_\_\_ vote*)

\_\_\_\_ **Rejected** (*by \_\_\_\_ vote*)

\_\_\_\_ **Recommendation Attached**

---

**Chairperson, Ethics Commission**

---

**Date**

c: Kyle Kundert, Ethics Commission

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

TO: John Arntz, Director, Department of Elections

FROM: *AS*  
*AS* Alisa Somera, Legislative Deputy Director  
Rules Committee

DATE: October 26, 2017

SUBJECT: LEGISLATION INTRODUCED

---

The Board of Supervisors' Rules Committee has received the following proposed legislation, introduced by Supervisor Kim on July 25, 2017:

**File No. 170868**

**Ordinance amending the Campaign and Governmental Conduct Code to 1) require candidates to attest, under penalty of perjury, to the lack of any coordination with other committees; 2) require that the Voter Information Pamphlet note which candidates have agreed to voluntary spending limits; 3) clarify supplemental reporting for the public financing program; 4) require written disclaimers to appear in 14-point font; 5) require that disclaimers be included at the beginning of audio and video advertisements; 6) require that disclaimers include the top four donors to committees, if the donors have contributed \$20,000 or more; and 7) prior to each municipal election, require the Ethics Commission to distribute a pamphlet to San Francisco voters regarding third-party spending.**

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [alisa.somera@sfgov.org](mailto:alisa.somera@sfgov.org).

Print Form

# Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO

2018 MAY -1 PM 4:12

Time stamp  
or meeting date

BY



I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor [ ] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. [ 170868 ]
- 9. Reactivate File No. [ ]
- 10. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.**

Sponsor(s):

Kim

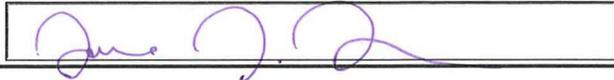
Subject:

Ordinance amending the Campaign and Governmental Conduct Code to 1) require candidates to attest to the lack of any coordination with other committees; and 2) require that the Voter Information Pamphlet note which candidates have agreed to voluntary spending limits.

The text is listed:

see attached

Signature of Sponsoring Supervisor:



For Clerk's Use Only

Print Form

RECEIVED  
11/14/17 @ 5:49pm  


# Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor  inquiries"
- 5. City Attorney Request.
- 6. Call File No.  from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No.
- 9. Reactivate File No.
- 10. Question(s) submitted for Mayoral Appearance before the BOS on

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.**

Sponsor(s):

Subject:

The text is listed:

Ordinance amending the Campaign and Governmental Conduct Code to 1) clarify that campaigns must disclose expenditures on social media; 2) require committees that make independent expenditures to disclose the original sources of their funds; 3) require candidates to attest to the lack of any coordination with other committees; 4) require that the Voter Information Pamphlet note which candidates have agreed to voluntary spending limits; 5) require the Ethics Commission to complete audits of candidate committees within 24 months; 6) modify disclaimer requirements; 7) specify disclosure requirements for social media advertisements; and 8) prior to each municipal election, require the Ethics Commission to distribute a pamphlet to San Francisco voters regarding third-party spending.

Signature of Sponsoring Supervisor:

For Clerk's Use Only

Print Form

# Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO

2017 JUL 25 PM 2:26

*[Signature]*

Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor  inquiries"
- 5. City Attorney Request.
- 6. Call File No.  from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No.
- 9. Reactivate File No.
- 10. Question(s) submitted for Mayoral Appearance before the BOS on

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.**

Sponsor(s):

Subject:

The text is listed:

Signature of Sponsoring Supervisor:

*[Signature]*

For Clerk's Use Only