

LEGISLATIVE DIGEST

(First Draft, 05/21/24)

[Charter Amendment - Inspector General in Controller's Office; Expanding Controller's Investigative Powers]

Describing and setting forth a proposal to the voters at an election to be held on November 5, 2024, to amend the Charter of the City and County of San Francisco to establish the position of Inspector General in the Controller's Office; to provide that the Inspector General be nominated by the Controller subject to approval by the Board of Supervisors and the Mayor; to authorize the Inspector General to initiate and lead investigations regarding potential violations of laws or policies involving fraud, waste, abuse, or misconduct; to expand the authority of the Controller's Office to issue subpoenas; and to authorize the Controller's Office to execute search warrants to the extent permitted by State law.

Existing Law

The Controller oversees the financial affairs of the City. The Controller's duties under the Charter include operating a whistleblower program to receive and investigate complaints concerning the quality and delivery of government services, wasteful and inefficient City government practices, misuse of City funds, and improper activities by City officers and employees. The Charter also requires the Controller, as City Services Auditor, to monitor the level and effectiveness of services the City provides to its residents. But the Charter does not otherwise require the Controller's Office to initiate, lead, or coordinate investigations regarding potential violations of laws or policies involving fraud, waste, abuse, or misconduct. Other City departments, including the City Attorney, District Attorney, and Ethics Commission currently have jurisdiction to investigate various types of public integrity matters.

The Charter currently gives the Controller authority to examine records of City boards, commissions, officers, and departments. But the Charter does not authorize the Controller to issue subpoenas to third parties, such as City contractors, permittees or lobbyists. Also, State law authorizes employees of the Controller's Office to execute search warrants under certain circumstances, but the Charter currently does not mention search warrants.

The Charter also establishes a separate department, not connected to the Controller's Office, called the Office of Inspector General. That office investigates complaints involving employees of the Sheriff's Office.

Amendments to Current Law

The proposed Charter amendment would establish the position of Inspector General in the Controller's Office. The Controller would appoint the Inspector General, subject to approval

by the Mayor and Board of Supervisors. The Inspector General would be an employee of the Controller's Office, subject to supervision and removal by the Controller.

The Inspector General would be responsible for reviewing complaints, for leading and coordinating investigations, and for collaborating with the City Services Auditor and the staff investigating whistleblower and citizen complaints on audits, inspections, and monitoring—all with the purpose of preventing and detecting fraud, waste, abuse, and misconduct. Also, the Inspector General would consult with the Ethics Commission, City Attorney, and District Attorney regarding those departments' investigative strategies in criminal, civil, and administrative matters involving fraud, waste, or abuse. The Inspector General would generally refer matters to those departments, but could also investigate those matters in coordination with the department that receives the referral.

The Inspector General would be able to hold public hearings regarding fraud, waste, abuse, or misconduct, and to make recommendations to the Mayor, Board of Supervisors, and other agencies regarding City laws and policies that impact public integrity in City government. And the Inspector General would issue public reports on these matters at least twice a year.

The Charter amendment would also expand the Controller's authority to issue subpoenas to third parties—including City contractors, permittees, and lobbyists—about matters affecting the conduct of any department or office of the City. The Charter amendment would also authorize employees of the Controller's Office to execute search warrants consistent with State law.

The measure would also rename the Office of Inspector General that investigates matters involving Sheriff's Office employees as the Office of Sheriff's Inspector General.

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