

ORIGINAL

When Stamped in Red

1 [Public Financing of Candidate Campaigns and Other Campaign Reform Measures]
2 **URGING THE SAN FRANCISCO ETHICS COMMISSION TO STUDY AND HOLD PUBLIC**
3 **HEARINGS ON PUBLIC FINANCING OF CANDIDATE CAMPAIGNS FOR LOCAL**
4 **ELECTIVE OFFICE AND OTHER MEASURES DESIGNED TO CURB THE INFLUENCE OF**
5 **SPECIAL-INTEREST CONTRIBUTIONS ON PUBLIC POLICY AND ADMINISTRATION; TO**
6 **CONSIDER SPECIFIC COMPONENTS OF A PUBLIC FINANCING MEASURE; TO**
7 **CONSIDER OTHER CAMPAIGN FINANCE REFORMS DESIGNED TO REDUCE THE**
8 **INFLUENCE OF CAMPAIGN CONTRIBUTIONS ON THE DESIGN AND/OR AWARD OF**
9 **PUBLIC CONTRACTS; TO CONSIDER EXPANDED DISCLOSURE REQUIREMENTS FOR**
10 **CANDIDATE, INDEPENDENT EXPENDITURE, AND NON-CANDIDATE CONTROLLED**
11 **COMMITTEES; TO SUBMIT SUCH PROPOSED CAMPAIGN REFORM MEASURES AS IT**
12 **DEEMS NECESSARY TO THE BOARD OF SUPERVISORS FOR THEIR CONSIDERATION ~~AT THE MARCH~~**
13 **~~2000~~ PRIMARY ELECTION; AND TO STUDY AND RECOMMEND TO THE BOARD OF**
14 **SUPERVISORS METHODS BY WHICH THE CITY AND COUNTY CAN PROVIDE**
15 **CANDIDATES FOR PUBLIC OFFICE WITH COST-EFFECTIVE, DIRECT ACCESS TO**
16 **VOTERS.**

17 WHEREAS, In 1976, the Board of Supervisors of the City and County of San Francisco
18 approved Ordinance 114-76, which established \$500 contribution limits for candidates for
19 public office in order to curb the appearance of undue influence by potential donors on elected
20 officials; and

21 WHEREAS, In 1995, the people of the City and County of San Francisco approved
22 Proposition N by over seventy percent (70.5%), which established voluntary campaign
23 spending limits for candidates for local office and a tiered system of contribution limits to
24 encourage candidates to accept spending limits; and

25 BOARD OF SUPERVISORS
SUPERVISOR, AMMIANO, BIERMAN

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1 WHEREAS, In 1996, the people of the City and County of San Francisco voted in favor
2 of Proposition 208 by over seventy percent (70.6%), which established a similar statewide
3 system of campaign finance reforms for campaigns for state elective offices; and

4 WHEREAS, In May, 1999, the San Francisco Ethics Commission voted to place
5 Proposition K on the ballot, which would modify the City's voluntary campaign spending limits
6 for races for the Board of Supervisors, consistent with the establishment of district races for
7 Supervisor; and

8 WHEREAS, City voters have consistently voted in favor of measures designed to curb
9 the influence of money on public policy and public administration; and

10 WHEREAS, In 1997, opponents of campaign finance reform sued to overturn
11 Proposition 208 and U.S. District Court Judge Lawrence Karlton issued an injunction
12 prohibiting enforcement of significant portions of the measure; and

13 WHEREAS, In 1999, San Franciscans for Sensible Government, which has received
14 contributions from large corporate contributors, filed suit against the City and County of San
15 Francisco to overturn the \$500 limit on contributions to independent expenditure campaigns
16 for or against candidates for local office and U.S. District Court Judge Claudia Wilkens issued
17 a ruling overturning such limits, opening the door to unlimited "independent expenditures" in
18 local races (typically referred to as soft money);

19 WHEREAS, In 1999, Mayoral Candidate Clint Reilly filed suit against the City and
20 County of San Francisco to overturn the tiered contribution limits in races for Mayor; and

21 WHEREAS, This year's candidates for Mayor and independent expenditure committees
22 spending money on this year's Mayor's race will set new records for overall spending, far
23 outpacing expenditures in prior Mayoral races; and

24 WHEREAS, The combination of judicial rulings on voter-approved campaign finance
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1 reforms threatens to leave the City without any effective mechanisms to curb the potential
2 influence of money on campaigns for local elective office; and

3 WHEREAS, Unlimited hard and soft money expenditures in campaigns provides a more
4 significant voice to special interest groups than the average voter, sends an unspoken
5 message to potential bidders for City contracts that they must contribute or risk less-than-
6 favorable consideration for contracts, increases public disaffection with the electoral process,
7 and undermines confidence in government; and

8 WHEREAS, Other jurisdictions, including Los Angeles, New York City, Long Beach and
9 Tuscon, have enacted partial public financing mechanisms to limit the influence of money on
10 local races and other jurisdictions have enacted outright bans on bidding for public contracts
11 by companies that have made campaign contributions to elected officials with purview over the
12 design or award of such contracts; and

13 WHEREAS, Such measures have withstood legal challenge and have been found to be
14 constitutional; now, therefore, be it

15 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
16 hereby urges the San Francisco Ethics Commission to study and hold public hearings on
17 public financing of candidate campaigns for local elective office and other measures designed
18 to curb the influence of special-interest contributions on public policy; and be it

19 FURTHER RESOLVED, That the Board of Supervisors urges the San Francisco Ethics
20 Commission consider public financing mechanisms that include:

- 21 1. Reasonable measures to show a level of public support that warrants giving public
22 money to candidates (e.g., number of donations, dollar amount raised, and/or
23 signatures in support of a candidate) that give preference to smaller contributions
24 from individuals from within a candidate's district;

- 1 2. Caps on the total amount of public financing that a candidate may receive (that are
2 adequate, along with private contributions and grass-roots efforts, to reach potential
3 voters);
- 4 3. Financing mechanisms to pay for public financing of campaigns, including voluntary
5 measures such as property tax check-offs and inclusion in combined charities
6 campaigns;
- 7 4. Partial (matching) public financing or full public financing (after thresholds of support
8 are met) of local candidate campaigns;
- 9 5. Mechanisms that limit matching funds to smaller contributions (e.g., \$100 or less);
- 10 6. Mechanisms that limit matching funds to donations from individuals and preclude
11 matching funds for contributions from special interest groups;
- 12 7. Mechanisms that limit matching funds to donations from individuals within a
13 candidate's district or significantly reduce matching amounts for out-of-district
14 contributions; and
- 15 8. Mechanisms that reduce and/or eliminate matching funds for candidates that benefit
16 from large, independent expenditure efforts;
- 17 9. Mechanisms that impose voluntary spending limits in exchange for public financing;
18 and be it

19 FURTHER RESOLVED, That the Board of Supervisors urges the San Francisco Ethics
20 Commission consider other campaign reform measures including:

- 21 1. A prohibition on companies submitting bids for public contracts, if within the prior 1-2
22 years, the company, its subsidiaries, subcontractors officers, directors, or principal
23 shareholders have contributed a combined total of more than \$1,000 to the
24 following:
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- 1 a) a single candidate for public office with direct purview over the design
2 and/or award of such contracts;
3 b) an independent expenditure campaign for or against such a candidate; or
4 c) a registered lobbyist who makes such contributions;
- 5 2. A prohibition on companies submitting bids for public contracts, if within the prior 1-2
6 years, the company, its subsidiaries, subcontractors, officers, directors, or principal
7 shareholders have contributed a combined total of more than \$1,000 to a non-profit
8 corporation controlled by an elected official with direct purview over the design
9 and/or award of such contracts; or
- 10 3. A prohibition on companies submitting bids for public contracts, if within the prior 1-2
11 years, the company, its subsidiaries, subcontractors, officers, directors, or principal
12 shareholders have contributed a combined total of more than \$10,000 to the
13 following:
- 14 a) all candidates for public office with direct purview over the design and/or
15 award of such contracts;
16 b) independent expenditure campaigns for or against such candidates; or
17 c) registered lobbyists who makes such contributions;
- 18 4. A prohibition on campaign contributions by a company with a public contract, or its
19 subsidiaries or subcontractors, to a candidate for local office who had direct purview
20 over the design and/or award of the contract during the term of the public contract
21 and/or for a 2 year period after contract award, whichever is shorter;
- 22 5. A prohibition on campaign contributions totaling more than \$1,000 by the officers,
23 directors, or principal shareholders of a company with a public contract, or its
24 subsidiaries or subcontractors, to a candidate for local office who had direct purview
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1 over the design and/or award of the contract during the term of a public contract
2 and/or for a 2 year period after contract award, whichever is shorter; and/or

- 3 6. A bid preference for companies submitting bids for public contracts, if within the prior
4 1-2 years, the company, its subsidiaries, officers, directors, nor principal
5 shareholders have contributed a combined total of more than \$1,000 to the
6 following: a) a candidate for local office with direct purview over the design and/or
7 award of such contracts, b) an independent expenditure campaign for or against
8 such a candidate, c) a non-profit corporation controlled by an elected official, and/or
9 d) a registered lobbyist who makes such contributions; or
- 10 7. Other similar measures to prevent the appearance of corruption during the award of
11 contracts involving public money or property; and be it

12 FURTHER RESOLVED, That the Board of Supervisors urges the Ethics Commission to
13 consider expanded disclosure requirements for candidate, independent expenditure, and non-
14 candidate committees, including, but not limited to:

- 15 1. Expanded disclosure requirements for independent expenditure campaigns and
16 non-candidate controlled committees (e.g., a listing of top donors and amounts
17 donated printed on literature and provided in commercials); and
- 18 2. Measures to provide voters with summaries of campaign fundraising activity (e.g.,
19 along with absentee ballots and at polling places), including candidate fundraising
20 totals, fundraising by independent expenditure committees for or against candidates
21 for public office (including a list of the top 20 donors and amounts donated) and
22 fundraising by campaigns for or against ballot measures (including a list of the top
23 20 donors and amounts donated); and be it
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FURTHER RESOLVED, That ~~the Board of Supervisors hereby urges~~ the San Francisco Ethics Commission shall ~~to submit~~ such proposed campaign reform measures as it deems Board of Supervisors for consideration necessary to the ~~voters for their consideration at the March 2000 primary election~~; and be it

FURTHER RESOLVED, That the Board of Supervisors urges the San Francisco Ethics Commission to study and recommend to the Board of Supervisors means by which the City and County of San Francisco can provide candidates for local office with cost-effective direct access to the voters, including, but not limited to, increased and/or unrestricted space in the voter's handbook, provision of free and/or subsidized web pages accessible through the Department of Elections web page, City-organized campaign forums co-sponsored by non-partisan organizations, and increased access to the cable Government Channel.



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails

Resolution

File Number: 991881

Date Passed:

Resolution urging the San Francisco Ethics Commission to study and hold public hearings on public financing of candidate campaigns for local elective office and other measures designed to curb the influence of special-interest contributions on public policy and administration; to consider specific components of a public financing measure; to consider other campaign finance reforms designed to reduce the influence of campaign contributions on the design and/or award of public contracts; to consider expanded disclosure requirements for candidate, independent expenditure, and non-candidate controlled committees; to submit such proposed campaign reform measures as it deems necessary to the Board of Supervisors for their consideration; and to study and recommend to the Board of Supervisors methods by which the City and County can provide candidates for public office with cost-effective, direct access to voters.

November 1, 1999 Board of Supervisors — AMENDED

Ayes: 8 - Becerril, Bierman, Katz, Kaufman, Newsom, Teng, Yaki, Yee

Noes: 3 - Ammiano, Brown, Leno

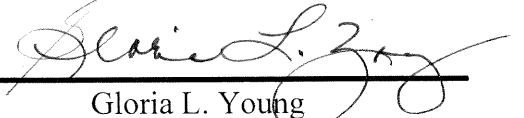
November 1, 1999 Board of Supervisors — ADOPTED AS AMENDED

Ayes: 8 - Ammiano, Bierman, Katz, Leno, Newsom, Teng, Yaki, Yee

Noes: 3 - Becerril, Brown, Kaufman

File No. 991881

I hereby certify that the foregoing Resolution was **ADOPTED AS AMENDED** on November 1, 1999 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

Date Approved

Mayor Willie L. Brown Jr.

Date: November 15, 1999

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter.



Clerk of the Board

File No.
991881