San Francisco Ethics Commission

25 Van Ness Avenue, STE 220
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September 26, 2025

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

Re: Ethics Commission Comment on File #250928 Regarding Trustee Election Disclosure Requirements

Dear Members of the Board of Supervisors:

The San Francisco Ethics Commission is pleased to comment on the introduction of legislation regarding changes to the City's trustee election disclosure requirements (File #250928).

On June 13, 2025, Ethics Commission staff presented findings and recommended that the campaign reporting requirements currently imposed on candidates for the Health Service Board, Retirement Board, and Retiree Health Care Trust Fund Board be discontinued. At that meeting, the Commission voted to authorize the Chair and the Executive Director to send the attached letter to the Board of Supervisors requesting the Board introduce and enact legislation to implement this change.

On September 9, 2025, President Mandelman introduced an ordinance (File No. 250928) to enact the Commission's recommendation. The ordinance would eliminate the disclosure and reporting requirements for candidates seeking election to the Retirement Board, Health Service Board, and Retiree Health Care Trust Fund Board and third-party disclosure requirements for persons or entities making independent expenditures to support or oppose such candidates. As described in the attached letter and the June report, the Commission finds these disclosures to be unnecessary, overly strict, and burdensome for volunteer trustees.

The Ethics Commission appreciates the Board of Supervisor's action on this matter and continued consideration of this ordinance. Ethics Commission staff remain available to answer questions or otherwise assist the Board of Supervisors on this legislation as desired. If you have questions about this ordinance, please contact me (Michael.A.Canning@sfgov.org) or Executive Director Ford (Patrick.Ford@sfgov.org).

Sincerely,

Michael Canning

Michael Canning
Policy & Legislative Affairs Manager

Attachment Included

CC: Patrick Ford, Executive Director

ATTACHMENT 1

San Francisco
Ethics Commission

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July 14, 2025

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

Re: Ethics Commission Recommending Changes to Trustee Election Disclosures

Dear Members of the Board of Supervisors:

The San Francisco Ethics Commission recommends that the Board of Supervisors enact legislation that would discontinue the campaign reporting requirements of candidates for the Retirement Board, Health Service Board, and Retiree Health Care Trust Fund Board. The Commission has found these requirements to be unnecessary, overly strict, and administratively burdensome and does not believe they add sufficient value to the City to justify their continued existence.

This recommendation stems 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. This program evaluation included soliciting feedback from the regulated community, members of the public, and other stakeholders.

Most of the recommendations emerging from this project involve changes to San Francisco's Campaign and Governmental Conduct Code and will thus require joint approval by the Board of Supervisors and the Ethics Commission. Commission staff will be reaching out to the Board soon to engage on those changes. However, the rules regarding the trustee election disclosure requirements are contained within the Administrative Code,[1] which is outside of the Ethics Commission's legislative authority. Thus, these changes require action solely from the Board of Supervisors.

On June 13, 2025, the Ethics Commission voted to authorize the Chair and the Executive Director to send this letter to the Board to formally make this legislative recommendation. At that meeting, Ethics Commission staff presented this recommendation, along with several others, under Agenda Item 7. The portion of the associated staff memo regarding the trustee election disclosure requirements is provided as **Attachment 1** to this letter.

A brief overview of the current program, the Commission's findings, and proposed recommendations are included below.

History of Trustee Election Disclosure Requirements

In 2018, the Administrative Code was amended to establish a uniform set of registration, disclosure, and termination filings for both candidates and third-party spenders in elections to the Health Service Board, Retirement Board, and Retiree Health Care Trust Fund Board. These trustee elections are

[1] Administrative Code Sections 16.553-1, 16.553-2, 16.553-3, and 16.553-4.

administered by the Department of Elections but are not open to the public and candidates for these seats are not considered candidates under State and local law. Although the disclosure program was created following a 2017 Retiree Health Care Trust Fund Board in which third-party spending was prevalent, in general there is little or no spending in these races.

Current Requirements are Unnecessary, Overly Strict, and Burdensome

The current program provides little public benefit, as these elections do not typically have candidates that raise or spend any money, and the poor program structure creates undue burdens on candidates and City officials.

- Since the program was implemented, there has been virtually no financial activity reported. Since 2018, there have been a total of **just seven candidates who have registered and filed disclosures with the Ethics Commission** – of those seven, **only one candidate has ever disclosed raising funds**. The **total amount raised was $78.60**, which is below the $100 threshold that requires contributor itemization on a campaign statement. No third-party spending has been reported during this time.
- The existing disclosure requirements are overly strict on trustee candidates, with the requirements being more stringent than those followed by candidates for City elective office. The current program requires these trustee candidates to establish a bank account regardless of whether they anticipate raising or spending any money. These requirements create a barrier to entry and discourage participation by potential candidates, who are typically City employees and retirees interested in how their benefits are managed.
- There are also unnecessary support costs borne by the Ethics Commission and the trustee bodies regarding the implementation of these rules, as they must coordinate to assist candidates and otherwise administer these trustee elections.

The public demands and deserves government agencies that are focused on using public resources in ways that are effective, efficient, and adding value to their lives. Discontinuing these unnecessary, overly strict, and burdensome reporting requirements will help encourage more people to run for trustee positions and enable Ethics Commission staff to focus more on the Commission's core functions that serve to promote the highest standards of integrity in City government.

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

Sincerely,

/s/ Argemira Flórez Feng

Argemira Flórez Feng
Chair
San Francisco Ethics Commission

Patrick Ford
Executive Director
San Francisco Ethics Commission