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Committee Item No		*
Board Item No	3	
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# COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee:	Rules	Da	e	9/19/11
Board of Su	pervisors Meeting	Dat	.e	9/27/1
Cmte Boa	rd			
	Motion		•	
	Resolution	-	:	
	Ordinance			
	Legislative Digest			
	Budget Analyst Report			
	Legislative Analyst Report		•	
	Youth Commission Report		* .	
	Introduction Form (for hearings	s)		
	Department/Agency Cover Lett MOU	er and/or l	Report	
님 님	Grant Information Form			
	Grant Budget			
HH	Subcontract Budget			
H H	Contract/Agreement			
H	Award Letter		•	
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Completed b	y: <u>Linda Wong</u>	Date 9/16	8/11	
Completed b	y: <u>Σ</u> .ω	Date 9/1	7/11	

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

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[Campaign and Governmental Conduct Code - Capping the Amount of Public Matching Funds.]

Ordinance amending the San Francisco Campaign and Governmental Conduct Code Section 1.144 to cap the amount of public matching funds.

Note:

Additions are <u>single-underline italics Times New Roman</u>; deletions are <u>strikethrough italics Times New Roman</u>. Board amendment additions are <u>double underlined</u>. Board amendment deletions are <u>strikethrough normal</u>.

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

Section 1. The San Francisco Campaign & Governmental Conduct Code is hereby amended by amending Sections 1.144 to read as follows:

## SEC. 1.144. DISBURSEMENT OF PUBLIC FUNDS.

- (a) PAYMENT BY CONTROLLER. Upon certifying that a candidate is eligible to receive public financing under this Chapter, the Executive Director shall forward the certification to the Controller, and the Controller shall disburse payments to the candidate from the Election Campaign Fund in accordance with the certification and this Section.
- (b) TIME OF PAYMENTS. The Controller shall not make any payments under this Chapter to any candidate more than nine months before the date of the election. Payments from the Controller shall be disbursed to eligible candidates within two business days of the Controller receiving notification from the Ethics Commission regarding the amount of the disbursement, except that within fifteen calendar days before the election, such payments shall be made within one business day.
- (c) PAYMENTS FOR ELECTION EXPENSES TO CANDIDATES FOR MAYOR.
- (1) Until the Per Candidate Available Disbursement Limit has been determined, eCandidates for Mayor whom the Ethics Commission has certified as eligible to receive public financing for

their election campaigns will have access to up to  $\underline{a}$  maximum per candidate of \$900,000 in funds from the Election Campaign Fund on a first come, first served basis according to the formula set forth in Subsection (c)(32) of this Section.

(2) Once the Per Candidate Available Disbursement Limit has been determined, candidates for Mayor whom the Ethics Commission has certified as eligible to receive public financing for their election campaigns shall have access to funds from the Election Campaign Fund as follows:

(A) If the Executive Director determines that the Per Candidate Available Disbursement Limit is greater than \$900,000, each participating candidate shall have access to the amount of the Per Candidate Available Disbursement Limit, subject to the limitations set forth under Subsection (c)(3)(D) and (e)(3)(E) of this Section.

(B) If the Executive Director determines the Per Candidate Available Disbursement Limit is less than or equal to \$900,000, participating candidates shall have access to funds from the Election Campaign Fund on a first come, first served basis up to a maximum per candidate of \$900,000.

- (32) A candidate for Mayor who is certified as eligible to receive public financing under this Chapter shall receive payments for eligible matching contributions according to the following formula:
- (A) Upon qualification the candidate shall receive a one-time payment of \$50,000 from the Election Campaign Fund.
- (B) After the initial payment under Subsection (c)(32)(A), for the first \$100,000 in matching contributions raised by the candidate, the candidate shall receive four dollars from the Election Campaign Fund for each dollar raised.
- (C) After the payments under Subsection (c)(32)(B), for the next \$450,000 in matching contributions raised by the candidate, the candidate shall receive one dollar from the Election Campaign Fund for each dollar raised.

- (D) The maximum amount of public funds a mayoral candidate may receive is \$900,000., unless the candidate's Individual Expenditure Ceiling is adjusted according to the rules set forth under Section 1.143.
- (E) If the Per Candidate Available Disbursement Limit has been determined to be an amount greater than \$900,000, a candidate who has already received at least \$900,000 in disbursements from the City shall continue to be eligible to receive public funds from the City at the rate of one dollar for each dollar of a matching contribution raised up to the Per Candidate Available Disbursement Limit, provided that no funds shall be disbursed if disbursement of the funds would result in the candidate exceeding his or her Trust Account Limit.
- (d) PAYMENTS FOR ELECTION EXPENSES TO CANDIDATES FOR THE BOARD OF SUPERVISORS.
- (1) Until the Per Candidate Available Disbursement Limit has been determined, eC andidates for the Board of Supervisors whom the Ethics Commission has certified as eligible to receive public financing for their election campaigns will have access to up to a maximum per candidate of \$89,000 in funds from the Election Campaign Fund on a first come, first served basis according to the formula set forth in Subsection (d)(32) of this Section.
- (2) Once the Per Candidate Available Disbursement Limit has been determined, candidates for the Board of Supervisors whom the Ethics Commission has certified as eligible to receive public financing for their election campaigns shall have access to funds from the Election Campaign Fund as follows:

  (A) If the Executive Director determines that the Per Candidate Available Disbursement Limit is greater than \$89,000, each participating candidate shall have access to the amount of the Per Candidate Available Disbursement Limit, subject to the limitations set forth under Subsection (d)(3)(D) and (d)(3)(E) of this Section.

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- (B) If the Executive Director determines the Per Candidate Available Disbursement Limit is less than or equal to \$89,000, participating candidates shall have access to funds from the Election Campaign Fund on a first come, first served basis up to a maximum per candidate of \$89,000.
- (32) A candidate for the Board of Supervisors who is certified as eligible to receive public financing under this Chapter shall receive payments for eligible matching contributions according to the following formula:
- (A) Upon qualification the candidate shall receive a one-time payment of \$10,000 from the Election Campaign Fund.
- (B) After the initial payment under Subsection (d)(32)(A), for the first \$10,000 in matching contributions raised by the candidate, the candidate shall receive four dollars from the Election Campaign Fund for each dollar raised.
- (C) After the payments under Subsection (d)(32)(B), for the next \$39,000 in matching contributions raised by the candidate, the candidate shall receive one dollar from the Election Campaign Fund for each dollar raised.
- (D) The maximum amount of public funds a candidate for the Board of Supervisors may receive is \$89,000. \*\*, unless the candidate's Individual Expenditure Ceiling is adjusted according to the rules set forth under Section 1.143.
- (E) If the Per Candidate Available Disbursement Limit has been determined to be an amount greater than \$89,000, a candidate who has already received at least \$89,000 in disbursements from the City shall continue to be eligible to receive public funds from the City at the rate of one dollar for each dollar of a matching contribution raised up to the Per Candidate Disbursement Limit, provided that no funds shall be disbursed if disbursement of the funds would result in the candidate exceeding his or her Trust Account Limit.

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Fund by the number of qualified candidates. This number shall be deemed the Per Candidate Available Disbursement Limit. For the purposes of this section, the total amount of non-administrative funds in the Election Campaign Fund shall be the total amount of funds that existed in the Fund nine months before the date of election plus any funds deposited into the Fund between that date and the 59th day before the election minus any funds necessary to cover the administrative costs associated with implementing the public financing program for the next election. If there are candidates who have submitted a Declaration of Qualification but whose eligibility has not been determined as of the 59th day before the election, the Executive Director shall assume that they are qualified for the purposes of determining the Per Candidate Available Disbursement Limit. The Per Candidate Available Disbursement Limit shall be revised upward according to the formula above if and when it is determined that the candidate or candidates in question did not qualify to receive public financing. Immediately upon calculating the Per Candidate Available Disbursement Limit, the Executive Director shall inform the Controller of the initial determination of the Per Candidate Available Disbursement

(e) PER CANDIDATE AVAILABLE DISBURSEMENT LIMIT. On the 59th day before the election, the

Executive Director shall divide the total amount of non-administrative funds in the Election Campaign

Limit. Thereafter, the Executive Director shall immediately inform the Controller of any subsequent changes in the Per Candidate Available Disbursement Limit due to a determination that a candidate has not qualified to receive public financing.

(fe) SUBMISSION OF CLAIMS FOR PUBLIC FUNDS. The Ethics Commission shall determine the information needed to submit a claim for payment of public funds. The Executive Director shall certify each request for payment of public funds within four business days of the request, except that within 14 calendar days before the election, when the certification of a request for public funds shall be made within two business days of the

request. No candidate may submit a claim for public funds if the candidate has any such claims pending with the Ethics Commission. For candidates for Mayor, any submission of a claim for public funds must include a minimum of \$5,000 of matching contributions; provided that in the 14 calendar days preceding an election, a claim must include a minimum of \$1,000 of matching contributions. For candidates for the Board of Supervisors, any submission of a claim for public funds must include a minimum of \$1,000 of matching contributions; provided that in the 14 calendar days preceding an election, a claim must include a minimum of \$200 of matching contributions. All claims for public funds must be submitted no later than 5:00 p.m. on the 30th day following the date of the election.

(gf) DEPOSIT IN CAMPAIGN CONTRIBUTION TRUST ACCOUNT. A candidate must deposit all payments received from the Election Campaign Fund in his or her candidate committee's Campaign Contribution Trust Account.

APPROVED AS TO FORM: BARBARA J. PARKER, Oakland City Attorney Acting as Special City Attorney, City and County of San Francisco

By: See file for signature
MARK MORODOMI
Deputy City Attorney

## LEGISLATIVE DIGEST

[Campaign and Governmental Conduct Code - Capping the amount of public matching funds]

Ordinance amending sections 1.144 of the Campaign and Governmental Conduct Code, to cap the amount of public matching funds.

### Existing Law

Section 1.144 sets forth the amounts of public matching funds paid to mayoral and supervisorial candidates. Subsections 1.144(c)(1) and (d)(1) set a base public matching amount of \$900,000 for each eligible mayoral candidate and \$89,000 for each eligible supervisorial candidate. Subsections 1.144(c)(2)(D) and (d)(2)(D) allow for additional public matching funding if the Ethics Commission raises the Individual Expenditure Ceiling (the ceiling amount a candidate who participates in the public matching fund program can spend).

# Amendment to Current Law

The proposed amendment to section 1.144 caps the amount of public funding for mayoral candidates at \$900,000 per election and supervisorial candidates at \$89,000 per election. The amendment eliminates any additional public matching funds if the Individual Expenditure Ceiling is raised. Subsections of the section 1.144 related to public funding beyond the \$900,000 and \$89,000 are deleted.

# **Background Information**

The proposal amends the Campaign & Governmental Conduct Code (the "Campaign Finance Reform Ordinance" or "CFRO"). The Campaign Finance Reform Ordinance, which was originally approved by the voters, expressly authorizes amendment by the Board of Supervisors only if:

- 1) the amendment furthers the purposes of the CFRO;
- 2) the amendment is submitted to the Ethics Commission and recommended by its members by a four-fifths vote;
- 3) the legislation is made available for public review for 30 days; and
- 4) the Board of Supervisors adopts the legislation by a two-thirds vote.

See S.F. Campaign and Governmental Conduct Code Sec. 1.103.

The Ethics Commission adopted this proposed legislation by a 4-1 vote at its meeting on July 11, 2011.

#### BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184

Fax No. 554-5184

Fax No. 554-5163

TDD/TTY No. 544-5227

# MEMORANDUM

TO:

**Ethics Commission** 

FROM:

Angela Calvillo, Clerk of the Board

DATE:

July 18, 2011

SUBJECT:

REFERRAL FROM BOARD OF SUPERVISORS

Rules Committee

The Board of Supervisors Rules Committee has received the following proposed ordinance, which is being referred to the Ethics Commission for comment and recommendation.

File: 110718

Ordinance amending the San Francisco Campaign and Governmental Conduct Code Section 1.144 to cap the amount of public matching funds.

Please return this cover sheet with the Commission's response to Linda Wong, Clerk, Rules Committee.

RESPONSE FROM ETHICS COMMISSION - Date: 7/28/1/

No Comment

Recommendation Attached

Chairperson, Ethics Commission

the Ethics Connission

This ordinance was passed by on July 11, 2011,

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[Campaign and Governmental Conduct Code - Capping the Amount of Public Matching Funds.]

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Additions are <u>single-underline italics Times New Roman</u>; deletions are <u>strikethrough italics Times New Roman</u>.

Board amendment additions are <u>double underlined</u>.

Board amendment deletions are <u>strikethrough normal</u>.

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

Section 1. The San Francisco Campaign & Governmental Conduct Code is hereby amended by amending Sections 1.144 to read as follows:

### SEC. 1.144, DISBURSEMENT OF PUBLIC FUNDS.

- (a) PAYMENT BY CONTROLLER. Upon certifying that a candidate is eligible to receive public financing under this Chapter, the Executive Director shall forward the certification to the Controller, and the Controller shall disburse payments to the candidate from the Election Campaign Fund in accordance with the certification and this Section.
- (b) TIME OF PAYMENTS. The Controller shall not make any payments under this Chapter to any candidate more than nine months before the date of the election. Payments from the Controller shall be disbursed to eligible candidates within two business days of the Controller receiving notification from the Ethics Commission regarding the amount of the disbursement, except that within fifteen calendar days before the election, such payments shall be made within one business day.
- (c) PAYMENTS FOR ELECTION EXPENSES TO CANDIDATES FOR MAYOR.
- (1) Until the Per Candidate Available Disbursement Limit has been determined, eCandidates for Mayor whom the Ethics Commission has certified as eligible to receive public financing for

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funds from the Election Campaign Fund on a first come, first served	d b	asis	acco	rdin	gi to	the
formula set forth in Subsection (c)( $32$ ) of this Section.	•				•	· ~ ` ` 7

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  (A) If the Executive Director determines that the Per Candidate Available Disbursement Limit is greater than \$900,000, each participating candidate shall have access to the amount of the Per
- Candidate Available Disbursement Limit, subject to the limitations set forth under Subsection (e)(3)(D) and (e)(3)(E) of this Section.
- (B) If the Executive Director determines the Per Candidate Available Disbursement Limit is less than or equal to \$900,000, participating candidates shall have access to funds from the Election Campaign Fund on a first come, first served basis up to a maximum per candidate of \$900,000.
- (32) A candidate for Mayor who is certified as eligible to receive public financing under this Chapter shall receive payments for eligible matching contributions according to the following formula:
- (A) Upon qualification the candidate shall receive a one-time payment of \$50,000 from the Election Campaign Fund.
- (B) After the initial payment under Subsection (c)(32)(A), for the first \$100,000 in matching contributions raised by the candidate, the candidate shall receive four dollars from the Election Campaign Fund for each dollar raised.
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- (D) The maximum amount of public funds a mayoral candidate may receive is \$900,000.; unless the candidate's Individual Expenditure Ceiling is adjusted according to the rules set forth under Section 1.143.
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(e) PER CANDIDATE AVAILABLE DISBURSEMENT LIMIT. On the 59th day before the election, the Executive Director shall divide the total amount of non-administrative funds in the Election Campaign Fund by the number of qualified candidates. This number shall be deemed the Per Candidate Available Disbursement Limit. For the purposes of this section, the total amount of non-administrative funds in the Election Campaign Fund shall be the total amount of funds that existed in the Fund nine months before the date of election plus any funds deposited into the Fund between that date and the 59th day before the election minus any funds necessary to cover the administrative costs associated with implementing the public financing program for the next election.

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Immediately upon calculating the Per Candidate Available Disbursement Limit, the Executive Director shall inform the Controller of the initial determination of the Per Candidate Available Disbursement Limit. Thereafter, the Executive Director shall immediately inform the Controller of any subsequent changes in the Per Candidate Available Disbursement Limit due to a determination that a candidate has not qualified to receive public financing.

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APPROVED AS TO FORM: BARBARA J. PARKER, Oakland City Attorney Acting as Special City Attorney, City and County of San Francisco

By: See file for signature

MARK MORODOMI

Deputy City Attorney

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See S.F. Campaign and Governmental Conduct Code Sec. 1.103.

The Ethics Commission adopted this proposed legislation by a 4-1 vote at its meeting on July 11, 2011.