File No	130374	Committee Item No	5
		Board Item No.	

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee:	Government Audit and Oversight	D:	ate <u>February 27</u>	2014
	pervisors Meeting		ate	, 2014_
CMTE BOAF	•			·
	Motion Resolution Ordinance Legislative Digest Budget and Legislative Analyst Youth Commission Report Introduction Form Department/Agency Cover Lette MOU Grant Information Form Grant Budget Subcontract Budget Contract/Agreement Form 126 – Ethics Commission Award Letter Application Public Correspondence	·	Report	
OTHER	(Use back side if additional space	e is nee	eded)	
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Supervisor Chiu
BOARD OF SUPERVISORS

[Campaign and Governmental Conduct Code - Lobbying Regulations]

Ordinance amending the Campaign and Governmental Conduct Code to expand the definition of a lobbyist; expand the list of reportable lobbying contacts; enhance lobbyist training, auditing, and record-keeping requirements; require public reports about city officials who fail to file statements of economic interest; require a public guide to local campaign finance laws; require permit consultants to register with the Ethics Commission and file regular disclosure reports; and require major developers to disclose donations to nonprofits active in the City.

NOTE:

Additions are <u>single-underline italics Times New Roman</u>; deletions are <u>strike-through 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 Campaign and Governmental Conduct Code is hereby amended by amending Sections 2.105, 2.116, and 2.135, to read as follows:

SEC. 2.105. DEFINITIONS.

Whenever used in this Chapter, the following words and phrases shall have the definitions provided in this Section:

(a) "Activity expenses" means any expense incurred or payment made by a lobbyist or a lobbyist's client at the behest of the lobbyist, or arranged by a lobbyist or a lobbyist's client at the behest of the lobbyist, which benefits in whole or in part any: officer of the City and County; candidate for City and County office; aide to a member of the Board of Supervisors; or member of the immediate family or the registered domestic partner of an

officer, candidate, or aide to a member of the Board of Supervisors. An expense or payment is not an "activity expense" unless it is incurred or made within three months of a contact with the officer, candidate, or Supervisor's aide who benefits from the expense or payment, or whose immediate family member or registered domestic partner benefits from the expense or payment. "Activity expenses" include honoraria, consulting fees, salaries, and any other thing *number for the permit; and*

(D) The client on whose behalf the contact was made.

(3) All political contributions of \$100 or more made by the permit consultant or the permit consultant's employer during the reporting period to an officer of the City and County, a candidate for such office, a committee controlled by such officer or candidate, a committee primarily formed to support or oppose such officer or candidate, or any committee primarily formed to support or oppose a ballot measure to be voted on only in San Francisco.

Supervisor Chiu
BOARD OF SUPERVISORS

Page 11 4/23/2013

- (C) A person performing a duty or service that can be performed only by *an attorney*, an architect, or a professional engineer licensed to practice in the State of California,
- (D) including any communication by aAn attorney communicating on behalf of a party or potential party in connection with potential or actual litigation involving the City and County or a claim filed pursuant to Administrative Code Section 10.20-1 et seq.;
- $(\underbrace{\mathcal{D}\underline{E}})$ A person making a speech or producing any publication or other material that is distributed and made available to the public, through radio, television, cable television, or other medium of mass communication;
- $(\underline{\mathit{EF}})$ A person providing written information in response to an oral or written request made by an officer of the City and County, provided that the written information is a public record available for public review;
- (FG) A person providing oral or written information pursuant to a subpoena, or otherwise compelled by law or regulation;
- (G) A person providing oral or written information in response to a request for proposals, request for qualifications, or other similar request, provided that the information is directed to the department or official specifically designated in the request to receive such information;
- (H) A person submitting a written petition for local legislative or administrative action, provided that the petition is a public record available for public review;
- (I) A person making an oral or written request for a meeting, or any other similar administrative request, if the request does not include an attempt to influence local legislative or administrative action;
- (J) A person appearing before an officer of the City and County pursuant to any procedure established by law or regulation for levying an assessment against real property for the construction or maintenance of an improvement;

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"Developer" shall mean any entity responsible for developing the project.

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"Donation" shall mean any gift of money, property, goods or services.

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Supervisor Chiu
BOARD OF SUPERVISORS

Page 12 4/23/2013

Supervisor Chiu

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petition, nomination, ordinance, amendment, approval, referral, permit, license, entitlement to use or contract.

- ($j\underline{k}$) "Measure" shall have the same meaning as set forth in Section 1.104 of this Code.
- (½) "Officer of the City and County" means any officer identified in San Francisco

 Administrative Code Section 1.50 Section 3.203 of this Code, as well as any official body composed of such officers. In addition, for purposes of this Chapter, "officer of the City and County" includes (1) members of the Board of Education, Community College Board, Housing Authority, Redevelopment Agency, and Transportation Authority, as well as any official body composed of such officers, (2) The Zoning Administrator, (3) the City Engineer, (4) the County Surveyor, and (5) the Bureau Chief of the Department of Public Works' Bureau of Street Use and Mapping.
- $(l\underline{m})$ "Person" means an individual, partnership, corporation, association, firm, labor union or other organization or entity, however organized.
 - (mn) "Public hearing" means any open, noticed proceeding.

SEC. 2.116. LOBBYIST TRAINING.

_____(a) Each lobbyist must complete a lobbyist training session offered by the Ethics Commission within one year of the lobbyist's initial registration. Thereafter, lobbyists shall attend additional training sessions as required by the Executive Director, at his or her discretion.

(b) The Ethics Commission shall make lobbyist training sessions available on its website

Existing Law

The Campaign and Governmental Code ("C&GCC") requires individuals who lobby City officers and certain managerial employees to register with the Ethics Commission, complete a lobbyist training session, file regular reports about their lobbying activity, and maintain records substantiating their reports. It also requires designated City officials to file Statements of Economic Interest with the Ethics Commission.

Current law does not require reporting about permit expediting if it involves contacts with City employees, as opposed to officers. It also does not require developers who are seeking City approvals for projects to disclose donations to non-profits that are active in the City.

SEC. 2.135. FILING UNDER PENALTY OF PERJURY; RETENTION OF DOCUMENTS, *AUDITS*.

(a) All information required under this Chapter shall be submitted to the Ethics Commission, in the format designated by the Commission. The lobbyist shall verify, under penalty of perjury, the accuracy and completeness of the information provided under this Chapter.

(c) On an annual basis, the Executive Director shall initiate audits of one or more lobbyists selected at random. At the request of the Executive Director, the Controller may assist in conducting these audits. This requirement shall not restrict the authority of the Executive Director or the Ethics Commission to undertake any other audits or investigations of a lobbyist authorized by law or regulation.

Section 2. The Campaign and Governmental Conduct Code is beroby amanded

பெற்கு அத்தின் இதற்கு கூறுக்க விக்கிய Iobbyists.

Public Report of City Officials Who Fail to File Form 700s (C&GCC § 3-1.103)
Elected officials, other department heads, and members of most decision-making City Boards and Commissions are required to file Form 700 Statements of Economic Interest with the Ethics Commission by April 1st of each year.

Public Guide for Contributors

Current law does not require the Ethics Commission to publish a guide about local law regarding campaign contributions.

Permit Consultants (C&GCC §§ 3.400-3.410)

Permit-related lobbying is subject to the Lobbyist Ordinance only if it involves communication with a City officer, the Zaping Administratory is a City officer.

file an annual statement with that filing officer under this Chapter but have failed to do so, or a report stating that all such persons have filed.

(b) On or before April 10th of each year, the Ethics Commission shall prepare a report setting forth the names of those persons who are required to file an annual statement with the Ethics

Commission under this Chapter but have failed to do so, or a report stating that all such persons have filed. On or before May 10th of each year, the Ethics Commission shall prepare a supplemental report setting forth the names of any persons who are required to file an annual statement with the Ethics

Commission under this Chapter but have failed to do so by May 1st, or a report stating that all such persons have filed. The Ethics Commission shall make these reports publicly available, including by posting the reports on its website.

Section 3. The Campaign and Governmental Conduct Code is hereby amended by adding Section 3.302 to read as follows:

SEC. 3.302. PUBLIC GUIDE FOR CONTRIBUTORS.

The Ethics Commission shall prepare and distribute a public guide regarding campaign contributions. The guide shall include a summary of local law regarding contribution limits, required reporting by contributors and committees, and rules regarding who may contribute to committees. The guide shall be for informational purposes only, and shall not have the force or effect of law or

1	"Client" means the person for whom permit consulting services are performed by a permit			
, 2	consultant.			
3	"Permit consultant" is any individual who receives or is promised compensation to provide			
4	permit consulting services. This includes any employee who receives salary attributable to time spent			
5	on permit consulting services. This does not include:			
6	(1) The licensed architect or engineer of record for construction activity allowed or			
7.	contemplated by the permit, or an employee of the architect or engineer; or			
8	(2) The contractor who will be responsible for all construction activity associated with			
9	the requested permit.			
10	"Permit consulting services" means any contact with the Department of Building Inspection.			
11	the Entertainment Commission, the Planning Department, or the Department of Public Works to help a			
· 12	permit applicant obtain a permit.			
13				
14	SEC. 3.410. PERMIT CONSULTANT REGISTRATION AND DISCLOSURES.			
15	(a) REGISTRATION OF PERMIT CONSULTANTS REQUIRED. Permit consultants shall			
16				
17	Chapter. Such registration shall occur no later than five business days after providing permit			
18	consulting services, but the permit consultant shall register prior to providing any further permit			
19	consulting services.			
20	(h) REGISTRATION At the time of initial majetus:			
\boxtimes	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 inquires"			
	5. City Attorney request.			
	6. Call File No. from Committee.			
	7. Budget Analyst request (attach written motion).			
	8. Substitute Legislation File No.			

"Nonprofit organization" shall mean any corporation formed pursuant to California

Corporations Code Sections 5000 et seq. for any public or charitable purpose, and/or any organization described within 26 United States Code Section 501(c), that within the past two years has attempted to influence City legislative or administrative action.

SEC 3.520. REQUIRED DISCLOSURE

(a) Any developer of a project for which the Planning Commission has certified an
Environmental Impact Report shall, within 30 days of the date of certification, report the following
information to the Ethics Commission:
(1) The developer's name, business address, e-mail address and business telephone
number.
(2) The Environmental Impact Report case number and a description of the project.
(3) The date the Planning Commission certified the Environmental Impact Report.
(4) The name, business address, business telephone number and website of any
nonprofit organization to whom the developer has made cumulative donations of \$5,000 or more since
the date one year before the application for environmental review of the project was filed with the
Planning Department.
(5) For each nonprofit organization reported persuant to Subsection (a)(4), the date and
amount of each donation the developer made to the nonprofit during the reporting period.
(6) Any other information required by the Ethics Commission consistent with the
purposes and provisions of this Chapter.
(b) After a developer files a report required by Subsection (a), the developer shall file four
quarterly reports, according to the following schedule: The developer shall file a report on April 15 for
the period starting January 1 and ending March 31: on July 15 for the period starting April 1 and

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

By: 100

Moffie Lee Deputy City Attorney

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LEGISLATIVE DIGEST

[Campaign and Governmental Conduct Code - Lobbying Regulations]

Ordinance amending the Campaign and Governmental Conduct Code to 1) expand the definition of a lobbyist; 2) expand the list of reportable lobbying contacts; 3) enhance lobbyist training, auditing, and record-keeping requirements; 4) require public reports about City Officials who fail to file Statements of Economic Interest; 5) require a public guide to local campaign finance laws; 6) require permit consultants to register with the Ethics Commission and file regular disclosure reports; and 7) require major developers to disclose donations to nonprofits active in the City.

Existing Law

The Campaign and Governmental Code ("C&GCC") requires individuals who lobby City officers and certain managerial employees to register with the Ethics Commission, complete a lobbyist training session, file regular reports about their lobbying activity, and maintain records substantiating their reports. It also requires designated City officials to file Statements of Economic Interest with the Ethics Commission.

Current law does not require reporting about permit expediting if it involves contacts with City employees, as opposed to officers. It also does not require developers who are seeking City approvals for projects to disclose donations to non-profits that are active in the City.

Specific provisions that would be amended by the proposed ordinance are summarized below.

Definition of a "lobbyist" (C&GCC § 2.105)

A lobbyist is defined as anyone who makes lobbying contacts and receives \$3,000 or more within three months for lobbyist services.

Attorney exemption (C&GCC § 2.105)

Communications by a licensed attorney, who is acting in that capacity, are exempt from the definition of lobbying contacts and are not subject to reporting requirements.

Contract exemptions (C&GCC § 2.105)

Communications in connection with bidding on contracts with the City, negotiating the terms of a contract, or the administration of a contract, are exempt from the definition of lobbying contacts and are not subject to reporting requirements. This exemption applies regardless of whether the communication is by the contractor or a third party.

Lobbyist training (C&GCC §§ 2.116)

Lobbyists are required to complete a training session offered by Ethics within one year of registering as a lobbyist.

Audits and recordkeeping (C&GCC § 2.135)

Lobbyists are required to retain for five years all documents necessary to substantiate the registration and disclosure reports filed with Ethics. Current law does not require auditing of lobbyists.

Public Report of City Officials Who Fail to File Form 700s (C&GCC § 3-1.103)

Elected officials, other department heads, and members of most decision-making City Boards and Commissions are required to file Form 700 Statements of Economic Interest with the Ethics Commission by April 1st of each year.

Public Guide for Contributors

Current law does not require the Ethics Commission to publish a guide about local law regarding campaign contributions.

Permit Consultants (C&GCC §§ 3.400-3.410)

Permit-related lobbying is subject to the Lobbyist Ordinance only if it involves communication with a City officer, the Zoning Administrator, the City Engineer, the County Surveyor, or the Bureau Chief of the Department of Public Works' Bureau of Street Use and Mapping. It is not subject to regulation or disclosure if it involves communication with other City employees.

Developer Disclosures

Current law does not require developers of major City projects to disclose donations to nonprofit organizations.

Amendments to Current Law

The proposal would amend the Campaign and Governmental Conduct Code as follows:

Definition of a "lobbyist" (C&GCC § 2.105)

The ordinance would expand the definition of lobbyist, and distinguish between outside consultants and employees. For outside consultants, "lobbyist" would be defined as a person who makes one or more contacts for any level of consideration. For employees making contacts on behalf of their employers, "lobbyist" would be defined as anyone who makes lobbying contacts and receives more than \$1,000 in a single month attributable to time spent on lobbyist services.

Attorney exemption (C&GCC § 2.105)

The ordinance would limit the attorney exemption to communications related to potential or actual litigation.

Contract exemptions (C&GCC §§ 2.105)

The ordinance would limit the contract exemptions to communications by the contractor, or its officers, employees or subcontractors. Communications by outside consultants and independent contractors in connection with bidding on contracts, negotiating the terms of a contract, or the administration of a contracts, would no longer be exempt from the definition of a contact.

Lobbyist training (C&GCC §§ 2.116)

The ordinance would require the Ethics Commission to make lobbyist training available online and require lobbyists to file statements certifying that they completed the training.

Audits and recordkeeping (C&GCC § 2.135)

The ordinance would require lobbyists to retain for auditing any invitations the lobbyist sends to political fundraisers for City officers, candidates, and ballot measures. It would also require the Executive Director to conduct a random audit of at least one lobbyist per year.

Public Report of City Officials Who Fail to File Form 700s (C&GCC § 3-1.104)

The ordinance would require the Ethics Commission to post on its website by April 10th of each year a report listing City officials who failed to file Form 700s by the April 1st deadline. It would also require a supplemental report by May 10th of each year.

Public Guide to Contributors (new C&GCC § 3.302)

The ordinance would require the Ethics Commission to publish a guide for campaign contributors describing local law regarding contribution limits, reporting requirements, and rules regarding who may contribute to committees.

Permit Consultants (C&GCC §§ 3.400-3.410)

The ordinance would require permit consultants (aka permit expediters) to register with the Ethics Commission and file regular reports about their permit-related contacts with officers or employees in the Department of Building Inspection, the Entertainment Commission, the Planning Department, or the Department of Public Works.

Developer Disclosures (C&GCC §§ 3.500-3.520)

The ordinance would require developers of major City projects to disclose certain nonprofit donations to the Ethics Commission. Any developer of a project for which the Planning Commission certifies an Environmental Impact Report would be required to report donations of \$5,000 or more made during the reporting period to nonprofits active within the City.

President, District 3 BOARD of SUPERVISORS



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Tel. No. 554-7450
Fax No. 554-7454
TDD/TTY No. 544-5227

DAVID CHIU

邱信福 市参事會主席

		PRESIDENT	IAL ACTION	Control of Special of Special Specia Specia Specia Specia Specia Specia Specia Specia Specia Specia Sp	
Date:	2/20/2014				200
To:	Angela Calv	villo, Clerk of the H	Board of Supervisors		
Madam Cle Pursuant to	,	s, I am hereby:		2: 1	SYOSIA SYOSIA
	Waiving 30-	-Day Rule (Board Rule	e No. 3.23)	a.	-
. •	File No.		(Duimous Sanos		
-	Title.		(Primary Spons	or),	
X	Transferring	g (Board Rule No. 3.3)			
	File No.	130374	Chiu (Primary Spons)	or)	
	Title. Lo	bbying Regulation	S		
	From:	Rules		Committee	
	To:	Government Aud	lit & Oversight	Committee	
	Assigning T	emporary Commit	tee Appointment (Bo	oard Rule No. 3.1)	
	Superviso	or	·		
	Replacing	g Supervisor	· · · · · · · · · · · · · · · · · · ·		
	For:	<u> </u>			_ Meeting
		(Date)	(Committee) .	

David Chiu, President Board of Supervisors Print Form

Introduction Form

By a Member of the Board of Supervisors or the Mayor

I hereby submit the following item for introduction (select only one):	or meeting date		
□ 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	inquires"		
☐ 5. City Attorney request.			
6. Call File No. from Committee.			
7. Budget Analyst request (attach written motion).			
8. Substitute Legislation File No.			
9. Request for Closed Session (attach written motion).			
☐ 10. Board to Sit as A Committee of the Whole.			
11. Question(s) submitted for Mayoral Appearance before the BOS on			
Please check the appropriate boxes. The proposed legislation should be forwarded to the following	owing:		
☐ Small Business Commission ☐ Youth Commission ☒ Ethics Commission			
☐ Planning Commission ☐ Building Inspection Commis	ssion		
Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperat	ive		
Sponsor(s):			
Supervisor Chiu, City Attorney			
Subject:			
Lobbying Regulations			
The text is listed below or attached:			
See attached.			
- A/	,		
Signature of Sponsoring Supervisor:			

For Clerk's Use Only:

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