

1 [Campaign and Governmental Conduct Code - Prohibiting Candidate-Controlled General
2 Purpose Committees]

3 **Ordinance amending the Campaign and Governmental Conduct Code to prohibit City**
4 **elected officials from establishing candidate-controlled general purpose committees.**

5 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
6 **Additions to Codes** are in *single-underline italics Times New Roman font*.
7 **Deletions to Codes** are in ~~*strikethrough italics Times New Roman font*~~.
8 **Board amendment additions** are in double-underlined Arial font.
9 **Board amendment deletions** are in ~~strikethrough Arial font~~.
10 **Asterisks (* * * *)** indicate the omission of unchanged Code
11 subsections or parts of tables.

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

13 Section 1. The Campaign and Governmental Conduct Code is hereby amended by
14 revising Sections 1.104 and 1.122, to read as follows:

15 **SEC. 1.104. DEFINITIONS.**

16 Whenever in this Chapter the following words or phrases are used, they shall mean:

17 * * * *

18 "Candidate" shall be defined as set forth in the California Political Reform Act,
19 California Government Code section 81000, et seq., but shall include only candidates for City
20 elective office.

21 "Candidate committee" shall mean a ~~committee controlled by a candidate, and~~ candidate-
22 controlled committee that is primarily formed to support that candidate's election for City elective
23 office.

24 "Candidate-controlled committee" shall mean a controlled committee that is controlled by a
25 candidate.

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1 "Controlled committee" shall be defined as set forth in the California Political Reform
2 Act, California Government Code section 81000, et seq.

3 * * * *

4 "General purpose committee" shall be defined as set forth in the California Political
5 Reform Act, California Government Code section 81000, et seq.

6 * * * *

7 **SEC. 1.122. SOLICITATION OR ACCEPTANCE OF CAMPAIGN CONTRIBUTIONS**
8 **– LIMITATIONS.**

9 (a) DECLARATION OF INTENT REQUIRED. No candidate or candidate committee
10 shall solicit or accept, or cause to be solicited or accepted, any contribution unless and until
11 the candidate has filed a declaration of intention to become a candidate for a specific City
12 elective office with the Department of Elections on a form prescribed by the Director of
13 Elections.

14 No person shall file a declaration of intention to become a candidate for more than one
15 City elective office.

16 (b) USE OF CAMPAIGN FUNDS.

17 (1) GENERAL. Except as otherwise provided in this Chapter, funds in a
18 candidate committee's campaign account may be used only on behalf of the candidacy for the
19 office specified in the candidate's declaration of intention filed under Subsection (a) or for
20 expenses associated with holding that office, provided that such expenditures are reasonably
21 related to a legislative, governmental, or political purpose. Contributions solicited or accepted
22 under this Section for one candidate shall not be expended for the candidacy of any other
23 candidate for local, state or federal office, in support of or opposition to any measure or in
24 support of or opposition to any state ballot proposition, or for donations to a charitable
25 organization. Nothing in this section shall prohibit a candidate committee for a candidate in a

1 ranked choice election from expending funds to support the ranking of another candidate if the
2 primary purpose of the expenditure is to further the candidate's own campaign.

3 (2) PROHIBITING CANDIDATE-CONTROLLED GENERAL PURPOSE

4 COMMITTEES. No candidate holding City elective office may control a candidate-controlled general
5 purpose committee. Any candidate who controls a candidate-controlled general purpose committee
6 prior to assuming City elective office shall return, use, or dispose of all funds held by the committee
7 using the means specified in subsection (b)(4) within 90 days of the date that the candidate assumes
8 office.

9 (23) WITHDRAWAL FROM CANDIDACY. If a candidate has withdrawn his or
10 her candidacy, campaign funds held by that candidate's committee's Campaign Contribution
11 Trust Account shall be:

- 12 (A) returned on a "last in, first out" basis to those persons who have
13 made said contributions;
- 14 (B) donated to the City and County of San Francisco;
- 15 (C) donated to a charitable organization;
- 16 (D) used to pay outstanding campaign debts or accrued expenses;
- 17 (E) used to pay expenses associated with terminating the committee,
18 such as bookkeeping, legal fees, preparation of campaign statements, and audits; or
- 19 (F) used for other permissible purposes established by the Ethics
20 Commission by regulation.

21 (34) SURPLUS FUNDS. Surplus funds held by a candidate or committee shall
22 be:

- 23 (A) returned on a "last in, first out" basis to those persons who have
24 made said contributions;
- 25 (B) donated to a charitable organization;

- 1 (C) donated to the City and County of San Francisco;
- 2 (D) used to pay outstanding campaign debts or accrued expenses;
- 3 (E) used to pay expenses associated with terminating the committee,
- 4 such as bookkeeping, legal fees, preparation of campaign statements, and audits; or
- 5 (F) used for other permissible purposes established by the Ethics
- 6 Commission by regulation.

7 (c) TRANSFER OF FUNDS. Subject to the restrictions set forth in Subsection (b), at
8 any time, funds held in a candidate committee's Campaign Contribution Trust Account may be
9 transferred to any legally constituted committee established by the candidate under the
10 California Political Reform Act, California Government Code section 81000 et seq.
11 Contributions transferred under this subsection shall be attributed to specific contributors
12 using a "first in, first out" or "last in, first out" accounting method.

13
14 Section 2. Effective Date. This ordinance shall become effective 30 days after
15 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
16 ordinance unsigned or does not sign the ordinance within 10 days of receiving it, or the Board
17 of Supervisors overrides the Mayor's veto of the ordinance.

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19 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
20 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
21 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
22 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
23 additions, and Board amendment deletions in accordance with the "Note" that appears under
24 the official title of the ordinance.

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

3 By: _____
4 ANDREW SHEN
5 Deputy City Attorney

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