

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

3 **Motion ordering submitted to the voters an Ordinance amending the Campaign and**  
4 **Governmental Conduct Code to prohibit City elected officials from establishing**  
5 **candidate-controlled general purpose committees, at an election to be held on**  
6 **November 8, 2016.**

7  
8 MOVED, That the Board of Supervisors hereby submits the following ordinance to the  
9 voters of the City and County of San Francisco, at an election to be held on November 8,  
10 2016.

11  
12 **Ordinance amending the Campaign and Governmental Conduct Code to prohibit City**  
13 **elected officials from establishing candidate-controlled general purpose committees.**

14 NOTE: **Unchanged Code text and uncodified text** are in plain font.  
15 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
16 **Deletions to Codes** are in ~~strikethrough italics Times New Roman font~~.  
17 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code subsections or  
18 parts of tables.

19  
20 Be it ordained by the People of the City and County of San Francisco:

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

23 **SEC. 1.104. DEFINITIONS.**

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

25 \* \* \* \*

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

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

7 "Candidate-controlled committee" shall mean a controlled committee that is controlled by a  
8 candidate.

9 \* \* \* \*

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

12 \* \* \* \*

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

15 \* \* \* \*

16 **SEC. 1.122. SOLICITATION OR ACCEPTANCE OF CAMPAIGN CONTRIBUTIONS**  
17 **– LIMITATIONS.**

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

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

25 (b) USE OF CAMPAIGN FUNDS.

1 (1) GENERAL. Except as otherwise provided in this Chapter, funds in a  
2 candidate committee's campaign account may be used only on behalf of the candidacy for the  
3 office specified in the candidate's declaration of intention filed under Subsection (a) or for  
4 expenses associated with holding that office, provided that such expenditures are reasonably  
5 related to a legislative, governmental, or political purpose. Contributions solicited or accepted  
6 under this Section for one candidate shall not be expended for the candidacy of any other  
7 candidate for local, state or federal office, in support of or opposition to any measure or in  
8 support of or opposition to any state ballot proposition, or for donations to a charitable  
9 organization. Nothing in this section shall prohibit a candidate committee for a candidate in a  
10 ranked choice election from expending funds to support the ranking of another candidate if the  
11 primary purpose of the expenditure is to further the candidate's own campaign.

12 (2) PROHIBITING CANDIDATE-CONTROLLED GENERAL PURPOSE

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

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

- 21 (A) returned on a "last in, first out" basis to those persons who have  
22 made said contributions;
- 23 (B) donated to the City and County of San Francisco;
- 24 (C) donated to a charitable organization;
- 25 (D) used to pay outstanding campaign debts or accrued expenses;

1 (E) used to pay expenses associated with terminating the committee,  
2 such as bookkeeping, legal fees, preparation of campaign statements, and audits; or

3 (F) used for other permissible purposes established by the Ethics  
4 Commission by regulation.

5 (~~34~~) SURPLUS FUNDS. Surplus funds held by a candidate or committee shall  
6 be:

7 (A) returned on a "last in, first out" basis to those persons who have  
8 made said contributions;

9 (B) donated to a charitable organization;

10 (C) donated to the City and County of San Francisco;

11 (D) used to pay outstanding campaign debts or accrued expenses;

12 (E) used to pay expenses associated with terminating the committee,  
13 such as bookkeeping, legal fees, preparation of campaign statements, and audits; or

14 (F) used for other permissible purposes established by the Ethics  
15 Commission by regulation.

16 (c) TRANSFER OF FUNDS. Subject to the restrictions set forth in Subsection (b), at  
17 any time, funds held in a candidate committee's Campaign Contribution Trust Account may be  
18 transferred to any legally constituted committee established by the candidate under the  
19 California Political Reform Act, California Government Code section 81000 et seq.  
20 Contributions transferred under this subsection shall be attributed to specific contributors  
21 using a "first in, first out" or "last in, first out" accounting method.  
22

23 Section 2. Scope of Ordinance. In enacting this ordinance, the People of the City and  
24 County of San Francisco intend to amend only those words, phrases, paragraphs,  
25 subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other

1 constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions  
2 or deletions, in accordance with the "Note" that appears under the official title of the  
3 ordinance.

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

7 By: \_\_\_\_\_  
8 ANDREW SHEN  
9 Deputy City Attorney

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