

File No. 171066

Committee Item No. 3

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Rules Committee

Date February 14, 2018

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input type="checkbox"/>	<input type="checkbox"/>	Resolution
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Ordinance
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input type="checkbox"/>	<input type="checkbox"/>	Budget and Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Introduction Form
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input type="checkbox"/>	Memorandum of Understanding (MOU)
<input type="checkbox"/>	<input type="checkbox"/>	Grant Information Form
<input type="checkbox"/>	<input type="checkbox"/>	Grant Budget
<input type="checkbox"/>	<input type="checkbox"/>	Subcontract Budget
<input type="checkbox"/>	<input type="checkbox"/>	Contract/Agreement
<input type="checkbox"/>	<input type="checkbox"/>	Form 126 - Ethics Commission
<input type="checkbox"/>	<input type="checkbox"/>	Award Letter
<input type="checkbox"/>	<input type="checkbox"/>	Application
<input type="checkbox"/>	<input type="checkbox"/>	Form 700
<input type="checkbox"/>	<input type="checkbox"/>	Vacancy Notice
<input type="checkbox"/>	<input type="checkbox"/>	Information Sheet
<input type="checkbox"/>	<input type="checkbox"/>	Public Correspondence

OTHER (Use back side if additional space is needed)

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Completed by: Victor Young

Date February 9, 2018

Completed by: \_\_\_\_\_

Date \_\_\_\_\_

[Campaign and Governmental Conduct Code - Failure to File Form 700s, Sunshine Ordinance Declarations, and Certificates of Ethics Training]

**Ordinance amending the Campaign and Governmental Conduct Code to disqualify members of City boards and commissions who have not filed their Form 700s (Statements of Economic Interests), Sunshine Ordinance Declarations, and Certificates of Ethics Training from participating in or voting on matters before their boards and commissions, and to modify the Ethics Commission's reporting requirements regarding the filing of Form 700s.**

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

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

Section 1. Findings.

(a) The City, through its Board of Supervisors, had adopted a Conflict of Interest Code that designates the City officials required to file the Fair Political Practices Commission's Form 700 (also known as a Statement of Economic Interests). On these Form 700s, City officials must disclose, subject to the appropriate disclosure category, their financial interests in entities, individuals, or persons that may come before them in the course of carrying out their official duties.

(b) The Form 700 offers City officials with an opportunity to catalog potential conflicts of interests that may arise from their governmental decisions and duties. The Form 700 is also a public document, which allows members of the public at large to monitor potential

1 conflicts of interest of City officials. Likewise, the Form 700 permits the Ethics Commission,  
2 and other relevant agencies, to monitor potential conflicts of interest.

3 (c) If a City official who must file a Form 700 fails to do so, they are subject to potential  
4 late fees and penalties for failing to file. Such failure to file may also result in discipline. The  
5 City finds that disqualifying members of City boards and commissions who fail to file their  
6 Form 700s will strengthen the public confidence in the integrity of government. Until such City  
7 officials have filed their Form 700s, it would be difficult for the public and other government  
8 agencies to assess whether these officials are violating conflict of interest laws. Because the  
9 failure to file a Form 700 frustrates such oversight, it is appropriate to disqualify such City  
10 officials who have failed to file from any substantive City decisions.

11 (d) Likewise, the failure of a City official to complete required trainings on the Sunshine  
12 Ordinance and conflict of interest and ethics laws decreases public confidence that City  
13 boards and commissions will abide by applicable open meeting, public records, and ethics  
14 laws, and appropriately disqualifies such officials from participation in business before their  
15 boards and commissions until such training has been completed.

16 Section 2. The Campaign and Governmental Conduct Code is hereby amended by  
17 revising Sections 3.1-102.5 and 3.1-104, to read as follows:

18 **SEC. 3.1-102.5. FAILURE TO FILE.**

19 (a) Potential Discipline. Subject to the removal and Civil Service provisions of the  
20 Charter as well as any applicable Civil Service Rules, any officer or employee of the City and  
21 County of San Francisco who fails to file any statement required by Sections 3.1-101 and 3.1-  
22 102 of this Chapter ~~the Campaign and Governmental Conduct Code~~ within 30 days after receiving  
23 notice from the Ethics Commission of a failure to file may be subject to disciplinary action by  
24 his or her appointing authority, including removal from office or termination of employment.  
25

1 (b) **Warning Letter.** The Ethics Commission may issue a letter to an appointing  
2 authority recommending suspension or removal of any City officer or termination of any City  
3 employee who has failed to file a statement required by Sections 3.1-101 and 3.1-102 of this  
4 Chapter the Campaign and Governmental Conduct Code if the City officer or employee has not  
5 filed the required statement within 30 days of receiving notice from the Ethics Commission of  
6 his or her failure to file.

7 (c) **Required Disqualification by Members of Boards and Commissions.** Members of City  
8 boards or commissions who have failed to file statements required by Sections 3.1-101, 3.1-102, and  
9 3.1-103 of the Campaign and Governmental Conduct Code (Form 700 Statements of Economic  
10 Interests, Sunshine Ordinance Declarations, and Certificates of Ethics Training) by the applicable  
11 filing deadline shall be disqualified from all participation in and voting on matters listed on their  
12 boards' and commissions' meeting agendas.

13 (d) **Public Announcement.** If a member of a board or commission has failed to file a required  
14 statement (Form 700 Statement of Economic Interests, Sunshine Ordinance Declaration or Certificate  
15 of Ethics Training), at the beginning of each meeting of the board or commission that occurs after the  
16 applicable deadline for the required statement and before the member of the board or commission files  
17 the required statement, the Commission Secretary, or any City staff who fulfills that role, shall  
18 announce that the member of the board or commission has failed to file a statement required by  
19 Sections 3.1-101, 3.1-102, and 3.1-103 of this Chapter and that the member will be disqualified from  
20 all participation in and voting on matters coming before the board or commission.

#### 21 **SEC. 3.1-104. FILING OFFICER REPORTS.**

22 (a) On or before April 10th of each year, every filing officer shall submit a written report  
23 to the Ethics Commission setting forth the names of those persons who are required to file an  
24 annual statement a Form 700 Statement of Economic Interests with that filing officer under this  
25 Chapter but have failed to do so, or a report stating that all such persons have filed.


1 (b) ~~On or before April 10th of each year, the Ethics Commission shall prepare a report setting~~  
2 ~~forth the names of those persons who are required to file an annual statement with the Ethics~~  
3 ~~Commission under this Chapter but have failed to do so, or a report stating that all such persons have~~  
4 ~~filed. On or before May 10th of each year, the Ethics Commission shall prepare a supplemental report~~  
5 ~~setting forth the names of any persons who are required to file an annual statement with the Ethics~~  
6 ~~Commission under this Chapter but have failed to do so by May 1st, or a report stating that all such~~  
7 ~~persons have filed. The Ethics Commission shall make these reports publicly available, including by~~  
8 ~~posting the reports on its website. The Ethics Commission shall maintain on its website, a database of~~  
9 ~~the names, departments, and positions of persons who are required to file a Form 700 Statement of~~  
10 ~~Economic Interests with the Ethics Commission but have failed to file on a timely basis. The list shall~~  
11 ~~be updated no later than ten days after the submittal of a statement.~~

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

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

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

24 By:

25   
ANDREW SHEN, DEPUTY CITY ATTORNEY

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**REVISED LEGISLATIVE DIGEST**  
(Substituted, 10/31/2017)

[Campaign and Governmental Conduct Code - Failure to File Form 700s, Sunshine Ordinance Declarations, and Certificates of Ethics Training]

**Ordinance amending the Campaign and Governmental Conduct Code to disqualify members of City boards and commissions who have not filed their Form 700s (Statements of Economic Interests), Sunshine Ordinance Declarations, and Certificates of Ethics Training from participating in or voting on matters before their boards and commissions, and to modify the Ethics Commission's reporting requirements regarding the filing of Form 700s.**

Existing Law

The Political Reform Act of 1974, California Government Code section 87300, et seq., requires that San Francisco designate those City officials and employees who must disclose their personal financial interests on the Fair Political Practices Commission's Form 700 (also referred to as Statements of Economic Interests or SEIs). City officials required to file Form 700s must file an "assuming office" statement within 30 days of taking office, and thereafter, must generally file an "annual" statement by April 1 of each year.

Failure to timely file a Form 700, or failure to file a Form 700 at all, may result in a fine levied by either the Ethics Commission or the Fair Political Practices Commission. San Francisco Campaign and Governmental Conduct Code Section 3.1-102.5 provides that the failure to file a Form 700 may also result in discipline by the official's appointing authority. Section 3.1-102.5 also provides that the Ethics Commission may issue a letter to an appointing authority recommending suspension or removal of any City official, if the official has failed to file within 30 days of receiving notice from the Ethics Commission. Lastly, the Ethics Commission must also annually compile and post on its website, on or before April 10, 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. The Ethics Commission is then required to update this report by May 10 of each year.

In addition to Form 700 filing obligations, members of City boards and commissions are also required to receive regular trainings on the Sunshine Ordinance (S.F. Admin. Code § 67.33) and conflict of interest and ethics laws (Cal. Gov't Code § 53235). Members of City board and commissions must submit certifications regarding the completion of these trainings to the Ethics Commission. S.F. Campaign & Gov'tal Conduct Code § 3.1-103(a).

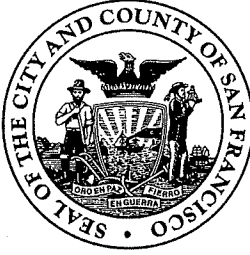
Amendments to Current Law

The proposed legislation would create further consequences on members of City boards and commissions who fail to timely file their Form 700s, or certifications of Sunshine Ordinance and ethics trainings. The proposal would disqualify such officials from any participation in matters coming before their boards and commissions until they file their Form 700. The proposal would also require commission secretaries to publicly announce, at the beginning of public meetings, when a member of the secretary's board or commission has failed to timely file a Form 700.

The proposed legislation would also modify the Ethics Commission's reporting requirements regarding the filing of Form 700s and training certifications. Instead of providing separate reports by predetermined deadlines, the Ethics Commission would maintain a database on its website regarding such filings and update the database on a continuous basis.

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BOARD of SUPERVISORS



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1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

TO: All City Department Heads via Mawuli Tugbenyoh, Liaison to the Board of Supervisors, Mayor's Office  
LeeAnn Pelham, Executive Director, Ethics Commission

FROM: *el*  
*for* Alisa Somera, Deputy Director  
Rules Committee

DATE: October 10, 2017

SUBJECT: LEGISLATION INTRODUCED

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The Board of Supervisors' Rules Committee has received the following proposed legislation, introduced by Supervisor Peskin on October 3, 2017:

**File No. 171066**

**Ordinance amending the Campaign and Governmental Conduct Code to disqualify members of City boards and commissions who have not filed their Form 700s from participating in or voting on certain matters.**

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [alisa.somera@sfgov.org](mailto:alisa.somera@sfgov.org).

c: Kyle Kundert, Ethics Commission



**Introduction Form**

By a Member of the Board of Supervisors or Mayor

2017 OCT 3 2:14:19  
Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- ☐ 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 [ ] inquiries"
- ☐ 5. City Attorney Request.
- ☐ 6. Call File No. [ ] from Committee.
- ☐ 7. Budget Analyst request (attached written motion).
- ☒ 8. Substitute Legislation File No. 171066
- ☐ 9. Reactivate File No. [ ]
- ☐ 10. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- ☐ Small Business Commission      ☐ Youth Commission      ☐ Ethics Commission
- ☐ Planning Commission      ☐ Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.**

Sponsor(s):

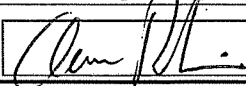
Peskin

Subject:

[Campaign and Governmental Conduct Code - Failure to File Form 700s, Sunshine Ordinance Declarations, and Certificates of Ethics Training]

The text is listed:

Ordinance amending the Campaign and Governmental Conduct Code to disqualify members of City boards and commissions who have not filed their Form 700s (Statements of Economic Interests), Sunshine Ordinance Declarations, and Certificates of Ethics Training from participating in or voting on matters before their boards and commissions, and to modify the Ethics Commission's reporting requirements regarding the filing of Form 700s.

Signature of Sponsoring Supervisor: 

For Clerk's Use Only

