

[Campaign and Governmental Conduct Code - Campaign Finance and Conflict of Interest]

1
2 **Ordinance amending the Campaign and Governmental Conduct Code to 1) prohibit**
3 **earmarking of contributions and false identification of contributors; 2) modify**
4 **contributor card requirements; 3) require disclosure of contributions solicited by City**
5 **elective officers for ballot measure and independent expenditure committees; 4)**
6 **require additional disclosures for campaign contributions from business entities to**
7 **political committees; 5) require disclosure of bundled campaign contributions; 6)**
8 **extend the prohibition on campaign contributions to candidates for City elective offices**
9 **and City elective officers who must approve certain City contracts; 7) prohibit**
10 **campaign contributions to members of the Board of Supervisors, candidates for the**
11 **Board, the Mayor, candidates for Mayor, City Attorney, candidates for City Attorney,**
12 **and their controlled committees, from any person with pending or recently resolved**
13 **land use matters; ~~87~~) require committees to file a third pre-election statement prior to**
14 **an election; ~~98~~) remove the prohibition against distribution of campaign**
15 **advertisements containing false endorsements; ~~109~~) allow members of the public to**
16 **receive a portion of penalties collected in certain enforcement actions; ~~110~~) permit the**
17 **Ethics Commission to recommend contract debarment as a penalty for campaign**
18 **finance violations; ~~1211~~) create new conflict of interest and political activity rules for**
19 **elected officials and members of boards and commissions; ~~1312~~) specify recusal**
20 **procedures for members of boards and commissions; and ~~1413~~) establish local**
21 **behested payment reporting requirements for donors and City officers.**

22 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
23 **Additions to Codes** are in *single-underline italics Times New Roman font*.
24 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
25 **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.

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

2 Section 1. The Campaign and Governmental Conduct Code, Article I, Chapter 1, is
3 hereby amended by revising Sections 1.104, 1.114, 1.126, 1.135, 1.168, 1.170, adding
4 Sections 1.114.5, 1.124, 1.125, ~~1.127~~, and deleting Section 1.163.5, to read as follows:

5 **SEC. 1.104. DEFINITIONS.**

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

7 * * * *

8 “At the behest of” shall mean under the control or at the direction of, in cooperation,
9 consultation, coordination, or concert with, at the request or suggestion of, or with the
10 express, prior consent of.

11 * * * *

12 “Business entity” shall mean a limited liability company (LLC), corporation, limited
13 partnership, or limited liability partnership.

14 * * * *

15 ~~“Developer” shall mean the individual or entity that is the project sponsor responsible~~
16 ~~for filing a completed Environmental Evaluation Application with the Planning Department (or~~
17 ~~other lead agency) under the California Environmental Quality Act (Public Resources Code~~
18 ~~Section 21000 et seq.) for a project. For any project sponsor that is an entity, “developer”~~
19 ~~shall include all of its constituent individuals or entities that have decision-making authority~~
20 ~~regarding any of the entity’s major decisions or actions. By way of example and without~~
21 ~~limitation, if the project sponsor is a limited liability company, each of its members is~~
22 ~~considered a developer for purposes of the requirements of this Chapter, and similarly if the~~
23 ~~project sponsor is a partnership, each of its general partners is considered a developer for~~
24 ~~purposes of the requirements of this Chapter. If the owner or agent that signs and submits~~
25

1 the Environmental Evaluation Application will not be responsible for obtaining the entitlements
2 or developing the project, then for purposes of the requirements of this Chapter 1 the
3 developer shall be instead the individual or entity that is responsible for obtaining the
4 entitlements for the project.

5 * * * *

6 "Financial interest" shall mean (a) an ownership interest of at least 10% or \$1,000,000
7 in the project or property that is the subject of the land use matter; (b) holding the position of
8 director or principal officer, including President, Vice President, Chief Executive Officer, Chief
9 Financial Officer, Chief Operating Officer, Executive Director, Deputy Director, or member of
10 Board of Directors, in an entity with at least 10% ownership interest in that project or property;
11 or (c) being the developer of that project or property.

12 * * * *

13 "Land use matter" shall mean (a) any request to a City elective officer for a Planning
14 Code or Zoning Map amendment, or (b) any application for an entitlement that requires a
15 discretionary determination at a public hearing before a board or commission under the San
16 Francisco Building Code, the Planning Code, or the California Environmental Quality Act
17 (California Public Resources Code Section 21000 et seq.). "Land use matter" shall not
18 include discretionary review hearings before the Planning Commission.

19 * * * *

20 "Prohibited source contribution" shall mean a contribution made (a) in violation of Section
21 1.114, (b) in an assumed name as defined in Section 1.114.5(c), (c) from a person prohibited from
22 contributing under Section 1.126, or (d) from a person prohibited from contributing under Section
23 4.127, or (e) (d) from a lobbyist prohibited from contributing under Section 2.115(e).

24 * * * *

25 "Resident" shall mean a resident of the City and County of San Francisco.

1 “Solicit” shall mean personally request a contribution for any candidate or committee, either
2 orally or in writing.

3 * * * *

4
5 **SEC. 1.114. CONTRIBUTIONS - LIMITS AND PROHIBITIONS.**

6 (a) LIMITS ON CONTRIBUTIONS TO CANDIDATES. No person other than a
7 candidate shall make, and no campaign treasurer for a candidate committee shall solicit or
8 accept, any contribution which will cause the total amount contributed by such person to such
9 candidate committee in an election to exceed \$500.

10 (b) LIMITS PROHIBITION ON CONTRIBUTIONS FROM CORPORATIONS. No
11 corporation organized pursuant to the laws of the State of California, the United States, or any
12 other state, territory, or foreign country, whether for profit or not, shall make a contribution to a
13 candidate committee, provided that nothing in this subsection (b) shall prohibit such a
14 corporation from establishing, administering, and soliciting contributions to a separate
15 segregated fund to be utilized for political purposes by the corporation, provided that the
16 separate segregated fund complies with the requirements of Federal law including Sections
17 432(e) and 441b of Title 2 of the United States Code and any subsequent amendments to
18 those Sections.

19 (c) EARMARKING. No person may make a contribution to a committee on the condition or
20 with the agreement that it will be contributed to any particular candidate or committee to circumvent
21 the limits established by subsections (a) and (b).

22 (d) PROHIBITION ON CONTRIBUTIONS FOR OFFICIAL ACTION. No candidate may,
23 directly or by means of an agent, give, offer, promise to give, withhold, or offer or promise to withhold
24 his or her vote or influence, or promise to take or refrain from taking official action with respect to any
25

1 proposed or pending matter in consideration of, or upon condition that, any other person make or
2 refrain from making a contribution.

3 ~~(e)~~ (e) AGGREGATION OF AFFILIATED ENTITY CONTRIBUTIONS.

4 (1) General Rule. For purposes of the contribution limits imposed by this
5 Section 1.114 and Section 1.120, the contributions of an entity whose contributions are
6 directed and controlled by any individual shall be aggregated with contributions made by that
7 individual and any other entity whose contributions are directed and controlled by the same
8 individual.

9 (2) Multiple Entity Contributions Controlled by the Same Persons. If two or
10 more entities make contributions that are directed and controlled by a majority of the same
11 persons, the contributions of those entities shall be aggregated.

12 (3) Majority-Owned Entities. Contributions made by entities that are majority-
13 owned by any person shall be aggregated with the contributions of the majority owner and all
14 other entities majority-owned by that person, unless those entities act independently in their
15 decisions to make contributions.

16 (4) Definition. For purposes of this Section 1.114, the term "entity" means any
17 person other than an individual and "majority-owned" means a direct or indirect ownership of
18 more than 50% percent.

19 ~~(d) CONTRIBUTOR INFORMATION REQUIRED. If the cumulative amount of contributions~~
20 ~~received from a contributor is \$100 or more, the committee shall not deposit any contribution that~~
21 ~~causes the total amount contributed by a person to equal or exceed \$100 unless the committee has the~~
22 ~~following information: the contributor's full name; the contributor's street address; the contributor's~~
23 ~~occupation; and the name of the contributor's employer or, if the contributor is self-employed, the name~~
24 ~~of the contributor's business. A committee will be deemed not to have had the required contributor~~
25

1 ~~information at the time the contribution was deposited if the required contributor information is not~~
2 ~~reported on the first campaign statement on which the contribution is required to be reported.~~

3 (e) (f) FORFEITURE OF UNLAWFUL CONTRIBUTIONS. In addition to any other
4 penalty, each committee that receives a contribution which exceeds the limits imposed by this
5 Section 1.114 or which does not comply with the requirements of this Section shall pay
6 promptly the amount received or deposited in excess of the permitted amount ~~permitted by this~~
7 ~~Section~~ to the City and County of San Francisco ~~and by~~ delivering the payment to the Ethics
8 Commission for deposit in the General Fund of the City and County; provided that the Ethics
9 Commission may provide for the waiver or reduction of the forfeiture.

10 (f) (g) RECEIPT OF CONTRIBUTIONS. A contribution to a candidate committee or
11 committee making expenditures to support or oppose a candidate shall not be considered
12 received if it is not cashed, negotiated, or deposited, and in addition ~~it~~ is returned to the donor
13 before the closing date of the campaign statement on which the contribution would otherwise
14 be reported, except that a contribution to a candidate committee or committee making
15 expenditures to support or oppose a candidate made before an election at which the
16 candidate is to be voted on but after the closing date of the last campaign statement required
17 to be filed before the election shall not be considered to be deemed received if it is not
18 cashed, negotiated, or deposited, and is returned to the contributor within 48 hours of receipt.
19 For all committees not addressed by this Section 1.114, the determination of when
20 contributions are considered to be received shall be made in accordance with the California
21 Political Reform Act, ~~California Government Code Section 81000, et seq.~~

22
23 **SEC. 1.114.5. CONTRIBUTIONS - DISCLOSURES.**

24 (a) CONTRIBUTOR INFORMATION REQUIRED. If the cumulative amount of contributions
25 received from a contributor is \$100 or more, the committee shall not deposit any contribution that

1 causes the total amount contributed by a person to equal or exceed \$100 unless the committee has the
2 following information: the contributor's full name; the contributor's street address; the contributor's
3 occupation; and the name of the contributor's employer or, if the contributor is self-employed, the
4 name of the contributor's business; ~~and a signed attestation from the contributor that the~~
5 ~~contribution does not constitute a prohibited source contribution.~~

6 (1) A committee will be deemed not to have had the required contributor information at
7 the time the contribution was deposited if the required contributor information is not reported on the
8 first campaign statement on which the contribution is required to be reported.

9 (2) If a committee that collects the information required under this subsection (a) on a
10 form signed by the contributor stating and collects a signed attestation, or its electronic
11 equivalent, that the contributor has not made a prohibited source contribution, there shall be a
12 rebuttable presumption that the committee has not accepted a prohibited source contribution.

13 (b) DISCLOSURE REQUIREMENTS FOR CONTRIBUTIONS TO BALLOT MEASURE
14 COMMITTEES AND COMMITTEES MAKING INDEPENDENT EXPENDITURES.

15 (1) In addition to the requirements in subsection (a), any person making contributions
16 that total \$5,000 or more in a single calendar year, to a ballot measure committee or committee making
17 independent expenditures at the behest of a City elective officer must disclose to the committee
18 receiving the contribution the name of the City elective officer who requested the contribution.

19 (2) Committees receiving contributions subject to subsection (b)(1) must report the
20 names of the City elective officers who requested those contributions at the same time that the
21 committees are required to file campaign statements with the Ethics Commission disclosing the
22 contributions.

23 (3) Notwithstanding the provisions of this subsection (b), no committee shall be
24 required to make the disclosure required in subsection (b)(2) for any contribution that

1 constitutes a contribution to the City elective officer at whose behest the contribution was
2 made.

3 (c) ASSUMED NAME CONTRIBUTIONS.

4 (1) No contribution may be made, directly or indirectly, by any person or combination
5 of persons, in a name other than the name by which they are identified for legal purposes, or in the
6 name of another person or combination of persons.

7 (2) No person may make a contribution to a candidate or committee in his, her, or its
8 name when using any payment received from another person on the condition that it be contributed to a
9 specific candidate or committee.

10 (d) FORFEITURE OF UNLAWFUL CONTRIBUTIONS. In addition to any other penalty, each
11 committee that receives a contribution which does not comply with the requirements of this Section
12 1.114.5 shall pay promptly the amount received or deposited to the City and County of San Francisco
13 by delivering the payment to the Ethics Commission for deposit in the General Fund of the City and
14 County; provided that the Ethics Commission may provide for the waiver or reduction of the forfeiture.

15
16 **SEC. 1.124. ADDITIONAL DISCLOSURE REQUIREMENTS FOR CONTRIBUTIONS**
17 **MADE BY BUSINESS ENTITIES.**

18 (a) Additional Disclosures. In addition to the campaign disclosure requirements imposed by
19 the California Political Reform Act and other provisions of this Chapter 1, any committee required to
20 file campaign statements with the Ethics Commission must disclose the following information for
21 contribution(s) that, in aggregate, total \$10,000 or more that it receives in a single election cycle from
22 a single business entity:

23 (1) the business entity's principal officers, including, but not limited to, the Chairperson
24 of the Board of Directors, President, Vice-President, Chief Executive Officer, Chief Financial Officer,
25 Chief Operating Officer, Executive Director, Deputy Director, or equivalent positions; and

1 (2) whether the business entity has received funds through a contract or grant from any
2 City agency within the last 24 months for a project within the jurisdiction of the City and County of San
3 Francisco, and if so, the name of the agency that provided the funding, and the value of the contract or
4 grant.

5 (b) **Filing Requirements.** Committees shall provide this information for contributions received
6 from business entities at the same time that they are required to file semiannual or preelection
7 campaign statements with the Ethics Commission.

8
9 **SEC. 1.125. ADDITIONAL DISCLOSURE REQUIREMENTS FOR BUNDLED**
10 **CONTRIBUTIONS.**

11 (a) **Definition.** For purposes of this Section 1.125, the following words and phrases shall
12 mean:

13 “Bundle” shall mean delivering or transmitting contributions, other than one’s own or one’s
14 spouse’s, except for campaign administrative activities and any actions by the candidate that a
15 candidate committee is supporting.

16 “Campaign administrative activity” shall mean administrative functions performed by paid or
17 volunteer campaign staff, a campaign consultant whose payment is disclosed on the committee’s
18 campaign statements, or such campaign consultant’s paid employees.

19 (b) **Additional Disclosure Requirements.** Any committee controlled by a City elective officer
20 or candidate for City elective office that receives contributions totaling \$5,000 or more that have been
21 bundled by a single individual shall disclose the following information:

22 (1) the name, occupation, employer, and mailing address of the person who bundled the
23 contributions;

24 (2) a list of the contributions bundled by that person (including the name of the
25 contributor and the date the contribution was made); **and**

1 (3) if the individual who bundled the contributions is a member of a City board or
2 commission, the name of the board or commission on which that person serves, and the names of any
3 City officers who appointed or nominated that person to the board or commission; ~~and~~

4 ~~(4) whether, during the 12 months prior to the date of the final contribution that~~
5 ~~makes the cumulative amount of contributions bundled by a single individual total \$5,000 or~~
6 ~~more, the person who bundled the contributions attempted to influence the City elective officer~~
7 ~~who controls the committee in any legislative or administrative action and if so, the legislative~~
8 ~~or administrative action that the contributor sought to influence and the outcome sought.~~

9 (c) **Filing Requirements.** Committees shall provide the information for bundled contributions
10 required by subsection (b) at the same time that they are required to file semiannual or preelection
11 campaign statements with the Ethics Commission. Committees shall be required to provide this
12 information following the receipt of the final contribution that makes the cumulative amount of
13 contributions bundled by a single individual total \$5,000 or more.

14 (d) **Website Posting.** The Ethics Commission shall make all information that is submitted in
15 accordance with subsection (b) publicly available through its website.

16
17 **SEC. 1.126. CONTRIBUTION ~~LIMITS~~ PROHIBITION – CONTRACTORS DOING**
18 **BUSINESS WITH THE CITY.**

19 (a) **Definitions.** For purposes of this Section 1.126, the following words and phrases
20 shall mean:

21 “Affiliate” means any member of an entity’s board of directors or any of that entity’s principal
22 officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer,
23 any person with an ownership interest of more than 10% in the entity, and any subcontractor listed in
24 the entity’s bid or contract.

1 "Board on which an individual serves" means the board to which the officer was elected and
2 any other board on which the elected officer serves.

3 "City Contractor" means any person who contracts with, or is seeking a contract with, any
4 department of the City and County of San Francisco, a state agency on whose board an appointee of a
5 City elective officer serves, the San Francisco Unified School District, or the San Francisco
6 Community College District, when the total anticipated or actual value of the contract(s) that the
7 person is party to or seeks to become party to with any such entity within a fiscal year equals or
8 exceeds \$100,000.

9 "Contract" means any agreement or contract, including any amendment or modification to an
10 agreement or contract, with the City and County of San Francisco, a state agency on whose board an
11 appointee of a City elective officer serves, the San Francisco Unified School District, or the San
12 Francisco Community College District for:

13 (1) the rendition of personal services,

14 (2) the furnishing of any material, supplies or equipment,

15 (3) the sale or lease of any land or building,

16 (4) a grant, loan, or loan guarantee, or

17 (5) a development agreement.

18 "Contract" shall not mean a collective bargaining agreement or memorandum of understanding
19 between the City and a labor union representing City employees regarding the terms and conditions of
20 those employees' City employment.

21 ~~(1) "Person who contracts with" includes any party or prospective party to a contract,~~
22 ~~as well any member of that party's board of directors, its chairperson, chief executive officer, chief~~
23 ~~financial officer, chief operating officer, any person with an ownership interest of more than 20 percent~~
24 ~~in the party, any subcontractor listed in a bid or contract, and any committee, as defined by this~~
25 ~~Chapter that is sponsored or controlled by the party, provided that the provisions of Section 1.114 of~~

1 ~~this Chapter governing aggregation of affiliated entity contributions shall apply only to the party or~~
2 ~~prospective party to the contract.~~

3 ~~(2) "Contract" means any agreement or contract, including any amendment or~~
4 ~~modification to an agreement or contract, with the City and County of San Francisco, a state agency on~~
5 ~~whose board an appointee of a City elective officer serves, the San Francisco Unified School District,~~
6 ~~or the San Francisco Community College District for:~~

7 ~~(A) the rendition of personal services,~~

8 ~~(B) the furnishing of any material, supplies or equipment,~~

9 ~~(C) the sale or lease of any land or building, or~~

10 ~~(D) a grant, loan or loan guarantee.~~

11 ~~(3) "Board on which an individual serves" means the board to which the officer was~~
12 ~~elected and any other board on which the elected officer serves.~~

13 **(b) Prohibition on Contributions.** No City Contractor or affiliate of a City Contractor
14 may make any contribution to: person who contracts with the City and County of San Francisco, a state
15 agency on whose board an appointee of a City elective officer serves, the San Francisco Unified School
16 District, or the San Francisco Community College District,

17 ~~(1) Shall make any contribution to:~~

18 ~~(A) (1) An individual holding a City elective office if the contract or contracts~~
19 ~~must be approved by such individual, the board on which that individual serves, or a state~~
20 ~~agency on whose board an appointee of that individual serves;~~

21 ~~(B) (2) A candidate for the office held by such individual; or~~

22 ~~(C) (3) A committee controlled by such individual or candidate.~~

23 ~~(2) Whenever the agreement or contract has a total anticipated or actual value of~~
24 ~~\$50,000.00 or more, or a combination or series of such agreements or contracts approved by that same~~
25 ~~individual or board have a value of \$50,000.00 or more in a fiscal year of the City and County~~

1 ~~(3)~~ (c) **Term of Prohibitions.** *The prohibitions set forth in subsection (b) shall apply from the*
2 *submission of a proposal for a contract until: At any time from the commencement of negotiations for*
3 *such contract until:*

4 ~~(A)~~ (1) The termination of negotiations for such contract; or

5 ~~(B)~~ (2) ~~Six~~ 12 months ~~have elapsed~~ from the date the contract is approved.

6 ~~(e)~~ (d) **Prohibition on Receipt of Contribution Soliciting or Accepting Contributions.** No
7 individual holding City elective office, candidate for such office, or committee controlled by such
8 an individual shall: ~~solicit or~~

9 (1) accept any contribution prohibited by subsection (b); or

10 (2) solicit any contribution prohibited by subsection (b) from a person who the
11 individual knows or has reason to know to be a City Contractor.

12 ~~at any time from the formal submission of the contract to the individual until the termination of~~
13 ~~negotiations for the contract or six months have elapsed from the date the contract is approved. For~~
14 ~~the purpose of this subsection, a contract is formally submitted to the Board of Supervisors at the time~~
15 ~~of the introduction of a resolution to approve the contract.~~

16 ~~(d)~~ (e) **Forfeiture of ~~Dontribution~~ Contribution.** In addition to any other penalty, each
17 committee that ~~receives~~ accepts a contribution prohibited by subsection ~~(e)~~ (b) shall pay
18 promptly the amount received or deposited to the City and County of San Francisco and
19 deliver the payment to the Ethics Commission for deposit in the General Fund of the City and
20 County; provided that the Commission may provide for the waiver or reduction of the forfeiture.

21 ~~(e)~~ (f) **Notification.**

22 (1) ~~Prospective Parties to Contracts~~ **Notification by City Agencies.**

23 (A) **Prospective Parties to Contracts.** The City agency seeking to enter into a
24 contract subject to subsection (b) shall inform any ~~Any~~ prospective party to a contract ~~with the City~~
25 ~~and County of San Francisco, a state agency on whose board an appointee of a City elective officer~~

1 ~~serves, the San Francisco Unified School District, or the San Francisco Community College District~~
2 ~~shall inform each person described in Subsection (a)(1) of the prohibition in § subsection (b) and of~~
3 ~~the duty to notify the Ethics Commission, as described in subsection (f)(2), by the commencement of~~
4 ~~negotiations by the submission of a proposal~~ for such contract.

5 (B) Parties to Executed Contracts. After the final execution of a contract by a
6 City agency and any required approvals of a City elective officer, the agency that has entered into a
7 contract subject to subsection (b) shall inform any parties to the contract of the prohibition in
8 subsection (b) and the term of such prohibition established by subsection (c).

9 (2) Notification of Ethics Commission. The City agency seeking to enter into a
10 contract subject to subsection (b) shall notify the Ethics Commission, within 30 days of the submission
11 of a proposal, on a form or in a format adopted by the Commission, of the value of the desired contract,
12 the parties to the contract, and any subcontractor listed as part of the proposal

13 (3) Notification by Prospective Parties to Contracts. Any prospective party to a
14 contract subject to subsection (b) shall, by the submission of a proposal for such contract, inform any
15 member of that party's board of directors and any of that party's principal officers, including its
16 chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an
17 ownership interest of more than 10% in the party, and any subcontractor listed in the party's bid or
18 contract of the prohibition in subsection (b).

19 (2) (4) Notification by Individuals Who Hold City Elective Office. Every
20 individual who holds a City elective office shall, within five business days of the approval of a
21 contract by the officer, a board on which the officer sits, or a board of a state agency on which
22 an appointee of the officer sits, notify the Ethics Commission, on a form or in a format adopted
23 by the Commission, of each contract approved by the individual, the board on which the
24 individual serves, or the board of a state agency on which an appointee of the officer sits. An
25 individual who holds a City elective office need not file the form required by this subsection

1 ~~(f)(4)~~ if the Clerk or Secretary of a Board on which the individual serves or a Board of a State
2 agency on which an appointee of the officer serves has filed the form on behalf of the board.

3
4 **SEC. 1.127. CONTRIBUTION LIMITS – PERSONS WITH LAND USE MATTERS**
5 **BEFORE A DECISION-MAKING BODY.**

6 (a) **Definitions.** For purposes of this Section 1.127, the following phrases shall mean:

7 “Affiliated entities” means ~~business entities directed and controlled by a majority of the~~
8 ~~same persons, or majority-owned by the same person.~~

9 “Prohibited contribution” is a contribution to ~~(1) a member of the Board of Supervisors,~~
10 ~~(2) a candidate for member of the Board of Supervisors, (3) the Mayor, (4) a candidate for~~
11 ~~Mayor, (5) the City Attorney, (6) a candidate for City Attorney, or (7) a controlled committee of~~
12 ~~a member of the Board of Supervisors, the Mayor, the City Attorney, or a candidate for any of~~
13 ~~these offices.~~

14 (b) **Prohibition on Contributions.** ~~No person, or the person’s affiliated entities, with a~~
15 ~~financial interest in a land use matter before the Board of Appeals, Board of Supervisors,~~
16 ~~Building Inspection Commission, Commission on Community Investment and Infrastructure,~~
17 ~~Historic Preservation Commission, Planning Commission, Port Commission, or the Treasure~~
18 ~~Island Development Authority Board of Directors shall make any prohibited contribution at any~~
19 ~~time from a request or application regarding a land use matter until 12 months have elapsed~~
20 ~~from the date that the board or commission renders a final decision or ruling or any appeals~~
21 ~~from that decision or ruling have been finally resolved.~~

22 (c) **Prohibition on Soliciting or Accepting Contributions.** ~~No member of the Board~~
23 ~~of Supervisors, candidate for member of the Board of Supervisors, the Mayor, candidate for~~
24 ~~Mayor, the City Attorney, candidate for City Attorney, or controlled committees of such officers~~
25 ~~and candidates shall:~~

1 ~~(1) accept any contribution prohibited by subsection (b); or~~

2 ~~(2) solicit any contribution prohibited by subsection (b) from a person who the~~
3 ~~individual knows or has reason to know has a financial interest in land use matter.~~

4 ~~(d) **Exceptions.** The prohibitions set forth in subsections (b) and (c) shall not apply if:~~

5 ~~(1) the land use matter concerns only the person's primary residence;~~

6 ~~(2) the person with a financial interest in the land use matter is a nonprofit~~
7 ~~organization with tax exempt status under 26 United States Code Section 501(c)(3), and the~~
8 ~~land use matter solely concerns the provision of health care services, social welfare services,~~
9 ~~permanently affordable housing, or other community services funded, in whole or in~~
10 ~~substantial part, by the City to serve low income San Francisco residents; or~~

11 ~~(e) **Forfeiture of Prohibited Contributions.** In addition to any other penalty, each~~
12 ~~member of the Board of Supervisors, candidate for member of the Board of Supervisors, the~~
13 ~~Mayor, candidate for Mayor, City Attorney, candidate for City Attorney, or controlled~~
14 ~~committees of such officers and candidates, who solicits or accepts any contribution~~
15 ~~prohibited by subsection (b) shall pay promptly the amount received or deposited to the City~~
16 ~~and County of San Francisco by delivering the payment to the Ethics Commission for deposit~~
17 ~~in the General Fund of the City and County; provided, that the Commission may provide for~~
18 ~~the waiver or reduction of the forfeiture.~~

19 ~~(f) **Notification.**~~

20 ~~(1) **Prospective Parties to Land Use Matters.** The agency responsible for the~~
21 ~~initial review of any land use matter shall inform any person with a financial interest in a land~~
22 ~~use matter before the Board of Appeals, Board of Supervisors, Building Inspection~~
23 ~~Commission, Commission on Community Investment and Infrastructure, Historic Preservation~~
24 ~~Commission, Planning Commission, Port Commission, or the Treasure Island Development~~
25 ~~Authority Board of Directors, of the prohibition in subsection (b) and of the duty to notify the~~

1 ~~Ethics Commission, described in subsection (f)(2), upon the submission of a request or~~
2 ~~application regarding a land use matter.~~

3 ~~(2) **Persons with a Financial Interest in a Land Use Matter.** Any person with~~
4 ~~a financial interest in a land use matter before the Board of Appeals, Board of Supervisors,~~
5 ~~Building Inspection Commission, Commission on Community Investment and Infrastructure,~~
6 ~~Historic Preservation Commission, Planning Commission, Port Commission, or the Treasure~~
7 ~~Island Development Authority Board of Directors, within 30 days of submitting a request or~~
8 ~~application, shall file with the Ethics Commission a report including the following information:~~

9 ~~(A) the board, commission, or department considering the land use~~
10 ~~matter;~~

11 ~~(B) the location of the property that is the subject of the land use matter;~~

12 ~~(C) if applicable, the file number for the land use matter; and~~

13 ~~(D) if applicable, the names of the individuals who serve as the person's~~
14 ~~chairperson, chief executive officer, chief financial officer, and chief operating officer, or as a~~
15 ~~member of the person's board of directors.~~

16
17 **SEC. 1.135. SUPPLEMENTAL PRE-ELECTION STATEMENTS.**

18 (a) **Supplemental Preelection Statements - General Purpose Committees.** In addition
19 to the campaign disclosure requirements imposed by the California Political Reform Act and
20 other provisions of this Chapter 1, a San Francisco general purpose committee that makes
21 contributions or expenditures totaling \$500 or more during the period covered by the
22 preelection statement, other than expenditures for the establishment and administration of
23 that committee, shall file a preelection statement before any election held in the City and
24 County of San Francisco at which a candidate for City elective office or City measure is on the
25 ballot.

1 (b) **Time for Filing Supplemental Preelection Statements - General Purpose**

2 **Committees.**

3 (1) Even-Numbered Years. In even-numbered years, preelection statements
4 required by ~~this Section~~ subsection (a) shall be filed pursuant to the preelection statement filing
5 schedule established by the Fair Political Practices Commission for county general purpose
6 recipient committees. In addition to these deadlines, preelection statements shall also be filed, for
7 the period ending six days before the election, no later than four days before the election.

8 (2) Odd-Numbered Years. In odd-numbered years, the filing schedule for
9 preelection statements is as follows:

10 (1) (A) For the period ending 45 days before the election, the statement
11 shall be filed no later than 40 days before the election;

12 (2) (B) For the period ending 17 days before the election, the statement
13 shall be filed no later than 12 days before the election; and

14 (C) For the period ending six days before the election, the statement shall be
15 filed no later than four days before the election.

16 (c) **Time for Filing Supplemental Preelection Statements - Ballot Measure Committees and**
17 **Candidate Committees.** In addition to the deadlines established by the Fair Political Practices
18 Commission, ballot measure committees and candidate committees required to file preelection
19 statements with the Ethics Commission shall file a third preelection statement before any election held
20 in the City and County of San Francisco at which a candidate for City elective office or City measure is
21 on the ballot, for the period ending six days before the election, no later than four days before the
22 election.

23 (e) (d) The Ethics Commission may require that these statements be filed electronically.
24
25

1 ~~SEC. 1.163.5. DISTRIBUTION OF CAMPAIGN ADVERTISEMENTS CONTAINING~~
2 ~~FALSE ENDORSEMENTS.~~

3 ~~(a) **Prohibition.** No person may sponsor any campaign advertisement that is distributed~~
4 ~~within 90 days prior to an election and that contains a false endorsement, where the person acts with~~
5 ~~knowledge of the falsity of the endorsement or with reckless disregard for the truth or falsity of the~~
6 ~~endorsement. A false endorsement is a statement, signature, photograph, or image representing that a~~
7 ~~person expressly endorses or conveys support for or opposition to a candidate or measure when in fact~~
8 ~~the person does not expressly endorse or convey support for or opposition to the candidate or measure~~
9 ~~as stated or implied in the campaign communication.~~

10 ~~(b) **Definitions.** Whenever in this Section the following words or phrases are used, they shall~~
11 ~~mean:~~

12 ~~(1) "Campaign Advertisement" is any mailing, flyer, door hanger, pamphlet, brochure,~~
13 ~~card, sign, billboard, facsimile, printed advertisement, broadcast, cable, satellite, radio, internet, or~~
14 ~~recorded telephone advertisement that refers to one or more clearly identified candidates or ballot~~
15 ~~measures. The term "campaign advertisement" does not include:~~

16 ~~(A) bumper stickers, pins, stickers, hat bands, badges, ribbons and other similar~~
17 ~~campaign memorabilia;~~

18 ~~(B) news stories, commentaries or editorials distributed through any newspaper,~~
19 ~~radio, station, television station or other recognized news medium unless such news medium is owned~~
20 ~~or controlled by any political party, political committee or candidate; or~~

21 ~~(C) material distributed to all members, employees and shareholders of an~~
22 ~~organization, other than a political party;~~

23 ~~(2) "Internet Advertisement" includes paid internet advertisements such as "banner"~~
24 ~~and "popup" advertisements, paid emails, or emails sent to addresses purchased from another person,~~
25 ~~and similar types of internet advertisements as defined by the Ethics Commission by regulation, but~~

1 ~~shall not include web blogs, listserves sent to persons who have contacted the sender, discussion~~
2 ~~forums, or general postings on web pages.~~

3 ~~(3) "Sponsor" means to pay for, direct, supervise or authorize the production of~~
4 ~~campaign advertisement.~~

5 ~~(c) **Enforcement and Penalties.** The penalties under Section 1.170(a) of this Chapter do not~~
6 ~~apply to violations of this Section. Notwithstanding the 60-day waiting period in Section 1.168 of this~~
7 ~~Chapter, a voter may bring an action to enjoin a violation of this Section immediately upon providing~~
8 ~~written notice to the City Attorney. A court may enjoin a violation of this section only upon a showing~~
9 ~~of clear and convincing evidence of a violation.~~

11 **SEC. 1.168. ENFORCEMENT; ADVICE.**

12 (a) ENFORCEMENT – GENERAL PROVISIONS. Any person who believes that a
13 violation of this Chapter 1 has occurred may file a complaint with the Ethics Commission, City
14 Attorney, or District Attorney. The Ethics Commission shall investigate such complaints
15 pursuant to Charter Section C3.699-13 and its implementing regulations. The City Attorney
16 and District Attorney shall investigate, and shall have such investigative powers as are
17 necessary for the performance of their duties under this Chapter.

18 (b) ENFORCEMENT – CIVIL ACTIONS. The City Attorney, or any ~~voter~~ resident, may
19 bring a civil action to enjoin violations of or compel compliance with the provisions of this
20 Chapter 1.

21 (1) No ~~voter~~ resident may commence an action under this ~~S~~subsection (b) without
22 first providing written notice to the City Attorney of intent to commence an action. The notice
23 shall include a statement of the grounds for believing a cause of action exists. The ~~voter~~
24 resident shall deliver the notice to the City Attorney and the Ethics Commission at least 60 days
25 in advance of filing an action. No ~~voter~~ resident may commence an action under this

1 § subsection if the Ethics Commission has issued a finding of probable cause that the
2 defendant violated the provisions of this Chapter, or if the City Attorney or District Attorney
3 has commenced a civil or criminal action against the defendant, or if another ~~voter~~ resident has
4 filed a civil action against the defendant under this § subsection.

5 (2) A Court may award reasonable attorney's fees and costs to any ~~voter~~ resident
6 who obtains injunctive relief under this § subsection (b). If the Court finds that an action
7 brought by a ~~voter~~ resident under this § subsection is frivolous, the Court may award the
8 defendant reasonable attorney's fees and costs.

9 (c) STATUTE OF LIMITATIONS.

10 (1) **Criminal.** Prosecution for violation of this Chapter must be commenced
11 within four years after the date on which the violation occurred.

12 (2) **Civil.** No civil action alleging a violation in connection with a campaign
13 statement required under this Chapter shall be filed more than four years after an audit could
14 begin, or more than one year after the Executive Director submits to the Commission any
15 report of any audit conducted of the alleged violator, whichever period is less. Any other civil
16 action alleging a violation of any provision of this Chapter shall be filed no more than four
17 years after the date on which the violation occurred.

18 (3) **Administrative.** No administrative action alleging a violation of this Chapter
19 and brought under Charter Section C3.699-13 shall be commenced more than four years after
20 the date on which the violation occurred. The date on which the Commission forwards a
21 complaint or information in its possession regarding an alleged violation to the District
22 Attorney and City Attorney as required by Charter Section C3.699-13 shall constitute the
23 commencement of the administrative action.

24 (A) **Fraudulent Concealment.** *If the person alleged to have violated this*
25 Chapter engages in the fraudulent concealment of his or her acts or identity, this four-year statute of

1 limitations shall be tolled for the period of concealment. For purposes of this subsection, “fraudulent
2 concealment” means the person knows of material facts related to his or her duties under this Chapter
3 and knowingly conceals them in performing or omitting to perform those duties.

4 (4) **Collection of Fines and Penalties.** A civil action brought to collect fines or
5 penalties imposed under this Chapter shall be commenced within four years after the date on
6 which the monetary penalty or fine was imposed. For purposes of this Section, a fine or
7 penalty is imposed when a court or administrative agency has issued a final decision in an
8 enforcement action imposing a fine or penalty for a violation of this Chapter or the Executive
9 Director has made a final decision regarding the amount of a late fine or penalty imposed
10 under this Chapter. The Executive Director does not make a final decision regarding the
11 amount of a late fine or penalty imposed under this Chapter until the Executive Director has
12 made a determination to accept or not accept any request to waive a late fine or penalty
13 where such waiver is expressly authorized by statute, ordinance, or regulation.

14 * * * *

15 (e) DEBARMENT.

16 The Ethics Commission may, after a hearing on the merits or pursuant to a stipulation among
17 all parties, recommend that a Charging Official authorized to issue Orders of Debarment under
18 Administrative Code Chapter 28 initiate debarment proceedings against any person in conformance
19 with the procedures set forth in that Chapter.

20
21 **SEC. 1.170. PENALTIES.**

22 (a) **CRIMINAL.** Any person who knowingly or willfully violates any provision of this
23 Chapter 1 shall be guilty of a misdemeanor and upon conviction thereof shall be punished by
24 a fine of not more than \$5,000 for each violation or by imprisonment in the County jail for a
25 period of not more than six months or by both such fine and imprisonment; provided, however,

1 that any willful or knowing failure to report contributions or expenditures done with intent to
2 mislead or deceive or any willful or knowing violation of the provisions of Section 1.114, 1.126,
3 or 1.127 of this Chapter shall be punishable by a fine of not less than \$5,000 for each violation
4 or three times the amount not reported or the amount received in excess of the amount
5 allowable pursuant to Section 1.114, 1.126, and 1.127 of this Chapter, or three times the
6 amount expended in excess of the amount allowable pursuant to Section 1.130 or 1.140-5,
7 whichever is greater.

8 (b) CIVIL. Any person who intentionally or negligently violates any of the provisions of
9 this Chapter 1 shall be liable in a civil action brought by the ~~civil prosecutor~~ City Attorney for an
10 amount up to \$5,000 for each violation or three times the amount not reported or the amount
11 received in excess of the amount allowable pursuant to Section 1.114, 1.126, and 1.127 or
12 three times the amount expended in excess of the amount allowable pursuant to Section
13 1.130 or 1.140-5, whichever is greater. In determining the amount of liability, the court may take
14 into account the seriousness of the violation, the degree of culpability of the defendant, and the ability
15 of the defendant to pay.

16 (c) ADMINISTRATIVE. Any person who ~~intentionally or negligently~~ violates any of the
17 provisions of this Chapter 1 shall be liable in an administrative proceeding before the Ethics
18 Commission held pursuant to the Charter for any penalties authorized therein.

19 * * * *

20
21 Section 2. The Campaign and Governmental Conduct Code, Article III, Chapter 2, is
22 hereby amended by revising Section 3.203 and adding Sections 3.207, 3.209, and 3.231 to
23 read as follows:

24 **SEC. 3.203. DEFINITIONS.**

25 Whenever in this Chapter 2 the following words or phrases are used, they shall mean:

1 “Anything of value” shall mean any money or property, favor, service, payment, advance,
2 forbearance, loan, or promise of future employment, but does not include compensation and expenses
3 paid by the City, contributions as defined herein, or gifts that qualify for gift exceptions established by
4 State or local law.

5 “Associated,” when used in reference to an organization, shall mean any organization in which
6 an individual or a member of his or her immediate family is a director, officer, or trustee, or owns or
7 controls, directly or indirectly, and severally or in the aggregate, at least 10% of the equity, or of which
8 an individual or a member of his or her immediate family is an authorized representative or agent.

9 “City elective officer” shall mean a person who holds the office of Mayor, Member of the Board
10 of Supervisors, City Attorney, District Attorney, Treasurer, Sheriff, Assessor and Public Defender.

11 “Contribution” shall be defined as set forth in the California Political Reform Act, California
12 Government Code section 81000, et seq.

13 “Fundraising” shall mean:

14 (a) requesting that another person make a contribution;

15 (b) inviting a person to a fundraising event;

16 (c) supplying names to be used for invitations to a fundraiser;

17 (d) permitting one’s name or signature to appear on a solicitation for contributions or an
18 invitation to a fundraising event;

19 (e) permitting one’s official title to be used on a solicitation for contributions or an invitation to
20 a fundraising event;

21 (f) providing the use of one’s home or business for a fundraising event;

22 (g) paying for at least 20% of the costs of a fundraising event;

23 (h) hiring another person to conduct a fundraising event;

24 (i) delivering a contribution, other than one’s own, by whatever means to a City elective
25 officer, a candidate for City elective office, or a candidate-controlled committee; or

1 (j) acting as an agent or intermediary in connection with the making of a contribution.

2 “Immediate family” shall mean spouse, registered domestic partner, and dependent children.

3 ~~(a)~~ "Officer" shall mean any person holding City elective office; any member of a board
4 or commission required by Article III, Chapter 1 of this Code to file a statements of economic
5 interests; any person appointed as the chief executive officer under any such board or
6 commission; the head of each City department; the Controller; and the City Administrator.

7 ~~(b) "City elective office" shall mean the offices of Mayor, Member of the Board of Supervisors,~~
8 ~~City Attorney, District Attorney, Treasurer, Sheriff, Assessor and Public Defender.~~

9 “Solicit” shall mean personally requesting a contribution for any candidate or committee,
10 either orally or in writing.

11 “Subordinate employee” shall mean an employee of any person whose official City
12 responsibilities include directing or evaluating the performance of the employee or any of the
13 employee’s supervisors.

14
15 **SEC. 3.207. ADDITIONAL CONFLICTS OF INTEREST FOR CITY ELECTIVE**
16 **OFFICERS AND MEMBERS OF BOARDS AND COMMISSIONS.**

17 (a) **Prohibitions.** In addition to the restrictions set forth in Section 3.206 and other provisions
18 of this Chapter 2, the following shall also constitute conflicts of interest for City elective officers and
19 members of boards and commissions:

20 (1) No City elective officer or member of a board or commission may use his or her
21 public position or office to seek or obtain anything of value for the private or professional benefit of
22 himself or herself, his or her immediate family, or for an organization with which he or she is
23 associated.

24 (2) No City elective officer or member of a board or commission may, directly or by
25 means of an agent, give, offer, promise to give, withhold, or offer or promise to withhold his or her vote

1 or influence, or promise to take or refrain from taking official action with respect to any proposed or
2 pending matter in consideration of, or upon condition that, any other person make or refrain from
3 making a contribution.

4 (3) No person may offer or give to an officer, directly or indirectly, and no City elective
5 officer or member of a board or commission may solicit or accept from any person, directly or
6 indirectly, anything of value if it could reasonably be expected to influence the officer's vote, official
7 actions, or judgment, or could reasonably be considered as a reward for any official action or inaction
8 on the part of the officer. This subsection (a)(3) does not prohibit a City elective officer or member of a
9 board or commission from engaging in outside employment.

10 (b) **Exception: public generally.** The prohibition set forth in subsection (a)(1) shall not apply
11 if the resulting benefit, advantage, or privilege also affects a significant segment of the public and the
12 effect is not unique. For purposes of this subsection (b):

13 (1) A significant segment of the public is at least 25% of:

14 (A) all businesses or non-profit entities within the official's jurisdiction;

15 (B) all real property, commercial real property, or residential real property
16 within the official's jurisdiction; or

17 (C) all individuals within the official's jurisdiction.

18 (2) A unique effect on a public official's financial interest includes a disproportionate
19 effect on:

20 (A) the development potential or use of the official's real property or on the
21 income producing potential of the official's real property or business entity;

22 (B) an official's business entity or real property resulting from the proximity of
23 a project that is the subject of a decision;

1 (C) an official's interests in business entities or real properties resulting from
2 the cumulative effect of the official's multiple interests in similar entities or properties that is
3 substantially greater than the effect on a single interest;

4 (D) an official's interest in a business entity or real property resulting from the
5 official's substantially greater business volume or larger real property size when a decision affects all
6 interests by the same or similar rate or percentage;

7 (E) a person's income, investments, assets or liabilities, or real property if the
8 person is a source of income or gifts to the official; or

9 (F) an official's personal finances or those of his or her immediate family.

10
11 **SEC. 3.209. RECUSALS.**

12 (a) **Recusal Procedures.** Any member of a City board or commission, including a member of
13 the Board of Supervisors, who has a conflict of interest under Sections 3.206 or 3.207, or who must
14 recuse himself or herself from a proceeding under California Government Code Section 84308, shall,
15 in the public meeting of the board or commission, upon identifying a conflict of interest immediately
16 prior to the consideration of the matter, do all of the following:

17 (1) publicly identify the circumstances that give rise to the conflict of interest in detail
18 sufficient to be understood by the public, provided that disclosure of the exact street address of a
19 residence is not required;

20 (2) recuse himself or herself from discussing or acting on the matter; and

21 (3) leave the room until after the discussion, vote, and any other disposition of the
22 matter is concluded, unless the matter has been placed on and remains on the consent calendar.

23 (b) **Recusal Notification.** A member of a City board or commission who is required to
24 file a statement of economic interests pursuant to Article III, Chapter 1 of the Campaign and

1 Governmental Conduct Code shall file a recusal notification form each time the member
2 recuses himself or herself, as required by subsection (a).

3 (1) The member shall file the original recusal notification form, along with a copy
4 of the meeting agenda containing the item involving the conflict of interest, with the Ethics
5 Commission within 15 calendar days after the date of the meeting at which the recusal
6 occurred.

7 (2) The member shall file the recusal notification form with the Ethics
8 Commission even if the member is not present at the meeting that would have involved the
9 conflict of interest.

10 (3) The recusal notification form shall be filed under penalty of perjury in a
11 method prescribed by the Ethics Commission and shall include, at a minimum, the following:

- 12 (A) the member's name;
- 13 (B) the name of the member's board or commission;
- 14 (C) the date of the meeting at which the recusal occurred or would have
15 occurred;
- 16 (D) the agenda item number, a brief description of the matter, and a
17 statement of whether the matter concerns the making of a contract; and
- 18 (E) the financial interest causing the recusal.

19 (c) **Repeated Recusals.** In the event a member of a City board or commission
20 recuses himself or herself, as required by subsection (a) during any 365 day period from
21 acting on:

22 (1) three or more agenda items by reason of the same investment in a business
23 entity, the same interest in real property or the same source of income; or

24 (2) 1% or more of the matters pending before the board or commission by
25 reason of any investments in business entities, any interests in real property or any sources of

1 income, the Ethics Commission shall examine the nature and extent of the conflict(s) of
2 interest and shall determine whether the member has a significant and continuing conflict of
3 interest. If the Ethics Commission so determines, the Ethics Commission may recommend to
4 the official's appointing authority that the official divest or otherwise remove the conflicting
5 interest, and, if the official fails to divest or otherwise remove the conflicting interest, the Ethics
6 Commission may recommend to the official's appointing authority that the official should be
7 removed from office under Charter Section 15.105 or by other means.

8 (d) **Exception.** The requirements of this Section 3.209 shall not apply to the members
9 of the Board of Supervisors.

10 ~~(b) **Repeated Recusals.** If a member of a City board or commission, including a~~
11 ~~member of the Board of Supervisors, recuses himself or herself, as required by subsection~~
12 ~~(a), in any 12-month period from discussing or acting on:~~

- 13 ~~(1) three or more separate matters; or~~
- 14 ~~(2) 1% or more of the matters pending before the officer's board or commission;~~

15 ~~the Commission shall determine whether the official has a significant and continuing conflict of~~
16 ~~interest. The Commission shall publish its written determination, including any discussion of~~
17 ~~the official's factual circumstances and applicable law, on its website. Thereafter, if the~~
18 ~~Commission determines that the official has a significant and continuing conflict of interest,~~
19 ~~the official shall provide the Commission with written notification of subsequent recusals~~
20 ~~resulting from the same conflicts of interest identified in the written determination. With~~
21 ~~respect to such officials, the Commission may recommend to the official's appointing authority~~
22 ~~that the official divest or otherwise remove the conflicting interest, and, if the official fails to~~
23 ~~divest or otherwise remove the conflicting interest, the Commission may recommend to the~~
24 ~~official's appointing authority that the official should be removed from office under Charter~~
25 ~~Section 15.105 or by other means.~~

1
2 **SEC. 3.231. PROHIBITIONS ON POLITICAL ACTIVITY FOR CITY ELECTIVE**
3 **OFFICERS AND MEMBERS OF BOARDS AND COMMISSIONS.**

4 **(a) Solicitation of Campaign Volunteers.** *No City elective officer or member of a board or*
5 *commission shall solicit uncompensated volunteer services from any subordinate employee for a*
6 *campaign for or against any ballot measure or candidate.*

7 **(b) Fundraising for Appointing Authorities.** *No member of a board or commission may*
8 *engage in fundraising on behalf of (1) the officer’s appointing authority, if the appointing authority is a*
9 *City elective officer; (2) any candidate for the office held by the officer’s appointing authority; or (3)*
10 *any committee controlled by the officer’s appointing authority. For the purposes of this subsection,*
11 *“member of a board or commission” shall not include a member of the Board of Supervisors.*

12
13 Section 3. Section 1. The Campaign and Governmental Conduct Code, Article III,
14 Chapter 6, is hereby amended by revising Sections 3.600, 3.610, 3.620, and by adding
15 Sections 3.630, 3.640, 3.650, to read as follows:

16 **CHAPTER 6: BEHESTED PAYMENT REPORTING ~~FOR COMMISSIONERS~~**

17 **SEC. 3.600. DEFINITIONS.**

18 Whenever in this Chapter 6 the following words or phrases are used, they shall have
19 the following meanings:

20 *“Actively support or oppose” shall mean contact, testify in person before, or otherwise ~~act~~*
21 *communicate in an attempt to influence an official or employees of a board or commission*
22 *(including the Board of Supervisors), including use of an agent to do any such act.*

23 “Agent” shall be defined as set forth in Title 2, Section 18438.3 of California Code of
24 Regulations, as amended from time to time.

1 ~~“At the behest of” shall mean under the control or at the direction of, in cooperation,~~
2 ~~consultation, coordination, or concert with, at the request or suggestion of, or with the express, prior~~
3 ~~consent of.~~

4 ~~“Auctioneer” shall mean any person who is engaged in the calling for, the recognition of, and~~
5 ~~the acceptance of, offers for the purchase of goods at an auction.~~

6 ~~“Behested payment” shall mean a payment that is made at the behest of an officer, or an agent~~
7 ~~thereof, and that is made principally for a legislative, governmental, or charitable purpose.~~

8 ~~“Behested Payment Report” shall mean the Fair Political Practices Commission Form 803, or~~
9 ~~any other successor form, required by the Fair Political Practices Commission to fulfill the disclosure~~
10 ~~requirements imposed by California Government Code Section 82015(b)(2)(B)(iii), as amended from~~
11 ~~time to time.~~

12 ~~“Charitable Contribution” shall mean any monetary or non-monetary contribution to a~~
13 ~~government agency, a bona fide public or private educational institution as defined in Section 203 of~~
14 ~~the California Revenue and Taxation Code, or an organization that is exempt from taxation under~~
15 ~~either Section 501(c) or Section 527 of the United States Internal Revenue Code.~~

16 ~~“Commissioner” shall mean any member of a board or commission listed in Campaign and~~
17 ~~Governmental Conduct Code Section 3.1-103(a)(1); provided, however, that “Commissioner” shall not~~
18 ~~include any member of the Board of Supervisors.~~

19 ~~“Contact” shall be defined as set forth in Section 2.106 of this Code.~~

20 ~~“Financial interest” shall be defined as set forth in the California Political Reform Act~~
21 ~~(California Government Code Section 87100 et seq.), any subsequent amendments to these~~
22 ~~Sections, and its implementing regulations.~~

23 ~~“Interested party” shall mean (i) any party, participant or agent of a party or participant~~
24 ~~involved in a proceeding regarding administrative enforcement, a license, a permit, or other~~
25 ~~entitlement for use before an officer or any board or commission (including the Board of Supervisors)~~

1 on which the officer sits, or (ii) any person who actively supports or opposes a governmental decision
2 by an officer or any board or commission (including the Board of Supervisors) on which the officer sits,
3 if such person has a financial interest in the decision.

4 "License, permit, or other entitlement for use" shall be defined as set forth in California
5 Government Code Section 84308, as amended from time to time.

6 "Officer" shall mean the Mayor, City Attorney, District Attorney, Treasurer, Sheriff, Assessor-
7 Recorder, Public Defender, a Member of the Board of Supervisors, or any member of a board or
8 commission who is required to file a Statement of Economic Interests, including all persons holding
9 positions listed in Section 3.1-103(a)(1) of this Code.

10 "Payment" shall mean a monetary payment or the delivery of goods or services.

11 "Participant" shall be defined as set forth in California Government Code Section 84308
12 and Title 2, Section 18438.4 of California Code of Regulations, as amended from time to time.

13 "Party" shall be defined as set forth in California Government Code Section 84308, as
14 amended from time to time.

15 "Public appeal" shall mean a request for a payment when such request is made by means of
16 television, radio, billboard, a public message on an online platform, the distribution of 500 or more
17 identical pieces of printed material, or a speech to a group of 50 or more individuals.

18 "Relative" shall mean a spouse, domestic partner, parent, grandparent, child, sibling, parent-in-
19 law, aunt, uncle, niece, nephew, first cousin, and includes any similar step relationship or relationship
20 created by adoption.

21

22 **SEC. 3.610. REQUIRED FILING OF BEHESTED PAYMENT REPORTS.**

23 (a) **FILING REQUIREMENT.** ~~If a Commissioner directly or indirectly requests or solicits~~
24 ~~any Charitable Contribution(s), or series of Charitable Contributions, from any party, participant or~~
25 ~~agent of a party or participant involved in a proceeding regarding administrative enforcement, a~~

1 ~~license, a permit, or other entitlement for use before the Commissioner's board or commission, the~~
2 ~~Commissioner shall file a Behested Payment Report with the Ethics Commission in the following~~
3 ~~circumstances: If an officer directly or indirectly requests or solicits any behested payment(s) from an~~
4 ~~interested party, the officer shall file the behested payment report described in subsection (b) with the~~
5 ~~Ethics Commission in the following circumstances:~~

6 (1) ~~if the party, participant or agent makes any Charitable Contribution, or series of~~
7 ~~Charitable Contributions, totaling \$1,000 or more while the proceeding is pending, the Commissioner~~
8 ~~shall file a Behested Payment Report within 30 days of the date on which the Charitable Contribution~~
9 ~~was made, or if there has been a series of Charitable Contributions, within 30 days of the date on~~
10 ~~which a Charitable Contribution causes the total amount of the contributions to total \$1,000 or more;~~
11 ~~if the interested party makes any behested payment(s) totaling \$1,000 or more during the pendency of~~
12 ~~the proceeding matter involving the interested party or a decision that the interested party is~~
13 ~~actively supporting or opposing, the officer shall file a behested payment report within 30 days of the~~
14 ~~date on which the behested payment was made, or if there has been a series of behested payments,~~
15 ~~within 30 days of the date on which the behested payment(s) total \$1,000 or more;~~

16 (2) ~~if the party, participant or agent makes any Charitable Contribution, or series of~~
17 ~~Charitable Contributions, totaling \$1,000 or more during the three months following the date a final~~
18 ~~decision is rendered in the proceeding, the Commissioner shall file a Behested Payment Report within~~
19 ~~30 days of the date on which the Charitable Contribution was made, or if there has been a series of~~
20 ~~Charitable Contributions, within 30 days of the date on which a Charitable Contribution causes the~~
21 ~~total amount of the contributions to total \$1,000 or more; and if the interested party makes any~~
22 ~~behested payment(s) totaling \$1,000 or more during the six months following the date on which a final~~
23 ~~decision is rendered in the proceeding matter involving the interested party or a decision that the~~
24 ~~interested party is actively supporting or opposing, the officer shall file a behested payment report~~
25 ~~within 30 days of the date on which the behested payment was made, or if there has been a series of~~

1 behested payments, within 30 days of the date on which the behested payment(s) total \$1,000 or more;

2 and

3 ~~(3) if the party, participant or agent made any Charitable Contribution, or series of~~
4 ~~Charitable Contributions, totaling \$1,000 or more in the 12 months prior to the commencement of a~~
5 ~~proceeding, the Commissioner shall file a Behested Payment Report within 30 days of the date the~~
6 ~~Commissioner knew or should have known that the source of the Charitable Contribution(s) became a~~
7 ~~party, participant or agent in a proceeding before the Commissioner's board or commission. if the~~
8 ~~interested party made any behested payment(s) totaling \$1,000 or more in the 12 months prior to the~~
9 ~~commencement of a proceeding~~matter involving the interested party ~~or a decision that the~~
10 ~~interested party actively supports or opposes, the officer shall file a behested payment report~~
11 ~~within 30 days of the date the officer knew or should have known that the source of the behested~~
12 ~~payment(s) became an interested party.~~

13 (b) **BEHESTED PAYMENT REPORT.** The behested payment report shall include the
14 following:

15 (1) name of payor;

16 (2) address of payor;

17 (3) amount of the payment(s);

18 (4) date(s) the payment(s) were made,

19 (5) the name and address of the payee(s),

20 (6) a brief description of the goods or services provided or purchased, if any, and a
21 description of the specific purpose or event for which the payment(s) were made;

22 (7) if the officer or the officer's relative, staff member, or paid campaign staff, is an
23 officer, executive, member of the board of directors, staff member or authorized agent for the recipient
24 of the behested payment(s), such individual's name, relation to the officer, and position held with the
25 payee;

1 (8) if the payee has created or distributed 200 or more substantially similar
2 communications featuring the officer within the six months prior to the deadline for filing the behested
3 payment report, a brief description of such communication(s), the purpose of the communication(s), the
4 number of communication(s) distributed, and a copy of the communication(s); and

5 (9) if in the six months following the deadline for filing the behested payment report, the
6 payee has created or distributed 200 or more substantially similar communications featuring the
7 officer, the officer shall file an amended payment report that discloses a brief description of such
8 communication(s), the purpose of the communication(s), the number of communication(s) distributed,
9 and a copy of the communication(s).

10 (c) **AMENDMENTS.** If any of the information previously disclosed on a behested payment
11 report changes during the pendency of the ~~proceeding~~matter involving the interested party ~~or a~~
12 decision that the interested party actively supports or opposes, or within six months of the final
13 decision in such ~~proceeding~~matter, the officer shall file an amended behested payment report.

14 (d) **PUBLIC APPEALS.** Notwithstanding subsection (a), no officer shall be required to report
15 any behested payment that is made solely in response to a public appeal.

16 (e) **NOTICE.** If an officer solicits or otherwise requests, in any manner other than a public
17 appeal, that any person make a behested payment, the official or his agent must notify that person that
18 if the person makes any behested payment in response to the solicitation or request, the person may be
19 subject to the disclosure and notice requirements in Section 3.620.

20 (b) (f) **WEBSITE POSTING.** The Ethics Commission shall make available through its
21 website all ~~B~~behested ~~P~~ayment ~~R~~eports it receives from ~~Commissioners~~ officers.

22 (e) **PENALTIES.** A Commissioner who fails to comply with this Section 3.610 is subject to the
23 administrative process and penalties set forth in Section 3.242(d).

24 (d) **EXCEPTION.** A Commissioner has no obligation to file Behested Payment Reports, as
25 required by subsection (a), if the Commissioner solicited Charitable Contributions by acting as an

1 ~~auctioneer at a fundraising event for a nonprofit organization that is exempt from taxation under~~
2 ~~Section 501(c)(3) of the United States Internal Revenue Code.~~

3
4 **SEC. 3.620. FILING BY DONORS.**

5 (a) REPORT. Any interested party who makes a behested payment, or series of behested
6 payments in a calendar year, of \$1,000 or more must disclose, within 30 days following the date on
7 which the payment(s) totals \$1,000 or more:

8 (1) the proceeding the interested party is or was involved in;

9 (2) the decisions the interested party actively supports or opposes;

10 (3) the outcome(s) the interested party is or was seeking in such proceedings or
11 decisions; and

12 (4) any contact(s) the interested party made in relation to such proceedings or
13 decisions.

14 (b) NOTICE. Any person who makes a behested payment must notify the recipient that the
15 payment is a behested payment, at the time the payment is made.

16
17 **SEC. 3.630. FILING BY RECIPIENTS OF MAJOR BEHESTED PAYMENTS.**

18 (a) MAJOR BEHESTED PAYMENT REPORT. Any person who receives a behested
19 payment, or a series of behested payments, received during a calendar year, totaling \$100,000 or more
20 that was made at the behest of any officer must do the following:

21 (1) within 30 days following the date on which the payment(s) total \$100,000 or more,
22 notify the Ethics Commission that the person has received such payment(s) and specify the date on
23 which the payment(s) equaled or exceeded \$100,000;

1 (2) within 13 months following the date on which the payment(s) or payments total
2 \$100,000 or more, but at least 12 months following the date on which the payment(s) total \$100,000 or
3 more, disclose:

4 (i) all payments made by the person that were funded in whole or in part by the
5 behested payment(s) made at the behest of the officer; and

6 (ii) if the person has actively supported or opposed any City decision(s)
7 involving the officer in the 12 months following the date on which the payment(s) were made:

8 (A) the proceeding the person is or was involved in;

9 (B) the decision(s) the person actively supported or opposed;

10 (C) the outcome(s) the person is or was seeking in such proceedings or
11 decisions; and

12 (D) any contact(s) the person made in relation to such proceedings or
13 decisions.

14 (b) **EXCEPTION.** Subsection (a) does not apply if the entity receiving the behested payment is
15 a City department.

16 (c) **NOTICE REQUIRED.** If a recipient of a behested payment does not receive the notice, as
17 required under Section 3.620, that a particular payment is a behested payment, the recipient will not be
18 subject to penalties under Section 3.650, as regards that particular payment, for failure to file pursuant
19 to subsection (a) unless it is clear from the circumstances that the recipient knew or should have known
20 that the payment was made at the behest of an officer.

21
22 **SEC. ~~3.620~~ 3.640. REGULATIONS.**

23 (a) The Ethics Commission may adopt rules, regulations, and guidelines for the
24 implementation of this Chapter 6.

1 (b) The Ethics Commission may, by regulation, require persons ~~Commissioners~~ to
2 electronically submit any ~~substantially the same~~ information ~~as~~ required ~~by the Behested Payment~~
3 ~~Report~~ to fulfill their obligations under ~~Section 3.610~~ this Chapter 6.

4
5 **SEC. 3.650. PENALTIES.**

6 Any party who fails to comply with any provision of this Chapter 6 is subject to the
7 administrative process and penalties set forth in Section 3.242(d) of this Code.

8
9 Section 4. Effective and Operative Dates. This ordinance shall become effective 30
10 days after enactment. This ordinance shall become operative on January 1, 2019.
11 Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance
12 unsigned or does not sign the ordinance within ten days of receiving it, or the Board of
13 Supervisors overrides the Mayor’s veto of the ordinance.

14
15 Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
16 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
17 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
18 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
19 additions, and Board amendment deletions in accordance with the “Note” that appears under
20 the official title of the ordinance.

21
22 Section 6. Severability. If any section, subsection, sentence, clause, phrase, or word
23 of this ordinance, or any application thereof to any person or circumstance, is held to be
24 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
25 shall not affect the validity of the remaining portions or applications of the ordinance. The

1 Board of Supervisors hereby declares that it would have passed this ordinance and each and
2 every section, subsection, sentence, clause, phrase, and word not declared invalid or
3 unconstitutional without regard to whether any other portion of this ordinance or application
4 thereof would be subsequently declared invalid or unconstitutional.

5

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

8 By: _____
9 ANDREW SHEN
Deputy City Attorney

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