

[Prohibiting Political Contributions From Corporations to Candidates for City Elective Office.]

Ordinance amending section 1.114 of the San Francisco Campaign and Governmental Conduct Code to prohibit corporations from making campaign contributions to candidates for City elective office.

Note: Additions are single-underline italics Times New Roman;
deletions are ~~strikethrough italics Times New Roman~~.
Board amendment additions are double underlined.
Board amendment deletions are ~~strikethrough normal~~.

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

Section 1. The San Francisco Campaign and Governmental Conduct Code is hereby amended by amending Section 1.114, to read as follows:

SEC. 1.114. CONTRIBUTION LIMITS.

(a) LIMITS ON CONTRIBUTIONS TO CANDIDATES—PRIMARY AND GENERAL ELECTIONS.

(1) Per Candidate Limit. No person other than a candidate shall make, and no candidate campaign treasurer shall solicit or accept, any contribution which will cause the total amount contributed by such person to such candidate in the general election to exceed \$500.

(2) Overall Limit. No person shall make any contribution which will cause the total amount contributed by such person to all candidates in the general election to exceed \$500 multiplied by the number of City elective offices to be voted on at the general election.

(3) Public Defender and Assessor; Special Elections. With respect to the offices of Public Defender and Assessor, the limits imposed by this subsection apply only to the primary election. In any special election, the limits imposed by this subsection apply to the initial election. If any run-off is held as part of a special election, then the limits in subsection (b) apply to the run-off.

1 (b) LIMITS ON CONTRIBUTIONS TO CANDIDATES —RUN-OFF ELECTIONS.

2 (1) Per Candidate Limit. No person other than a candidate shall make, and no
3 candidate shall solicit or accept, any contribution which will cause the total amount contributed
4 by such person to such candidate for the run-off election to exceed \$250. The amount a
5 person may contribute to a candidate in connection with a run-off election shall be controlled
6 solely by the limits imposed by this subsection without regard to the amount said person
7 contributed to the candidate in the general or primary election.

8 (2) Overall Limit. No person shall make any contribution which will cause the total
9 amount contributed by such person to all candidates in a run-off election to exceed \$250
10 multiplied by the number of City elective offices to be voted on at that run-off election.

11 (3) Public Defender and Assessor; Special Elections. With respect to the offices of
12 Public Defender and Assessor, the limit imposed by this sub-section applies only to the
13 general election. In any special election, the limits imposed by this subsection apply to any
14 run-off election held as part of the special election.

15 (c) LIMITS ON CONTRIBUTIONS FROM CORPORATIONS. No corporation organized
16 pursuant to the laws of the state of California, the United States, or any other state, territory, or foreign
17 country, whether for profit or not, shall make a contribution to a candidate for City elective office,
18 provided that nothing in this subsection shall prohibit such a corporation from establishing,
19 administering, and soliciting contributions to a separate segregated fund to be utilized for political
20 purposes by the corporation, provided that the separate segregated fund complies with the
21 requirements of federal law including sections 432(e) and 441b of Title 2 of the United States Code,
22 including any subsequent amendments to that those sections.

23 (d) LIMITS ON CONTRIBUTIONS TO COMMITTEES.
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1 (1) Per Committee Limit. No person shall make, and no committee treasurer shall
2 solicit or accept, any contribution which will cause the total amount contributed by such
3 person to the committee to exceed \$500 per calendar year.

4 (2) Overall Limit. No person shall make, and no committee treasurer shall solicit or
5 accept, any contribution which will cause the total amount contributed by such person to all
6 committees to exceed \$3000 per calendar year.

7 (3) Definitions. For purposes of this subsection, "committee" shall mean any
8 committee making expenditures to support or oppose a candidate, but shall not include
9 candidates' campaign committees.

10 ~~(d)~~(e) AGGREGATION OF AFFILIATED ENTITY CONTRIBUTIONS.

11 (1) General rule. For purposes of the contribution limits imposed by this section and
12 sections 1.120 and 1.126, the contributions of an entity whose contributions are directed and
13 controlled by any individual shall be aggregated with contributions made by that individual and
14 any other entity whose contributions are directed and controlled by the same individual.

15 (2) Multiple entity contributions controlled by the same persons. If two or more
16 entities make contributions that are directed and controlled by a majority of the same persons,
17 the contributions of those entities shall be aggregated.

18 (3) Majority-owned entities. Contributions made by entities that are majority-owned
19 by any person shall be aggregated with the contributions of the majority owner and all other
20 entities majority-owned by that person, unless those entities act independently in their
21 decisions to make contributions.

22 (4) Definition. For purposes of this section, the term "entity" means any person
23 other than an individual and "majority-owned" means a direct or indirect ownership of more
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1 than 50 percent, except that an entity owned equally by two individuals shall be deemed
2 majority-owned by each of the individuals.

3 (5) Effective Date. This subsection shall take effect January 1, 2004.

4 ~~(e)~~(f) CONTRIBUTOR INFORMATION REQUIRED. If the cumulative amount of
5 contributions received from a contributor is \$100 or more, the committee shall not deposit any
6 contribution that causes the total amount contributed by a person to equal or exceed \$100
7 unless the committee has the following information: the contributor's full name; the
8 contributor's street address; the contributor's occupation; and the name of the contributor's
9 employer or, if the contributor is self-employed, the name of the contributor's business. A
10 committee will be deemed not to have had the required contributor information at the time the
11 contribution was deposited if the required contributor information is not reported on the first
12 campaign statement on which the contribution is required to be reported.

13 ~~(f)~~(g) FORFEITURE OF UNLAWFUL CONTRIBUTIONS. In addition to any other
14 penalty, each committee that receives a contribution which exceeds the limits imposed by this
15 Section or which does not comply with the requirements of this Section shall pay promptly the
16 amount received or deposited in excess of the amount permitted by this Section to the City
17 and County of San Francisco and deliver the payment to the Ethics Commission for deposit in
18 the General Fund of the City and County; provided that the Commission may provide for the
19 waiver or reduction of the forfeiture.

20 ~~(g)~~(h) RETURN OF CONTRIBUTIONS. A contribution to a candidate or committee
21 making expenditures to support or oppose a candidate shall not be considered to be received
22 if it is not cashed, negotiated, or deposited and in addition it is returned to the donor before
23 the closing date of the campaign statement on which the contribution would otherwise be
24 reported, except that a contribution to a candidate or committee making expenditures to
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1 support or oppose a candidate made before an election at which the candidate is to be voted
2 on but after the closing date of the last campaign statement required to be filed before the
3 election shall not be considered to be deemed received if it is not cashed, negotiated or
4 deposited and is returned to the contributor within 48 hours of receipt. For all committees not
5 addressed by this section, the determination of when contributions are considered to be
6 received shall be made in accordance with Government Code section 81000, et seq.

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

9 By:

10 CHAD A. JACOBS
11 Deputy City Attorney
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