

1 [Campaign Finance Reform Ordinance amendments.]

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3 **Ordinance amending Article I, Chapter I of the Campaign & Governmental Conduct**
 4 **Code by amending sections 1.100, 1.104, 1.107, 1.108, 1.112, 1.113, 1.114, 1.118, 1.122,**
 5 **1.128, 1.130, 1.134, 1.135, 1.136, 1.140, 1.142, 1.144, 1.146, 1.148, 1.150, 1.152, 1.156,**
 6 **1.161, 1.161.5, 1.168, 1.170, deleting sections 1.134.5, 1.158, and 1.160, and adding**
 7 **sections 1.109, 1.143, 1.171, and 1.175 to refine and conform definitions; to eliminate**
 8 **and streamline reporting requirements; to authorize greater electronic filing; to adjust**
 9 **expenditure ceilings for inflation; to clarify the permissible uses of campaign funds; to**
 10 **provide that certain candidates are eligible to accept Voluntary Expenditure Ceilings; to**
 11 **set forth the instances in which the Ethics Commission will lift Voluntary Expenditure**
 12 **Ceilings; to modify how public funds are disbursed to eligible candidates; to clarify the**
 13 **requirements for third-party reporting; to amend the statute of limitations for**
 14 **administrative actions; and to impose record retention requirements on local**
 15 **committees.**

16 NOTE: Additions are *single-underline italics Times New Roman*;
 17 deletions are *strike-through italics Times New Roman*.
 18 Board amendment additions are double-underlined;
 Board amendment deletions are ~~strike-through normal~~.

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

20 Section 1. The San Francisco Campaign & Governmental Conduct Code is hereby
 21 amended by amending Sections 1.100, 1.104, 1.107, 1.108, 1.112, 1.113, 1.114, 1.118,
 22 1.122, 1.128, 1.130, 1.134, 1.135, 1.136, 1.140, 1.142, 1.144, 1.146, 1.148, 1.150, 1.152,
 23 1.156, 1.161, 1.161.5, 1.168, 1.170, to read as follows:

24 SEC. 1.100. PURPOSE AND INTENT.

25

1 (a) Huge sums of money~~s~~ often are necessary to finance American election campaigns.
2 Inherent to the high cost of election campaigning is the problem of improper influence, real or
3 potential, exercised by campaign contributors over elected officials. In addition, this
4 fundraising distracts public officials seeking reelection from focusing upon important public
5 matters, encourages contributions which may have a corrupting influence, ~~and~~ gives
6 incumbents an unfair fundraising advantage over potential challengers, and provides
7 contributors with greater access to public officials than other members of the public. These
8 developments undermine the integrity of the governmental process, and the competitiveness
9 of campaigns. The amount of money raised by many candidates and committees supporting or
10 opposing candidates also erodes ~~and~~ public confidence in local officials by creating the appearance
11 that elected officials may be unduly influenced by contributors who support their campaigns or oppose
12 their opponents' campaigns.

13 (b) It is the purpose and intent of the People of the City and County of San Francisco in
14 enacting this Chapter to:

15 (1) Place realistic and enforceable limits on the amount individuals may contribute to
16 political campaigns in municipal elections and to provide full and fair enforcement of all the
17 provisions in this Chapter;

18 (2) Ensure that all individuals and interest groups in our city have a fair opportunity to
19 participate in elective and governmental processes;

20 (3) Create an incentive to limit overall expenditures in campaigns, thereby reducing the
21 pressure on candidates to raise large campaign war chests for defensive purposes beyond
22 the amount necessary to communicate reasonably with voters;

23 (4) Reduce the advantage of incumbents and thus encourage competition for elective
24 office;

25

1 (5) Allow candidates and officeholders to spend a smaller proportion of their time on
2 fundraising and a greater proportion of their time dealing with issues of importance to their
3 constituents' community;

4 (6) Ensure that serious candidates are able to raise enough money to communicate
5 their views and positions adequately to the public, thereby promoting public discussion of the
6 important issues involved in political campaigns;

7 (7) Limit contributions to candidates and committees, including committees that make
8 independent expenditures, to eliminate or reduce the appearance or reality that large
9 contributors may exert undue influence over elected officials;

10 (8) Assist voters in making informed electoral decisions and ensure compliance with
11 campaign contribution limits through the required filing of campaign statements detailing the
12 sources of campaign contributions and how those contributions have been expended;

13 (9) Make it easier for the public, the media and election officials to efficiently review and
14 compare campaign statements by requiring committees that meet certain financial thresholds
15 to file copies of their campaign statements on ~~computer diskettes or other~~ designated electronic
16 media;

17 (10) Help restore public trust in governmental and electoral institutions; and

18 (11) Help ensure the integrity of the election process by prohibiting campaign
19 advertisements that contain ~~knowing~~ false endorsements of current and former public officials,
20 candidates, political clubs, and organizations. Such false endorsements undermine the
21 integrity of the electoral process by misleading and confusing voters about the actual support
22 for or opposition to candidates or ballot measures and it is too burdensome for individual
23 voters, inundated with campaign messages, to verify the accuracy of such claims and for
24 persons whose positions are misrepresented to correct the misrepresentations close in time to
25 the election.

1 (c) This Chapter is enacted in accordance with the terms of Sections 5 and 7 of Article
2 XI of the Constitution of the State of California and Section 1.101 of the Charter of the City
3 and County of San Francisco.

4 SEC. 1.104. DEFINITIONS.

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

6 (a) "Candidate" shall ~~mean any individual listed on the ballot for election to any City elective~~
7 ~~office or who otherwise has taken affirmative action to seek nomination or election to such office. The~~
8 ~~term "candidate" shall also mean the candidate's campaign committee~~ be defined as set forth in the
9 California Political Reform Act, California Government Code section 81000, et seq., but shall include
10 only candidates for City elective office.

11 (b) "Candidate committee" shall mean a committee controlled by a candidate, and primarily
12 formed to support that candidate's election for City elective office.

13 (bc) "Charitable organization" shall mean an entity exempt from taxation pursuant to
14 Title 26, Section 501 of the United State Code.

15 (ed) "City elective office" shall mean the offices of Mayor, Member of the Board of
16 Supervisors, City Attorney, District Attorney, Treasurer, Sheriff, Assessor, Public Defender,
17 Member of the Board of Education of the San Francisco Unified School District and Member
18 of the Governing Board of the San Francisco Community College District. The Board of
19 Supervisors ~~shall be deemed to consist~~_s of eleven separate City elective offices, the San
20 Francisco Community College District ~~shall be deemed to consist~~_s of seven separate City
21 elective offices, and the Board of Education of the San Francisco Unified School District ~~shall~~
22 ~~be deemed to consist~~_s of seven separate City elective offices.

23 (e) "Code" shall mean the San Francisco Campaign and Governmental Conduct Code.

1 (~~f~~) "Committee" shall be defined as set forth in the California Political Reform Act,
2 California Government Code section 81000, et seq. of the State of California (commencing at Section
3 81000).

4 (~~g~~) "Contribution" shall be defined as set forth in the California Political Reform Act,
5 California Government Code section 81000, et seq. of the State of California (commencing at Section
6 81000); provided, however, that "contribution" shall include loans of any kind or nature.

7 (~~h~~) "Controlled committee" shall be defined as set forth in the California Political Reform Act,
8 California Government Code section 81000, et seq.

9 (~~i~~) "Election" shall mean any ~~primary,~~ general, or special municipal election held in the
10 City and County of San Francisco for City elective office or for a local measure, regardless of
11 whether the election is conducted by district or Citywide.

12 (~~j~~) "Enforcement authority" shall mean the District Attorney ~~of the City and County of San~~
13 ~~Francisco~~ for criminal enforcement, the City Attorney for civil enforcement, and the Ethics
14 Commission for administrative enforcement. Nothing in this Chapter shall be construed as
15 limiting the authority of any law enforcement agency or prosecuting attorney to enforce the
16 provisions of this Chapter under any circumstances where such law enforcement agency or
17 prosecuting attorney otherwise has lawful authority to do so.

18 (~~k~~) "Ethics Commission" shall mean the San Francisco Ethics Commission.

19 (~~l~~) "Executive Director" shall mean the Executive Director of the Ethics Commission, or
20 the Executive Director's designee.

21 (~~m~~) "General purpose committee" shall be defined as set forth in the California Political
22 Reform Act, California Government Code section 81000 et seq.

23 (~~n~~) "Independent expenditure" shall be defined as set forth in the California Political Reform
24 Act, California Government Code section 81000 et seq. An expenditure is not considered independent
25 and shall be treated as a contribution from the person making the expenditure to the candidate on

1 whose behalf or for whose benefit the expenditure is made, if the expenditure is made at the request,
2 suggestion, or direction of, or in cooperation, consultation, concert or coordination with, the candidate
3 on whose behalf, or for whose benefit, the expenditure is made.

4 (j) "Individual Expenditure Ceiling" shall mean the expenditure ceiling established for
5 each individual candidate for Mayor or the Board of Supervisors who ~~m~~ has been certified by the
6 Ethics Commission has certified as eligible to receive public funds under this Chapter.

7 (p) "Itemized disclosure statement" shall mean a form promulgated by the Ethics Commission
8 that provides a detailed description of the separate costs associated with a communication, including
9 but not limited to photography, design, production, printing, distribution, and postage.

10 (q) "Mass mailing" shall be defined as set forth in the California Political Reform Act,
11 California Government Code section 81000 et seq., provided that the mass mailing advocates for or
12 against one or more candidates for City elective office.

13 (kr) "Matching contribution" shall mean a contribution up to \$500.00, ~~that is~~ made by an
14 individual, other than the candidate, who is a resident of San Francisco. Matching
15 contributions shall not include loans, contributions ~~that are~~ received more than 18 months
16 before the date of the election, qualifying contributions or contributions made by the candidate's
17 spouse, registered domestic partner or dependent child. ~~immediate family or qualifying contributions,~~
18 ~~and~~ Matching contributions must also comply with all requirements of this Chapter. Matching
19 contributions under \$100.00 that are not made by written instrument must be accompanied by
20 written documentation ~~of sufficient to establish~~ the contributor's name and address. The Ethics
21 Commission shall set forth, by regulation, the types of documents sufficient to establish a contributor's
22 name and address for the purpose of this subsection.

23 (ts) "Measure" shall mean any City, San Francisco Unified School District or San
24 Francisco Community College District referendum, initiative or recall ~~or ballot proposition,~~
25 ~~whether or not it qualifies for the ballot~~ that either has been placed on the ballot under the procedures

1 set forth in the Municipal Elections Code or the Charter or has been circulated for signatures in the
2 City and County.

3 (t) "Member communication" shall mean a communication made by an organization or its
4 committee for the publication, dissemination or communication to the organization's members,
5 employees or shareholders, or to the families of the organization's members, employees or
6 shareholders by newsletter, letter, flyer, e-mail or similar written or spoken material, that supports or
7 oppose a candidate or measure.

8 (~~u~~) "Person" shall mean any individual, partnership, corporation, association, firm,
9 proprietorship, joint venture, syndicate, business trust, company, limited liability company,
10 committee, club or other organization or group of persons acting in concert, however
11 organized.

12 (~~v~~) "Qualified campaign expenditure" for candidates ~~includes~~ shall mean all of the
13 following:

14 (1) Any expenditure made by a candidate, or by a committee controlled by the
15 candidate, for the purpose of influencing or attempting to influence the actions of the voters for
16 the election of the candidate to City elective office.

17 (2) A nonmonetary contribution provided to the candidate, officeholder or committee
18 controlled by the candidate.

19 (3) The total cost actually paid or incurred by the candidate or controlled committee of
20 the candidate for a slate mailing or other campaign literature produced or authorized by more
21 than one candidate.

22 (4) Expenses incurred, but for which payment has not yet been made.

23 (5) Expenses associated with complying with applicable laws, including but not limited
24 to the California Political Reform Act, California Government Code Section 81000, et seq., and
25 the provisions of this Chapter.

1 (6) "Qualified campaign expenditure" shall not include filing fees, expenses incurred in
2 connection with an administrative or judicial proceeding, payments for administrative, civil or
3 criminal fines, including late filing ~~fees~~ *fees*, costs incurred after the election that do not directly
4 affect the outcome of the election, including but not limited to utility bills, expenses associated
5 with an audit, and expenses related to preparing post-election campaign finance disclosure
6 reports as required by the California Political Reform Act, California Government Code
7 Section 81000, et seq., and the provisions of this Chapter, or for inaugural activities or
8 officeholder expenses.

9 (~~ew~~) "Qualifying contribution" shall mean a contribution of not less than \$10.00 and not
10 more than \$100.00 that is made by an individual who is a resident of San Francisco and that
11 complies with all requirements of this Chapter. Qualifying contributions shall not include loans,
12 contributions ~~that are~~ received more than 18 months before the date of the election or
13 contributions made by the candidate or the candidate's ~~immediate family~~ *spouse, registered*
14 *domestic partner or dependent child*. Qualifying contributions under \$100.00 that are not made by
15 written instrument must be accompanied by written documentation ~~of~~ *sufficient to establish* the
16 contributor's name and address. *The Ethics Commission shall set forth, by regulation, the types of*
17 *documents sufficient to establish a contributor's name and address for the purpose of this subsection.*

18 (~~px~~) "Recorded telephone message" shall mean a recorded audio message that
19 expressly supports or opposes a candidate for City elective office that is distributed by
20 telephone.

21 (~~qy~~) "Surplus funds" shall mean funds remaining in a candidate's campaign account at
22 the time the candidate leaves City elective office, or at the end of the post-election reporting
23 period following the defeat of the candidate for City elective office, whichever occurs last, ~~and~~
24 ~~funds remaining in the campaign account of a committee primarily formed to support or oppose a~~

1 ~~measure at the end of the post-election reporting period following the election at which the measure~~
2 ~~appeared on the ballot.~~

3 (~~z~~) "Total Opposition Spending" shall mean the sum of any expenditures made or
4 expenses incurred by any person or persons for the purpose of making independent
5 expenditures, electioneering communications or member communications in opposition to a
6 specific candidate for Mayor or the Board of Supervisors.

7 (~~aa~~) "Total Supportive Funds" shall mean the sum of all contributions received by a
8 candidate committee supporting a candidate for Mayor or the Board of Supervisors, other than
9 any funds in the candidate's Campaign Contingency Account exceeding the candidate
10 committee's Trust Account Limit, plus the expenditures made or expenses incurred by any
11 person or persons for the purpose of making independent expenditures, electioneering
12 communications or member communications in support of that same candidate.

13 (~~bb~~) "Trust Account Limit," shall mean the amount of funds in the Campaign
14 Contribution Trust Account of a candidate committee supporting a candidate for Mayor or the
15 Board of Supervisors who ~~m~~ has been certified by the Ethics Commission has certified as eligible
16 to receive public funds under this Chapter such that the expenditure of this amount would
17 cause the candidate to reach, but not exceed, the candidate's Individual Expenditure Ceiling.
18 The Trust Account Limit shall be reduced as the candidate spends money and shall be
19 increased when his or her Individual Expenditure Ceiling increases.

20 (~~cc~~) "Unexpended public funds" shall mean all funds remaining in the candidate committee's
21 account on the 30th day after the candidate controlling the committee is either elected or not elected to
22 office, regardless of the source of the funds, but shall not exceed the amount of public funds provided to
23 the candidate. Funds raised after this date are not unexpended funds.

24 (~~dd~~) "Voter" shall mean ~~s~~ an individual registered to vote in San Francisco.

1 ~~(ee)~~ "Withdrawal" or "withdraw" shall mean, prior to an election, ending one's candidacy or
2 failing to qualify for an office for which a candidate has solicited or accepted contributions.

3 ~~(ff)~~ "Written instrument" shall means a check, credit card receipt, or record of electronic
4 transfer of funds.

5 SEC. 1.107. TRAINING FOR CANDIDATES AND TREASURERS.

6 (a) Training Requirements.

7 (1) Candidates. Every candidate for City elective office and ~~their~~ his or her treasurers
8 shall attend a training program conducted or sponsored by the Ethics Commission within one
9 year prior to ~~each~~ any election at which the candidate's name will appear on the ballot.

10 (2) Treasurers. Every committee treasurer shall attend the next training program
11 conducted or sponsored by the Ethics Commission after the date the committee files either its
12 original statement of organization or an amendment to a statement of organization
13 designating a new treasurer.

14 (b) Exception. An individual who serves as the treasurer for more than one committee
15 is not required to attend a training required by Subsection (a) if that individual has attended
16 such a training within the previous 12 months.

17 (c) Definition. For the purposes of this section, "committee" shall mean any committee
18 that: (1) qualifies as committee pursuant to subdivision (a) of Section 82013 of the California
19 Government Code ~~as incorporated into this Chapter by Section 1.104~~; and (2) is required to file its
20 semi-annual campaign statements with the Ethics Commission.

21 SEC. 1.108. CANDIDATE COMMITTEE CAMPAIGN CONTRIBUTION TRUST
22 ACCOUNTS AND CAMPAIGN CONTINGENCY ACCOUNTS.

23 (a) CANDIDATE COMMITTEE CAMPAIGN CONTRIBUTION TRUST ACCOUNTS.

24 (1) Establishment of Account. Each treasurer for a candidate committee shall establish a
25 Campaign Contribution Trust Account for the candidate committee at an office of a bank

1 located in the City and County of San Francisco, ~~the account number and branch identification of~~
2 ~~which shall be filed with the Ethics Commission within ten days of the establishment of the account.~~ All
3 ~~of the~~ expenditures by the candidate committee for the City elective office sought shall be made
4 from that account.

5 (2) Prohibition on Multiple Officeholder Accounts. All funds, services or in-kind
6 contributions received by a candidate committee ~~City elective officer, or by any person or committee~~
7 ~~on behalf of a City elective officer,~~ for expenses incurred directly in connection with carrying out
8 the candidate's usual and necessary duties of holding office shall be deposited, credited or
9 otherwise reported to the ~~officer-candidate committee's~~ eCampaign eContribution ~~Trust~~
10 ~~Account, and Such contributions~~ shall be subject to the contribution limits in Section 1.114 of
11 this Chapter. An elected officeholder may not establish or control any other committees or accounts
12 for the purpose of making officeholder expenses. Nothing in this Section shall prohibit an officer
13 from spending personal funds on official ~~or related business~~ activities.

14 (3) Account Limits. A candidate committee controlled by a candidate for Mayor or the
15 Board of Supervisors whom ~~has been certified by~~ the Ethics Commission has certified as eligible
16 to receive public funds under this Chapter shall not, at any time before the date of the election for
17 which the candidate has been certified, have an amount of funds greater than the candidate
18 committee's Trust Account Limit in its ~~his or her~~ Campaign Contribution Trust Account, unless
19 those contributions are immediately transferred into the candidate committee's Campaign Contingency
20 Account.

21 (b) CAMPAIGN CONTINGENCY ACCOUNTS FOR CANDIDATE COMMITTEES FOR
22 MAYOR AND THE BOARD OF SUPERVISORS.

23 (1) Notwithstanding any other section of this Code, including Subsection (a)(2), a
24 candidate committee controlled by a candidate for Mayor or the Board of Supervisors whom ~~has~~
25 ~~been certified by~~ the Ethics Commission has certified as eligible to receive public funds under

1 this Chapter may maintain a Campaign Contingency Account separate from ~~his or her~~ its
2 Campaign Contribution Trust Account into which ~~he or she~~ it may deposit money contributions
3 in anticipation that the Ethics Commission will raise ~~of~~ the candidate's Individual Expenditure
4 Ceiling ~~being raised~~. All money contributions deposited into this account shall be reported as if
5 it were deposited into the candidate's committee's Campaign Contribution Trust Account.

6 (2) No candidate committee may deposit any funds into its Campaign Contingency Account if
7 the amount of funds in the candidate committee's Campaign Contribution Trust Account is less than the
8 candidate committee's Trust Account Limit.

9 (23) No expenditures shall be made from a Campaign Contingency Account
10 established pursuant to this section. Funds may be transferred ~~between a~~ from the candidate
11 committee's Campaign Contingency Account ~~and to~~ the candidate committee's Campaign
12 Contribution Trust Account, provided that the amount of funds in the ~~candidate's~~ Campaign
13 Contribution Trust Account does not exceed the candidate committee's Trust Account Limit. All
14 funds that qualify as matching contributions and are transferred from the Campaign
15 Contingency Account to the Campaign Contribution Trust Account shall be eligible to be
16 matched with public funds in accordance with the procedures set forth in this Chapter. Within
17 ten days after the date of the election, the candidate committee shall turn over all funds in the
18 Campaign Contingency Account to the Election Campaign Fund.

19 SEC. 1.112. ELECTRONIC CAMPAIGN DISCLOSURE.

20 (a) FILING ELECTRONIC CAMPAIGN STATEMENTS.

21 (1) Filing Electronic Copies of Campaign Statements Required by State Law. Whenever
22 any committee that meets the requirements of Subsection (b) of this Section is required by ~~this~~
23 ~~Chapter or~~ the California Political Reform Act, ~~(California~~ California Government Code Section 81000 et
24 seq.) to file a campaign disclosure statement or report with the Ethics Commission, the
25 committee shall file at the same time a copy of the statement or report in an electronic format

1 with the Ethics Commission, provided the Ethics Commission has prescribed the format at
2 least 60 days before the statement or report is due to be filed.

3 (2) Filing Electronic Copies of Campaign Statements Required by Local Law. Whenever any
4 committee is required to file a campaign disclosure statement or report with the Ethics Commission
5 under this Chapter, the committee shall file the statement or report in an electronic format, provided
6 the Ethics Commission has prescribed the format at least 60 days before the statement or report is due
7 to be filed.

8 (23) Continuous Filing of Electronic Statements. Once a ~~€~~committee is subject to the
9 electronic filing requirements imposed by this Section, the ~~€~~committee shall remain subject to
10 the electronic filing requirements, regardless of the amount of contributions received or
11 expenditures made during each reporting period, until the ~~€~~committee ~~files a termination~~
12 ~~statement terminates~~ pursuant to this Chapter and the California Political Reform Act, ~~(California~~
13 ~~Government Code Section 81000 et seq.)~~.

14 (34) Disclosure of Expenditure Dates. All electronic statements filed under this Section
15 shall include the date any expenditure required to be reported on the statement was incurred,
16 provided that the Ethics Commission's forms accommodate the reporting of such dates.

17 (b) COMMITTEES SUBJECT TO ELECTRONIC FILING REQUIREMENTS.

18 ~~(1) A €committee is subject to this Section if the Committee must file electronic copies of~~
19 ~~statements and reports if it receives contributions or makes expenditures that total \$5,000 or more in a~~
20 ~~calendar year and is: (1) required to file a statement of organization under this Chapter and the~~
21 ~~California Political Reform Act (Government Code Sections 81000 et seq.); and (2) is controlled by a~~
22 ~~candidate, or is formed or exists primarily to support or oppose a candidate, or is formed or exists~~
23 ~~primarily to support or oppose a ballot measure which is being voted on only in the City and County,~~
24 ~~or is a general purpose Committee active only in the City and County; and (3) receives contributions,~~
25 ~~or makes independent expenditures, totaling \$5,000.00 or more in a calendar year.~~

1 (A) a committee controlled by a candidate for City elective office;

2 (B) a committee primarily formed to support or oppose a local measure or a candidate for City
3 elective office; or

4 (C) a general purpose recipient, independent expenditure or major donor committee that
5 qualifies, under state law, as a city or county general purpose committee in the City and County of San
6 Francisco.

7 (2) The Ethics Commission may require additional committees not listed in this Section to file
8 electronically through regulations adopted at least 60 days before the statement or report is due to be
9 filed.

10 SEC. 1.113. DISCLOSURE REQUIREMENTS DURING SIGNATURE GATHERING
11 PERIODS FOR INITIATIVES, REFERENDA AND RECALLS.

12 ~~(a) In order to ensure that any person interested in the finances of~~In addition to the
13 requirements of this Chapter and state law, any committee that is raising or spending funds to
14 support or oppose a measure during the circulation of the measure shall file supplemental
15 campaign statements with the Ethics Commission under this Section. Such committees shall file ~~their~~
16 ~~financial disclosure documents on dates that are within the time period in which signatures are~~
17 ~~gathered~~ supplemental campaign statements on the 5th and 20th day of every month in which a
18 measure is circulating in the City and County for signatures, and on the 5th day of the month following
19 the end of the circulation period if necessary to disclose contributions received or expenditures made
20 during the signature-gathering period. Each such statement shall disclose contributions received and
21 expenditures made between the end of the reporting period for the last campaign statement filed by the
22 committee and the period ending five calendar days prior to the date of filing.

23 ~~(b) For initiatives and recalls, campaign disclosure statements shall be filed on the 15th day of~~
24 ~~the signature gathering period covering days 1–10, on the 30th day covering days 11–25, and every~~
25

1 ~~30 days thereafter for the 30-day period ending five days earlier through the end of the signature-~~
2 ~~gathering period.~~

3 ~~(c) For referenda, which have a 30-day signature gathering period, campaign disclosure~~
4 ~~statements shall be filed on the 10th day of the period covering days 1–5, on the 25th day of the period~~
5 ~~covering days 6–20, and by the 60th day after the end of the period covering days 21–30.~~

6 ~~(d) Otherwise, campaign statements shall be completed and filed as specified in this Chapter~~
7 ~~and state law.~~

8 SEC. 1.114. CONTRIBUTION LIMITS.

9 (a) LIMITS ON CONTRIBUTIONS TO CANDIDATES.

10 (1) Per Candidate Limit. No person other than a candidate shall make, and no ~~candidate~~
11 ~~committee~~-campaign treasurer for a candidate committee shall solicit or accept, any contribution
12 which will cause the total amount contributed by such person to such candidate committee in
13 an election to exceed \$500.00.

14 (2) Overall Limit. No person shall make any contribution which will cause the total
15 amount contributed by such person to all candidate committees in an election to exceed
16 \$500.00 multiplied by the number of City elective offices to be voted on at that election.

17 (b) LIMITS ON CONTRIBUTIONS FROM CORPORATIONS. No corporation organized
18 pursuant to the laws of the State of California, the United States, or any other state, territory,
19 or foreign country, whether for profit or not, shall make a contribution to a candidate
20 committee for City elective office, provided that nothing in this subsection shall prohibit such a
21 corporation from establishing, administering, and soliciting contributions to a separate
22 segregated fund to be utilized for political purposes by the corporation, provided that the
23 separate segregated fund complies with the requirements of ~~F~~federal ~~L~~law including sections
24 432(e) and 441b of Title 2 of the United States Code, ~~including~~ and any subsequent
25 amendments to those sections.

1 (c) LIMITS ON CONTRIBUTIONS TO COMMITTEES.

2 (1) Per Committee Limit. No person shall make, and no committee treasurer shall
3 solicit or accept, any contribution which will cause the total amount contributed by such
4 person to the committee to exceed \$500.00 per calendar year.

5 (2) Overall Limit. No person shall make, and no committee treasurer shall solicit or
6 accept, any contribution which will cause the total amount contributed by such person to all
7 committees to exceed \$3,000.00 per calendar year.

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

11 (d) AGGREGATION OF AFFILIATED ENTITY CONTRIBUTIONS.

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

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

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

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

1 ~~(5) Effective Date. This Subsection shall take effect January 1, 2004.~~

2 (e) CONTRIBUTOR INFORMATION REQUIRED. If the cumulative amount of
3 contributions received from a contributor is \$100.00 or more, the committee shall not deposit
4 any contribution that causes the total amount contributed by a person to equal or exceed
5 \$100.00 unless the committee has the following information: the contributor's full name; the
6 contributor's street address; the contributor's occupation; and the name of the contributor's
7 employer or, if the contributor is self-employed, the name of the contributor's business. A
8 committee will be deemed not to have had the required contributor information at the time the
9 contribution was deposited if the required contributor information is not reported on the first
10 campaign statement on which the contribution is required to be reported.

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

18 (g) ~~RETURN RECEIPT~~ OF CONTRIBUTIONS. A contribution to a candidate committee or
19 committee making expenditures to support or oppose a candidate shall not be considered ~~to~~
20 ~~be~~-received if it is not cashed, negotiated, or deposited and in addition it is returned to the
21 donor before the closing date of the campaign statement on which the contribution would
22 otherwise be reported, except that a contribution to a candidate committee or committee
23 making expenditures to support or oppose a candidate made before an election at which the
24 candidate is to be voted on but after the closing date of the last campaign statement required
25 to be filed before the election shall not be considered to be deemed received if it is not

1 cashed, negotiated or deposited and is returned to the contributor within 48 hours of receipt.
2 For all committees not addressed by this section, the determination of when contributions are
3 considered to be received shall be made in accordance with the California Political Reform Act,
4 California Government Code Section 81000, et seq.

5 SEC. 1.118. PAYMENT OF ACCRUED EXPENSES.

6 (a) A candidate committee ~~whohat~~ accepts goods or services on credit shall pay for
7 such accrued expenses ~~in full no later than 180 calendar days after receipt of a bill or invoice and~~
8 ~~in no event~~ later than 180 calendar days after the last calendar day of the month in which the
9 goods were delivered or the services were rendered, unless it is clear from the circumstances
10 that the failure to pay is reasonably based on a good faith dispute. For purposes of this
11 Subsection, a good faith dispute shall be rebuttably presumed if the candidate committee
12 produces the following:

13 (1) Evidence that the candidate committee protested the payment of a bill no later than
14 30 calendar days after the last calendar day of the month in which the goods were delivered
15 or the services were rendered; and

16 (2) Evidence that the protest was based on the time of delivery, quality or quantity of
17 goods delivered or services rendered or the price of the goods delivered or the services
18 provided.

19 (b) The provisions of Subsection (a) do not apply to debt owed to a financial institution
20 for an outstanding credit card balance.

21 (c) Each and every calendar day any accrued expense remains partially or wholly
22 unpaid after the time periods set forth in Subsection (a) constitutes a separate violation.

23 SEC. 1.122. SOLICITATION OR ACCEPTANCE OF CAMPAIGN CONTRIBUTIONS–
24 LIMITATIONS.

1 (a) DECLARATION OF INTENT REQUIRED. No ~~intended candidate for any City elective~~
2 ~~office, and no committee acting on behalf of a candidate~~ or candidate committee, shall solicit or
3 accept, or cause to be solicited or accepted, any contribution unless and until ~~said the~~
4 candidate ~~shall have~~ filed a declaration of intention to become a candidate for a specific City
5 elective office with the Department of Elections on a form ~~to be~~ prescribed by the Director of
6 Elections.

7 No person shall file a declaration of intention to become a candidate for more than one
8 City elective office. ~~For the purposes of this Section a committee acting on behalf of a candidate need~~
9 ~~not be controlled by or acting under the authorization of the candidate.~~

10 (b) USE OF CAMPAIGN FUNDS.

11 (i1) ~~General~~ GENERAL. Except as otherwise provided in this Chapter, funds in a
12 candidate committee's campaign account may be used only on behalf of the candidacy for the
13 office specified in the candidate's declaration of intention filed under Subsection (a) or for
14 expenses associated with holding that office, provided that such expenditures are reasonably
15 related to a legislative, governmental, or political purpose. Contributions solicited or accepted
16 under this Section for one ~~individual~~ candidate shall not be expended for the candidacy of any
17 other ~~individual~~ candidate for local, state or federal office, ~~or~~ in support of or opposition to any
18 measure or in support of or opposition to any state ballot proposition, or be donated to a charitable
19 organization. Nothing in this section shall prohibit a candidate committee for a candidate in a
20 ranked choice election from expending funds to support the ranking of another candidate if the
21 primary purpose of the expenditure is to further the candidate's own campaign.

22 (i2) ~~Withdrawal from candidacy~~ WITHDRAWAL FROM CANDIDACY. If a candidate has
23 withdrawn his or her candidacy, ~~€~~ campaign funds held by that candidate's committee's Campaign
24 Contribution Trust Account ~~an individual who ceases to be a candidate or fails to qualify for an office~~
25 ~~for which contributions have been solicited or accepted~~ shall be:

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

3 (B) donated to the City and County of San Francisco; ~~or~~

4 (C) donated to a charitable organization;:-

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

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

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

9 ~~(e3) SURPLUS FUNDS - CANDIDATES DEFEATED OR DEPARTED FROM ELECTED~~

10 OFFICE. Surplus funds held by a candidate or committee shall be ~~If a candidate has been defeated in~~
11 an election or has departed from City elective office, campaign funds held by that candidate's
12 committee's Campaign Contribution Trust Account shall be:

13 ~~(iA) R~~ returned on a "last in, first out" basis to those persons who have made said
14 contributions;

15 ~~(iiB) D~~ donated to a charitable organization; ~~or~~

16 ~~(iiiC) D~~ donated to the City and County of San Francisco;:-

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

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

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

21 ~~(#c) TRANSFER OF FUNDS. Subject to the restrictions set forth in Subsection (b), A~~ at any
22 time, funds held in a candidate committee's e Campaign Contribution Trust # Account may be
23 transferred to any legally constituted committee established by ~~or on behalf of~~ the candidate
24 under the Government Code of the State of California (commencing at Section 81000) California
25 Political Reform Act, California Government Code section 81000 et seq. Contributions transferred

1 under this subsection shall be attributed to specific contributors using a "first in, first out" or
2 "last in, first out" accounting method.

3 SEC. 1.128. ACCEPTANCE OR REJECTION OF VOLUNTARY EXPENDITURE
4 CEILINGS.

5 (a) Candidates for Assessor, City Attorney, District Attorney, Public Defender, Sheriff,
6 Treasurer, the Board of Education of the San Francisco Unified School District or the Governing
7 Board of the San Francisco Community College District may accept the applicable voluntary
8 expenditure ceiling. Candidates for the Board of Supervisors or Mayor may not accept a voluntary
9 expenditure ceiling.

10 (ab) All candidates for City elective officeTo accept the applicable voluntary expenditure
11 ceiling, a candidate must file a statement with the Ethics Commission indicating whether they
12 accepting or do not accept the applicable voluntary expenditure ceiling. Theis candidate statement,
13 which is a public document, shall be filed this statement no later than the deadline for filing
14 nomination papers with the Department of Elections, and may not be withdrawn after such
15 deadline. A candidate may not withdraw the statement accepting the voluntary expenditure ceiling after
16 filing the statement. The form may not be filed prior to June 1 of an election occurring in November or
17 120 days before an election held at any other time, and once filed may not be withdrawn. A candidate
18 may not accept or reject the applicable expenditure ceiling under this Section if the applicable
19 expenditure ceiling has already been liftedA candidate may not file the statement accepting the
20 applicable voluntary expenditure ceiling if the Ethics Commission has lifted the voluntary expenditure
21 ceiling under Section 1.134 of this Chapter.

22 The Director of Elections shall cause to be published in the Voter Information Pamphlet, on the
23 same page as appears the candidate's statement of qualifications, a notice informing voters whether the
24 candidate has accepted the voluntary expenditure ceiling. For candidates who have accepted the
25 voluntary expenditure ceiling, the notice shall state: "The above candidate has accepted the City's

1 ~~voluntary spending limit." For candidates who have not accepted the voluntary expenditure ceiling, the~~
2 ~~notice shall state: "The above candidate has NOT accepted the City's voluntary spending limit." If a~~
3 ~~candidate was precluded from accepting or rejecting the limits because the expenditure ceiling for a~~
4 ~~particular race was lifted under Section 1.134 of this Chapter before the candidate filed the statement~~
5 ~~required by this Section, the notice for that candidate shall state "The voluntary spending limit was~~
6 ~~lifted before this candidate decided whether to accept or not accept the limit." The notice shall be~~
7 ~~printed in the same font size and type as the candidate's statement of qualifications. Nothing in this~~
8 ~~subsection shall prevent a candidate from participating in a public financing program authorized by~~
9 ~~this Chapter.~~

10 (c) The Ethics Commission shall maintain, on its website, a list of the candidates who have
11 accepted the voluntary expenditure ceiling. If the Ethics Commission has lifted a voluntary expenditure
12 ceiling for a particular race under Section 1.134 of this Chapter, the Ethics Commission shall instead
13 maintain a list of the candidates who have accepted, but are no longer subject to the voluntary
14 expenditure ceiling in that race.

15 (bd) Any candidate who files a statement pursuant to this Section accepting ~~has accepted~~ the
16 applicable voluntary expenditure ceiling and makes qualified campaign expenditures in excess
17 of the voluntary expenditure ceiling, at a time when the Ethics Commission has not lifted the
18 applicable voluntary expenditure ceiling ~~has not been lifted~~, is subject to the penalties in Section
19 1.170 for violation of this Chapter.

20 SEC. 1.130. AMOUNT OF VOLUNTARY EXPENDITURE CEILINGS.

21 (a) Any candidate for Assessor, Public Defender, City Attorney, District Attorney,
22 Treasurer, or Sheriff who agrees to accept voluntary expenditure ceilings shall not make total
23 qualified campaign expenditures exceeding ~~\$229,000.00~~ 243,000, unless the Ethics Commission
24 has lifted the voluntary expenditure ceiling pursuant to Section 1.134 of this Chapter.

1 ***(b) Any candidate for Mayor who agrees to expenditure ceilings shall not make total qualified***
2 ***campaign expenditures exceeding \$724,000.00.***

3 ***(c) Any candidate for the Board of Supervisors who agrees to expenditure ceilings shall not***
4 ***make total qualified campaign expenditures exceeding \$140,000.00.***

5 ***(db) Any candidate for the Board of Education of the San Francisco Unified School***
6 ***District or the Governing Board of the San Francisco Community College District who agrees***
7 ***to accept voluntary expenditure ceilings shall not make total qualified campaign expenditures***
8 ***exceeding \$~~98,000.00~~104,000, unless the Ethics Commission has lifted the voluntary expenditure***
9 ***ceiling pursuant to Section 1.134 of this Chapter.***

10 ***(ec) The Ethics Commission is authorized to adjust annually by regulation the voluntary***
11 ***expenditure ceilings imposed by this Section to reflect the change in the California Consumer***
12 ***Price Index for that year, provided that such adjustments shall be rounded off to the nearest \$1,000.***

13 **SEC. 1.134. LIFTING OF VOLUNTARY EXPENDITURE CEILINGS ~~LIFTED~~;**
14 **SUPPLEMENTAL REPORTING IN ELECTIONS FOR ASSESSOR, PUBLIC DEFENDER, CITY**
15 **ATTORNEY, DISTRICT ATTORNEY, TREASURER, SHERIFF, THE BOARD OF EDUCATION OF**
16 **THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT, OR THE GOVERNING BOARD OF THE SAN**
17 **FRANCISCO COMMUNITY COLLEGE DISTRICT.**

18 This Section shall apply only if at least one candidate for the City elective office has
19 ***filed a statement with the Ethics Commission pursuant to Section 1.128 indicating acceptance of***
20 ***accepted the applicable voluntary expenditure ~~limits~~-ceiling, and the Ethics Commission has not***
21 ***lifted ~~applicable that voluntary~~ expenditure ~~limit~~-ceiling has not already been lifted. This Section***
22 ***applies only to candidates for Assessor, Public Defender, City Attorney, District Attorney, Treasurer,***
23 ***Sheriff, the Board of Education of the San Francisco Unified School District, or the Governing Board***
24 ***of the San Francisco Community College District.***

25 ***(a) The voluntary expenditure ceiling shall no longer be binding on a candidate:***

1 (1) ~~If~~ a candidate seeking election to the same City elective office, who has ~~filed a statement~~
2 ~~under Section 1.128 declining~~declined to accept the voluntary expenditure ceiling~~s,~~ receives
3 contributions or makes qualified campaign expenditures in excess of 100 percent of the
4 applicable voluntary expenditure ceiling, ~~or~~

5 (2) if a person or persons make expenditures or payments, or incur expenses for the
6 purpose of making independent expenditures, electioneering communications or member
7 communications ~~in support of or in opposition to a candidate~~ that total more than 100 percent of
8 the applicable voluntary expenditure ceiling, and those expenditures or communications clearly
9 identify a candidate seeking election to the same City elective office, or

10 (3) if a candidate seeking election to the same City elective office, who has accepted the
11 voluntary expenditure ceiling, makes qualified campaign expenditures in excess of 100 percent of the
12 voluntary expenditure ceiling.~~the applicable expenditure limit voluntary expenditure ceiling shall no~~
13 ~~longer be binding on any candidate seeking election to the same City elective office. This subsection~~
14 ~~shall not apply to a candidate for Mayor or the Board of Supervisors who has been certified by the~~
15 ~~Ethics Commission as eligible to receive public funds under this Chapter and is therefore subject to an~~
16 ~~Individual Expenditure Ceiling.~~

17 (b) Any candidate committee that ~~who has not accepted the voluntary expenditure ceiling and~~
18 ~~who~~ receives contributions, makes qualified campaign expenditures, incurs expenses or has
19 funds in ~~his~~ its ~~e~~Campaign Contribution ~~Trust~~ ~~a~~Account that ~~exceed~~ total more than 100 percent
20 of the applicable voluntary expenditure ceiling shall, within 24 hours of exceeding 100 percent
21 of the applicable voluntary expenditure ceiling, file a statement with the Ethics Commission, on
22 forms to be provided by the Ethics Commission, stating that fact and any additional
23 information required by the Ethics Commission. ~~Within 24 hours after receiving such notice, the~~
24 ~~Ethics Commission shall inform every other candidate for that office that the expenditure ceiling has~~
25 ~~been lifted.~~

1 (c) Any person other than a candidate committee who ~~that~~ makes expenditures or
2 payments, or incurs expenses for the purpose of ~~making~~ distributing independent expenditures,
3 electioneering communications or member communications ~~in support of or in opposition to that~~
4 clearly identify any candidate in an amount ~~of that in the aggregate equals or exceeds~~ \$5,000.00 or
5 more per candidate shall, within 24 hours of reaching or exceeding this threshold, file a statement
6 with the Ethics Commission, ~~on forms to be provided by the Ethics Commission,.~~ The statement
7 shall include a legible copy of the communication if it is conveyed in writing or an electronic recording
8 if it is conveyed via audio or video, disclose the cost of each communication, and provide any
9 additional information stating that fact and any additional information required by the Ethics
10 Commission,.

11 Thereafter, until ~~such time as the~~ Ethics Commission lifts the applicable voluntary
12 expenditure ceiling ~~is lifted~~, any such person shall file a supplemental statement with the
13 Ethics Commission each time the ~~committeeperson~~ person makes expenditures ~~or payments or incurs~~
14 expenses for the purpose of ~~making~~ distributing independent expenditures, electioneering
15 communications or member communications ~~or incurs expenses in support of or in opposition that~~
16 clearly identify to any candidate in an amount that in the aggregate equals or exceeds of an
17 additional \$5,000.00 per candidate. The supplemental statements shall be filed within 24 hours
18 of reaching or exceeding these spending this thresholds, and shall include a legible copy of the
19 communication if it is conveyed in writing or an electronic recording if it is conveyed via audio or
20 video, disclose the cost of each communication, and provide any additional information required by the
21 Ethics Commission. This subsection shall not apply to any expenditures, payments, or expenses
22 incurred for the purpose of making independent expenditures, electioneering communications or
23 member communications in support of or in opposition to any candidate for Mayor or the Board of
24 Supervisors if the Ethics Commission has certified that at least one candidate for Mayor or the Board
25 of Supervisors is eligible to receive public funds under this Chapter.

1 (d) Within one business day after receiving a notice indicating that the thresholds in subsection
2 (a) have been met, the Ethics Commission shall inform every candidate in the same race that the
3 expenditure ceiling has been lifted.

4 SEC. 1.135. SUPPLEMENTAL ~~REPORTING~~PRE-ELECTION STATEMENTS.

5 (a) Supplemental Preelection Statements. In addition to the campaign disclosure
6 requirements imposed by the California Political Reform Act and other provisions of this
7 Chapter, all San Francisco general purpose committees shall file preelection statements
8 before any election held in the City and County of San Francisco at which a candidate for City
9 elective office or City measure is on the ballot, if the committee makes contributions or
10 independent expenditures totaling ~~five hundred dollars (\$500.00)~~ or more during the period
11 covered by the preelection statement.

12 (b) Time for Filing Supplemental Preelection Statements. In even-numbered years,
13 preelection statements required by this Section shall be filed pursuant to the preelection
14 statement filing schedule established by the Fair Political Practices Commission for county general
15 purpose recipient committees. In odd-numbered years, the filing schedule is as follows:

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

18 (2) For the period ending 17 days before the election, the statement shall be filed no
19 later than 12 days before the election.

20 (c) The Ethics Commission may require that these statements be filed electronically.

21 SEC. 1.136. PUBLIC FINANCING OF CANDIDATES FOR THE BOARD OF
22 SUPERVISORS OR MAYOR.

23 Candidates for the Board of Supervisors or Mayor who ~~m are certified by~~ the Ethics
24 Commission certifies as eligible to receive public financing of their election campaigns, and
25 who comply with the applicable conditions and restrictions specified in Section 1.140 of this

1 Chapter, may receive public funds as provided in this Chapter to defray the costs of their
2 election campaigns.

3 SEC. 1.140. ELIGIBILITY TO RECEIVE PUBLIC FINANCING.

4 (a) REQUIREMENTS FOR ALL CANDIDATES. To be eligible to receive public
5 financing of campaign expenses under this Chapter, ~~all~~ a candidate~~s~~ must:

6 (1) Have filed a statement indicating that he or she intends to participate in the public
7 financing program under Section 1.142 of this Chapter.

8 (2) Agree to the following conditions:

9 (A) The candidate bears the burden of providing that each contribution the candidate
10 relies upon to establish eligibility is a qualifying contribution;

11 (B) The candidate bears the burden of proving that expenditures made with public
12 funds provided under this Chapter comply with Section 1.148 of this Chapter;

13 (C) The candidate will not make any payments to a contractor or vendor in return for
14 the contractor or vendor making a campaign contribution to the candidate or make more than
15 a total of 50 payments, other than the return of a contribution, to contractors or vendor that
16 have made contributions to the candidate;

17 (D) Notwithstanding Sections 1.114 and 1.116, the candidate shall not loan or donate,
18 in total, more than ~~\$15,000.00~~ of his or her own money to the campaign;

19 (E) The candidate shall not accept any loans to his or her campaign with the exception
20 of a candidate's loan to his or her own campaign as permitted by this Section; and

21 (F) The candidate shall agree to participate in at least three ~~(3)~~ debates with the
22 candidate's opponents.

23 (3) Have paid any outstanding late fines or penalties, owed to the City by the candidate
24 or any of the candidate's previous campaign committees, which were imposed for violations of
25 ~~Chapters 1 through 5 of this Article, Code or~~ the campaign finance provisions of the California

1 Political Reform Act (Government Code Sections 84100– 85704), ~~Chapter I of Article II of this~~
2 ~~Code or Chapters I or 2 of Article III of this Code~~, provided that the Ethics Commission had
3 notified the candidate of such fines or penalties by the time of certification.

4 (4) Have filed any outstanding forms, owed to the City by the candidate or any of the
5 candidate's previous campaign committees, which were required to be filed pursuant to
6 ~~Chapters I through 5 of this Article, Code or~~ the campaign finance provisions of the Political
7 Reform Act (Government Code Sections 84100– 85704), ~~or Chapter I, Article III of this Code~~,
8 provided that the Ethics Commission had notified the candidate of such outstanding forms by
9 the time of certification.

10 (5) Have no finding by a court within the prior five years that the candidate knowingly,
11 willfully, or intentionally violated ~~Chapters I through 4 any Section of this Article Code~~ or the
12 campaign finance provisions of this California Political Reform Act (Government Code
13 Sections 84100– 85704). For purposes of this Section, a plea of nolo contendere ~~shall be~~
14 ~~treated the same as~~ constitutes a finding by a court of a willful violation.

15 (b) ADDITIONAL REQUIREMENTS FOR CANDIDATES FOR THE BOARD OF
16 SUPERVISORS. To be eligible to receive public financing of campaign expenses under this
17 Chapter, a candidate for the Board of Supervisors must:

18 (1) Be seeking election to the Board of Supervisors and be eligible to hold the office
19 sought;

20 (2) Have a candidate committee that has received at least \$5,000.00 in qualifying
21 contributions from at least 75 contributors before the 70th day before the election;

22 (3) Be opposed by another candidate who has either established eligibility to receive
23 public financing, or whose candidate committee has received contributions or made expenditures
24 which in the aggregate equal or exceed \$5,000.00; and
25

1 (4) Agree that ~~the~~ his or her candidate committee will not ~~spend on the candidate's campaign~~
2 make qualified campaign expenditures that total more than the candidate's Individual Expenditure
3 Ceiling of ~~\$143,000~~ \$140,000.00, or as adjusted under Section ~~1.134.51.143~~ of this Chapter.

4 (c) ADDITIONAL REQUIREMENTS FOR CANDIDATES FOR MAYOR. To be eligible
5 to receive public financing of campaign expenses under this Chapter, a candidate for Mayor
6 must:

7 (1) Be seeking election to the office of Mayor and be eligible to hold the office sought;

8 (2) Have a candidate committee that has received at least \$25,000.00 in qualifying
9 contributions from at least 250 contributors by the 70th day before the election.

10 (3) Be opposed by another candidate who has either established eligibility to receive
11 public financing, or whose candidate committee has received contributions or made expenditures
12 that in the aggregate equal or exceed \$50,000.00; and

13 (4) Agree that ~~the~~ his or her candidate committee will not ~~spend on the candidate's campaign~~
14 make qualified campaign expenditures that total more than the candidate's Individual Expenditure
15 Ceiling of ~~\$1,475,000, \$1,375,000.00~~, or as adjusted under Section ~~1.134.51.143~~ of this Chapter.

16 (d) ADJUSTMENT OF EXPENDITURE LIMITS AND THRESHOLDS. ~~Whenever the~~
17 ~~Ethics Commission pursuant to Section 1.130 adjusts the voluntary expenditure ceilings to reflect~~
18 ~~changes in the California Consumer Price Index, the~~ Ethics Commission is authorized to adjust:

19 (1) The figures in Subsections (b)(4) and (c)(4) to ~~match the adjusted voluntary expenditure~~
20 ~~ceilings in Section 1.130~~ reflect changes in the California Consumer Price Index, provided that such
21 adjustments shall be rounded off to the nearest \$1,000 for candidates for the Board of Supervisors and
22 the nearest \$5,000 for candidates for Mayor;

23 (2) The figure in Subsection (a)(2)(D) of this Section to reflect changes in the California
24 Consumer Price Index, provided that such adjustments shall be rounded off to the nearest
25 \$1,000.00;

1 (3) The figures in Subsections (b)(2) and (b)(3) of this Section to reflect changes in the
2 California Consumer Price Index, provided that such adjustments shall be rounded off to the
3 nearest \$500.00;

4 (4) The figures in Subsections (c)(2) and (c)(3) of this Section to reflect changes in the
5 California Consumer Price Index, provided that such adjustments shall be rounded off to the
6 nearest \$5,000.00; and

7 (5) The maximum amount of a contribution that constitutes a qualifying contribution
8 pursuant to Section 1.104 to reflect changes in the California Consumer Price Index, provided
9 that such adjustments shall be rounded off to the nearest \$10.00.

10 SEC. 1.142. PROCESS FOR ESTABLISHING ELIGIBILITY; CERTIFICATION BY THE
11 ETHICS COMMISSION.

12 (a) STATEMENT OF PARTICIPATION OR NON-PARTICIPATION. Each candidate for
13 the Board of Supervisors or Mayor must sign and ~~verify under penalty of perjury~~ file a Statement
14 of Participation or Non-Participation in the public financing program. The statement must be
15 filed by the candidate with the Ethics Commission no later than the deadline for filing
16 nomination papers. On the statement, each candidate shall indicate whether he or she intends
17 to participate in the public financing program. A statement of participation or non-participation
18 may not be amended after the deadline for filing nomination papers; ~~provided that, prior to~~
19 ~~December 31, 2007, any candidate for the Board of Supervisors who has filed a Statement of Non-~~
20 ~~Participation may retract that Statement and file a Statement of Participation in the public financing~~
21 ~~program.~~

22 (b) DECLARATION BY CANDIDATE. To become eligible to receive public financing of
23 campaign expenses under this Chapter, a candidate shall declare, under penalty of perjury,
24 that the candidate satisfies the requirements specified in Section 1.140. Candidates shall be
25 permitted to submit the declaration and any supporting material required by the Ethics

1 Commission to the Ethics Commission ~~starting~~no earlier than nine ~~(9)~~ months before the date
2 of the election, but no later than the 70th day before the election. Once the declaration and
3 supporting material are submitted, they may not be amended. The declaration and supporting
4 material may be withdrawn and refiled, provided that the refiling is made no later than the 70th
5 day before the election.

6 If any deadline imposed by this Subsection falls on a Saturday, Sunday, or legal
7 holiday, the deadline shall be the next business day.

8 (c) DETERMINATION OF ELIGIBILITY. The Executive Director of the Ethics
9 Commission shall review the candidate's declaration and supporting material to determine
10 whether the candidate is eligible to receive public funds under this Chapter. The Executive
11 Director may audit the candidate's records, interview contributors and take whatever steps the
12 Executive Director deems necessary to determine eligibility. At the request of the Executive
13 Director, the Controller shall assist in this review process.

14 (d) DETERMINATION OF OPPOSITION. To determine whether a candidate for the
15 Board of Supervisors is opposed as required under Section 1.140(b)(3) of this Chapter or a
16 candidate for Mayor is opposed as required under Section 1.140(c)(3) of this Chapter, the
17 Executive Director shall review the material filed pursuant to Section 1.152 of this Chapter,
18 and may review any other material.

19 (e) CERTIFICATION. If the Executive Director determines that a candidate for Mayor or
20 the Board of Supervisors has satisfied the requirements of Section 1.140, the Executive
21 Director shall notify the candidate and certify to the Controller that the candidate is eligible to
22 receive public financing under this Chapter. The Executive Director shall not certify that a
23 candidate is eligible to receive public financing if the candidate's declaration or supporting
24 material is incomplete or otherwise inadequate to establish eligibility. The Executive Director
25 shall determine whether to certify a candidate no later than 30 days after the date the

1 candidate submits his or her declaration and supporting material, provided that the Executive
2 Director shall make all determinations regarding whether to certify a candidate no later than
3 the 55th day before the election.

4 (f) RESUBMISSION. If the Executive Director declines to certify that a candidate is
5 eligible to receive public financing under this Chapter, the Executive Director shall notify the
6 candidate. Notwithstanding Section 1.142(b) of this Chapter, the candidate may, within five
7 business days of the date of notification, resubmit the declaration and supporting material. If
8 the candidate does not timely resubmit, the Executive Director's determination is final.

9 If, after viewing resubmitted material, the Executive Director declines to certify that a
10 candidate is eligible to receive public financing under this Chapter, the Executive Director
11 shall notify the candidate of this fact. Additional resubmissions may be permitted in the
12 Executive Director's discretion. If the candidate fails to resubmit in the time specified by the
13 Executive Director, or if no further resubmissions are permitted, the Executive Director's
14 determination is final.

15 (g) APPEAL TO THE ETHICS COMMISSION. If, the Executive Director declines to
16 certify that a candidate is eligible to receive public financing under this Chapter, the candidate
17 may appeal the Executive Director's final determination to the Ethics Commission. The
18 candidate must deliver the written appeal to the Ethics Commission within five days of the
19 date of notification of the Executive Director's determination.

20 SEC. 1.144. DISBURSEMENT OF PUBLIC FUNDS—~~CANDIDATES FOR THE BOARD~~
21 ~~OF SUPERVISORS.~~

22 (a) PAYMENT BY CONTROLLER. Upon certifying that a candidate is eligible to
23 receive public financing under this Chapter, the Executive Director shall forward the
24 certification to the Controller, and the Controller shall disburse payments to the candidate from
25 the Election Campaign Fund in accordance with the certification and this Section.

1 (b) TIME OF PAYMENTS. The Controller shall not make any payments under this
2 Chapter to any candidate more than nine ~~(9)~~ months before the date of the election. Payments
3 from the Controller shall be disbursed to eligible candidates within ~~48 hours~~ two business days of
4 the Controller receiving notification from the Ethics Commission regarding the amount of the
5 disbursement, except that within ~~60~~ fifteen calendar days before the election, such payments
6 shall be made within ~~24 hours~~ one business day.

7 (c) PAYMENTS FOR ELECTION EXPENSES TO CANDIDATES FOR MAYOR.

8 (1) Until the Per Candidate Available Disbursement Limit has been determined,
9 candidates for Mayor who ~~have been certified by~~ the Ethics Commission has certified as eligible
10 to receive public financing for their election campaigns will have access to up to
11 ~~\$850,000.00~~ \$950,000 in funds from the Election Campaign Fund on a first come, first served
12 basis according to the formula set forth in Subsection (c)(3) of this Section.

13 (2) Once the Per Candidate Available Disbursement Limit has been determined,
14 candidates for Mayor who ~~have been certified by~~ the Ethics Commission has certified as eligible
15 to receive public financing for their election campaigns shall have access to funds from the
16 Election Campaign Fund as follows:

17 (A) If the Executive Director determines that the Per Candidate Available Disbursement
18 Limit is greater than ~~\$850,000.00~~ \$950,000, each participating candidate shall have access to the
19 amount of the Per Candidate Disbursement, subject to the limitations set forth under
20 Subsection (c)(3)(D) and (c)(3)(E) of this Section.

21 (B) If the Executive Director determines the Per Candidate Available Disbursement
22 Limit is less than or equal to ~~\$850,000.00~~ \$950,000, participating candidates shall have access to
23 funds from the Election Campaign Fund on a first come, first served basis up to a maximum
24 per candidate of ~~\$850,000.00~~ \$950,000.

1 (3) A candidate for Mayor who is certified as eligible to receive public financing under
2 this Chapter shall receive payments for eligible matching contributions according to the
3 following formula:

4 (A) Upon qualification the candidate shall receive a one-time payment of \$50,000.00
5 from the Election Campaign Fund.

6 (B) After the initial payment under Subsection (c)(3)(A), for the first \$100,000.00 in
7 matching contributions raised by the candidate, the candidate shall receive four dollars from
8 the Election Campaign Fund for each dollar raised.

9 (C) After the payments under Subsection (c)(3)(B), for the next ~~\$400,000.00~~500,000 in
10 matching contributions raised by the candidate, the candidate shall receive one dollar~~s~~ from
11 the Election Campaign Fund for each dollar raised.

12 (D) The maximum amount of public funds a mayoral candidate may receive is
13 ~~\$850,000.00~~950,000, unless the candidate's Individual Expenditure Ceiling is ~~lifted~~ *adjusted*
14 according to the rules set forth under Section ~~1.134.51.143~~. ~~The amount of public funds paid under~~
15 ~~this Section shall not be affected by the lifting of expenditure limits under Section 1.134.~~

16 (E) If the Per Candidate Available Disbursement Limit has been determined to be an
17 amount greater than ~~\$850,000.00~~950,000, a candidate who has already received at least
18 ~~\$850,000.00~~950,000 in disbursements from the City shall continue to be eligible to receive
19 public funds from the City at the rate of one dollar for each dollar of a matching contribution
20 raised up to the Per Candidate Disbursement Limit, provided that no funds shall be disbursed
21 if disbursement of the funds would result in the candidate exceeding his or her Trust Account
22 Limit.

23 (d) PAYMENTS FOR ELECTION EXPENSES TO CANDIDATES FOR THE BOARD
24 OF SUPERVISORS.

1 (1) Until the Per Candidate Available Disbursement Limit has been determined,
2 candidates for the Board of Supervisors who ~~m have been certified by~~ the Ethics Commission *has*
3 *certified* as eligible to receive public financing for their election campaigns will have access to
4 up to ~~\$87,500.00~~89,000 in funds from the ~~Mayoral~~ Election Campaign Fund on a first come, first
5 served basis according to the formula set forth in Subsection (d)(3) of this Section.

6 (2) Once the Per Candidate Available Disbursement Limit has been determined,
7 candidates for the Board of Supervisors who ~~m have been certified by~~ the Ethics Commission *has*
8 *certified* as eligible to receive public financing for their election campaigns shall have access to
9 funds from the Election Campaign Fund as follows:

10 (A) If the Executive Director determines that the Per Candidate Available Disbursement
11 Limit is greater than ~~\$87,500.00~~89,000, each participating candidate shall have access to the
12 amount of the Per Candidate Disbursement, subject to the limitations set forth under
13 Subsection (d)(3)(D) and (d)(3)(E) of this Section.

14 (B) If the Executive Director determines the Per Candidate Available Disbursement
15 Limit is less than or equal to ~~\$87,500.00~~89,000, participating candidates shall have access to
16 funds from the Election Campaign Fund on a first come, first served basis up to a maximum
17 per candidate of ~~\$87,500.00~~89,000.

18 (3) A candidate for the Board of Supervisors who is certified as eligible to receive public
19 financing under this Chapter shall receive payments for eligible matching contributions
20 according to the following formula:

21 (A) Upon qualification the candidate shall receive a one-time payment of \$10,000.~~00~~
22 from the Election Campaign Fund.

23 (B) After the initial payment under Subsection (d)(3)(A), for the first \$10,000.~~00~~ in
24 matching contributions raised by the candidate, the candidate shall receive four dollars from
25 the Election Campaign Fund for each dollar raised.

1 (C) After the payments under Subsection (d)(3)(B), for the next ~~\$37,500.00~~39,000 in
2 matching contributions raised by the candidate, the candidate shall receive one dollar from the
3 Election Campaign Fund for each dollar raised.

4 (D) The maximum amount of public funds a candidate for the Board of Supervisors
5 may receive is ~~\$87,500.00~~89,000, unless the candidate's Individual Expenditure Ceiling is
6 ~~adjusted lifted~~ according to the rules set forth under Section ~~1.134.51.143~~. ~~The amount of public~~
7 ~~funds paid under this Section shall not be affected by the lifting of expenditure limits under Section~~
8 ~~1.134.~~

9 (E) If the Per Candidate Available Disbursement Limit has been determined to be an
10 amount greater than ~~\$87,500.00~~89,000, a candidate who has already received at least
11 ~~\$87,500.00~~89,000 in disbursements from the City shall continue to be eligible to receive public
12 funds from the City at the rate of one dollar for each dollar of a matching contribution raised
13 up to the Per Candidate Disbursement Limit, provided that no funds shall be disbursed if
14 disbursement of the funds would result in the candidate exceeding his or her Trust Account
15 Limit.

16 (e) PER CANDIDATE AVAILABLE DISBURSEMENT LIMIT. On the 59th day before
17 the election, the Executive Director shall divide the total amount of non-administrative funds in
18 the Election Campaign Fund by the number of qualified candidates. This number shall be
19 deemed the Per Candidate Available Disbursement Limit. For the purposes of this section, the
20 total amount of non-administrative funds in the Election Campaign Fund shall be the total
21 amount of funds that existed in the Fund nine months before the date of election plus any
22 funds deposited into the Fund between that date and the 59th day before the election minus
23 any funds necessary to cover the administrative costs associated with implementing the public
24 financing program for the next election.

1 If there are candidates who have submitted a Declaration of Qualification but whose
2 eligibility has not been determined as of the 59th day before the election, the Executive
3 Director shall assume that they are qualified for the purposes of determining the Per
4 Candidate Available Disbursement Limit. The Per Candidate Available Disbursement Limit
5 shall be revised upward according to the formula above if and when it is determined that the
6 candidate or candidates in question did not qualify to receive public financing.

7 Immediately upon calculating the Per Candidate Available Disbursement Limit, the
8 Executive Director shall inform the Controller of the initial determination of the Per Candidate
9 Available Disbursement Limit. Thereafter, the Executive Director shall immediately inform the
10 Controller of any subsequent changes in the Per Candidate Available Disbursement Limit due
11 to a determination that a candidate has not qualified to receive public financing.

12 (f) SUBMISSION OF CLAIMS FOR PUBLIC FUNDS. The Ethics Commission shall
13 determine the information needed to submit a claim for payment of public funds. The
14 Executive Director shall certify each request for payment of public funds within four business
15 days of the request, except that within 14 calendar days before the election, when the
16 certification of a request for public funds shall be made within two business days of the
17 request. No candidate may submit a claim for public funds if the candidate has any such claims
18 pending with the Ethics Commission. For candidates for Mayor, any submission of a claim for
19 public funds must include a minimum of \$5,000-~~00~~ of matching contributions; provided that in
20 the 14 calendar days preceding an election, a claim must include a minimum of \$1,000-~~00~~ of
21 matching contributions. For candidates for the Board of Supervisors, any submission of a
22 claim for public funds must include a minimum of ~~\$500-00~~1,000 of matching contributions;
23 provided that in the 14 calendar days preceding an election, a claim must include a minimum
24 of ~~\$100-00~~200 of matching contributions. All claims for public funds must be submitted no later
25 than 5:00 p.m. on the 30th day following the date of the election.

1 (g) DEPOSIT IN CAMPAIGN CONTRIBUTION TRUST ACCOUNT. ~~A~~ candidates
2 must deposit all payments received from the Election Campaign Fund in ~~the~~ his or her
3 candidate committee's Campaign Contribution Trust Account.

4 SEC. 1.146. TERMINATION OF PAYMENTS.

5 The Controller shall terminate all payments to a candidate who is otherwise eligible to
6 receive public financing if the candidate or the candidate's committee:

7 (a) Withdraws or fails to qualify to have his or her name printed on the ballot for the
8 election for which the candidate applied for public financing;

9 (b) Fails to comply with the conditions specified in Section 1.140 of this Chapter; or

10 (c) Knowingly or willfully fails to comply with any of the reporting requirements imposed
11 by this Chapter or the Political Reform Act, California Government Code Section 81000, et
12 seq.

13 SEC. 1.148. RESTRICTIONS ON USE OF PUBLIC FUNDS; UNEXPENDED PUBLIC
14 FUNDS.

15 (a) USE FOR QUALIFIED CAMPAIGN EXPENDITURES ONLY. Candidates who
16 receive public financing may use the public funds solely to pay for qualified campaign
17 expenditures, ~~as defined by Section 1.104 of this Chapter~~, and to repay loans used to pay for
18 qualified campaign expenditures except that public funds may be used to pay filing fees and
19 costs incurred after the election that do not directly affect the outcome of the election,
20 including but not limited to utility bills, expenses associated with an audit, and expenses
21 related to preparing post-election campaign finance disclosure reports as required by the
22 California Political Reform Act, Government Code Section 81000, et seq., and the provisions
23 of this Chapter. Candidates may not use public funds to pay for expenses incurred in
24 connection with an administrative or judicial proceeding. Candidates may not use public funds
25 to pay administrative, civil or criminal fines, including late filing fines, or to pay for inaugural

1 activities or officeholder expenses. Candidates may not use public funds to pay post-election
2 bonuses to campaign employees or for election victory celebrations or similar post-election
3 campaign events.

4 ~~(b) PURCHASE OF EQUIPMENT. Any equipment purchased by a candidate with public funds~~
5 ~~provided under this Chapter that has a useful life beyond the election campaign for which the funds~~
6 ~~were provided, and a fair market value exceeding \$100.00, becomes City and County property on the~~
7 ~~day following the date the candidate is elected or not elected to office.~~

8 (eb) WITHDRAWAL OR FAILURE TO QUALIFY. Any candidate who receives public
9 financing but who withdraws or fails to qualify to have his or her name printed on the ballot in
10 the election for which the public funds were provided shall repay the Election Campaign Fund
11 the full sum received from the Fund.

12 (dc) UNEXPENDED PUBLIC FUNDS.

13 ~~(i) General.~~ Any candidate who receives public financing and whose se committee has
14 unexpended public funds shall pay to the City and County of San Francisco and deliver to the
15 Ethics Commission those funds for deposit in the Election Campaign Fund no later than 30
16 days after the Ethics Commission completes its audit of the candidate's committee.
17 Unexpended funds may be used to pay for expenses associated with an audit such as bank
18 fees, treasurer fees and storage fees until the Ethics Commission completes its audit of the
19 candidate's committee.

20 ~~(ii) Definition. For purposes of this Section, unexpended public funds shall mean all funds~~
21 ~~remaining in the candidate's account on the 30th day after the candidate is elected or not elected to~~
22 ~~office, regardless of the source of the funds, but shall not exceed the amount of public funds provided to~~
23 ~~the candidate. Funds raised after this date do not constitute unexpended funds and may be used for any~~
24 ~~lawful purpose.~~

25 SEC. 1.150. AUDIT; REPAYMENT.

1 (a) AUDIT. The Ethics Commission shall audit all candidate committees whose candidates
2 have received public financing under this Chapter. Audits of candidate committees conducted
3 under this Subsection shall begin within 60 days after the date the candidate committees' first
4 post-election campaign disclosure report is required to be filed pursuant to Section 1.106 of
5 this Chapter. In his or her discretion, the Executive Director may initiate additional targeted or
6 randomly selected audits of any committee, irrespective of whether the committee received any public
7 funds. At the request of the Executive Director, the Controller shall assist in conducting these
8 audits.

9 (b) REPAYMENT.

10 (1) If the Ethics Commission determines that any portion of the payments made to a
11 candidate from the Election Campaign Fund exceeded the aggregate amount of payments to
12 which the candidate was entitled under this Chapter, the Commission shall notify the
13 Controller and the candidate. In addition to any other penalties, the candidate shall pay to the
14 City and County of San Francisco, and deliver to the Ethics Commission an amount equal to
15 the amount of the excess payments, and if the Commission determines that any amount of
16 any payment made to a candidate from the Election Campaign Fund was used for something
17 other than qualified campaign expenditures, the candidate shall pay to the Ethics Commission
18 an amount equal to the improper expenditure.

19 (2) Any candidate who receives public funds under this Chapter and exceeds his or her
20 Individual Expenditure Ceiling by ten percent or more shall, in addition to any other penalties,
21 pay to the Ethics Commission an amount equal to the amount of public funds the candidate
22 received under this Chapter.

23 (3) All payments delivered to the Ethics Commission under this Section shall be
24 deposited in the Election Campaign Fund.

1 SEC. 1.152. SUPPLEMENTAL REPORTING IN ELECTIONS FOR BOARD OF
2 SUPERVISORS AND MAYOR.

3 (a) ELECTIONS FOR THE BOARD OF SUPERVISORS.

4 (1) In addition to the campaign disclosure requirements imposed by the California
5 Political Reform Act and other provisions of this Chapter, each candidate committee supporting
6 a candidate for the Board of Supervisors shall file a statement with the Ethics Commission
7 indicating when the ~~candidate~~ committee has received contributions to be deposited into its
8 Campaign Contribution Trust Account; or made expenditures ~~or has funds in his or her Campaign~~
9 ~~Contribution Trust Account~~ that ~~in the aggregate~~ equal or exceed \$5,000.00 within 24 hours of
10 reaching or exceeding that amount.

11 (2) In addition to the supplemental report in Subsection (a)(1) of this Section, each
12 candidate committee supporting a candidate for the Board of Supervisors shall file a statement
13 with the Ethics Commission disclosing when the ~~candidate~~ committee has received
14 contributions to be deposited into its Campaign Contribution Trust Account; or made expenditures
15 ~~or has funds in his or her Campaign Contribution Trust Account~~ that in the aggregate equal or
16 exceed \$100,000.00. The candidate committee shall file this report within 24 hours of reaching
17 or exceeding the threshold. Thereafter, the candidate committee shall file an additional
18 supplemental report within 24 hours of every time the candidate committee receives additional
19 contributions to be deposited into its Campaign Contribution Trust Account; or makes additional
20 expenditures ~~or has additional funds in his or her campaign trust account~~ that in the aggregate
21 equal or exceed \$10,000.00.

22 (3) Any person other than a candidate committee who ~~that~~ makes expenditures for the
23 purpose of distributing independent expenditures, electioneering communications, or member
24 communications that clearly identify any candidate for the Board of Supervisors, and the
25 amount of those expenditures in an amount that in the aggregate equals or exceeds \$5,000.00 per

1 candidate, shall, within 24 hours of reaching or exceeding ~~the spending this~~ threshold, file a
2 statement with the Ethics Commission., ~~provide an original~~ Such statement shall include a legible
3 copy of the communication if it is conveyed in writing or an electronic recording if it is conveyed via
4 audio or video, to the Ethics Commission and file a statement with the Ethics Commission disclosing
5 the cost of each communication, and provide any additional information required by the Ethics
6 Commission. Every person who is required to file a statement with the Ethics Commission
7 pursuant to this Subsection shall indicate on the statement which candidate or candidates for
8 the Board of Supervisors the independent expenditures, electioneering communications, or
9 member communications disclosed on the statement ~~are intended to~~ support or oppose, or
10 whether they are ~~intended to be~~ neutral, ~~provided that an independent expenditure may not be~~
11 ~~neutral~~. For the purposes of this Subsection, the costs of a communication that supports or
12 opposes more than one candidate or ballot measure shall be apportioned among each
13 candidate and measure in the communication.

14 Thereafter, any such person shall file a supplemental statement with the Ethics
15 Commission each time the person makes expenditures for the purpose of distributing
16 independent expenditures, electioneering communications or member communications ~~in~~
17 ~~support of or in opposition to~~ that clearly identify any candidate for the Board of Supervisors in an
18 amount that in the aggregate equals or exceeds an additional \$5,000.00 per candidate. The
19 supplemental statements shall be filed within 24 hours of reaching or exceeding ~~the spending~~
20 ~~this~~ threshold, and shall include a legible copy of the communication if it is conveyed in writing or an
21 electronic recording if it is conveyed via audio or video, disclose the cost of each communication, and
22 provide any additional information required by the Ethics Commission.

23 The Executive Director shall post the information disclosed on statements required by
24 this subsection on the website page of the Ethics Commission within two business days of the
25 statement's filing being filed.

1 (b) ELECTIONS FOR MAYOR.

2 (1) In addition to the campaign disclosure requirements imposed by the California
3 Political Reform Act and other provisions of this Chapter, each candidate committee supporting
4 a candidate for Mayor shall file a statement with the Ethics Commission indicating when the
5 candidate committee has received contributions to be deposited into its Campaign Contribution
6 Trust Account; or made expenditures ~~or has funds in his or her Campaign Contribution Trust~~
7 ~~Account~~ that ~~in the aggregate~~ equal or exceed \$50,000.00 within 24 hours of reaching or
8 exceeding that amount.

9 (2) In addition to the supplemental report in Subsection (b)(1) of this Section, each
10 candidate committee supporting a candidate for Mayor shall file a statement with the Ethics
11 Commission disclosing when the candidate committee has received contributions to be
12 deposited into its Campaign Contribution Trust Account; or made expenditures ~~or has funds in his or~~
13 ~~her Campaign Contribution Trust Account~~ that in the aggregate equal or exceed \$1,000,000.00.
14 The candidate committee shall file this report within 24 hours of reaching or exceeding the
15 threshold. Thereafter, the candidate committee shall file an additional supplemental report
16 within 24 hours of every time the candidate committee receives additional contributions; or
17 makes additional expenditures ~~or has additional funds in his or her campaign trust account~~ that in
18 the aggregate equal or exceed \$50,000.00.

19 (3) Any person other than a candidate committee who ~~that~~ makes expenditures for the
20 purpose of distributing independent expenditures, electioneering communications, or member
21 communications that clearly identify any candidate for Mayor, ~~in an~~ and the amount of those
22 expenditures ~~that~~ in the aggregate equals or exceeds \$~~5,000.00~~ 10,000 per candidate, shall, within
23 24 hours of reaching or exceeding ~~the spending~~ this threshold, file a statement with the Ethics
24 Commission. ~~provide~~ Such statement shall include an original legible copy of the communication if
25 it is conveyed in writing or an electronic recording if it is conveyed via audio or video, to the Ethics

1 ~~Commission and file a statement with the Ethics Commission~~ disclosing the cost of each
2 communication, and provide any additional information required by the Ethics Commission. Every
3 person who is required to file a statement with the Ethics Commission pursuant to this
4 Subsection shall indicate on the statement which candidate or candidates for Mayor the
5 independent expenditures, electioneering communications, or member communications
6 disclosed on the statement ~~are intended to~~ support or oppose, or whether they are ~~intended to~~
7 ~~be neutral, provided that an independent expenditure may not be neutral.~~ For the purposes of this
8 Subsection, the costs of a communication that supports or opposes more than one candidate
9 or ballot measure shall be apportioned among each candidate and measure in the
10 communication.

11 Thereafter, any such person shall file a supplemental statement with the Ethics
12 Commission each time the person makes expenditures for the purpose of distributing
13 independent expenditures, electioneering communications or member communications ~~in~~
14 ~~support of or in opposition to~~ that clearly identify any candidate for Mayor in an amount that in the
15 aggregate equals or exceeds an additional ~~\$5,000.00~~ 10,000 per candidate. The supplemental
16 statements shall be filed within 24 hours of reaching or exceeding ~~the spending this~~ threshold,
17 and shall include a legible copy of the communication if it is conveyed in writing or an electronic
18 recording if it is conveyed via audio or video, disclose the cost of each communication, and provide any
19 additional information required by the Ethics Commission.

20 The Executive Director shall post the information disclosed on statements required by
21 this subsection on the ~~web~~ site page of the Ethics Commission within two business days of the
22 statement's ~~filing being filed~~.

23 (c) The supplemental statements required by Subsections (a)(2), (a)(3), (b)(2) and
24 (b)(3) are not required until the Ethics Commission has certified that at least one candidate ~~for~~
25 is eligible to receive public funds under this Chapter, provided that within two business days of

1 the date that the Ethics Commission provides notice under this subsection that it has certified
2 that a candidate is eligible to receive public funds under this Chapter, any report that
3 previously would have been required under (a)(2), (a)(3), (b)(2) or (b)(3) must be filed. Within
4 two business days of certifying that at least one candidate is eligible to receive public
5 financing under this Chapter, the Ethics Commission shall post a notice on its web site page,
6 send out a press release and send written notice by regular or electronic mail to all other
7 candidates running for the same City elective office and to any other person who has requested
8 such notice.

9 SEC. 1.156. REPORT TO THE MAYOR AND BOARD OF SUPERVISORS.

10 ~~(a)~~ Following each election at which the Mayor or members of the Board of Supervisors
11 are elected, the Ethics Commission shall submit a report to the Mayor and Board of
12 Supervisors. The report shall state the amount of public funds used to pay for election
13 campaigns in that election and such other information as the Ethics Commission deems
14 useful, including the number of candidates who received public funds; the number of
15 nonparticipating candidates; the amount of qualified campaign expenditures made by all
16 candidates in that election; and the amount of independent expenditures made in connection
17 with the election.

18 ~~(b) Following the November 2007 municipal election, the Ethics Commission shall conduct a~~
19 ~~study and submit a report to the Mayor and Board of Supervisors regarding the feasibility and costs of~~
20 ~~converting the partial public financing program for Mayoral candidates into a full public financing~~
21 ~~program. Following the November 2008 Municipal Election, the Ethics Commission shall conduct a~~
22 ~~study and submit a report to the Mayor and Board of Supervisors regarding the feasibility and costs of~~
23 ~~converting the partial public financing program for candidates for the Board of Supervisors into a full~~
24 ~~public financing program.~~

25 SEC. 1.161. DISCLOSURE AND FILING REQUIREMENTS FOR MASS MAILINGS.

1 (a) MASS MAILINGS BY CANDIDATES.

2 (1) Disclosure. In addition to the requirements set forth in California Government Code
3 Section 84305, each mass mailing paid for by a candidate ~~committee for City elective office with~~
4 ~~funds raised for the candidate's campaign~~ shall include on the outside of each piece of mail in the
5 mass mailing the following statement in not less than 14 point type and in a color or print
6 which contrasts with the background so as to be easily legible: "paid for by _____ (insert
7 candidate's committee's name and street address)." A post office box may be stated in lieu of a
8 street address if the candidate committee's address is a matter of public record with the ~~San~~
9 ~~Francisco~~ Ethics Commission.

10 (2) Filing.

11 (i) Each candidate ~~committee that for City elective office who~~ pays for a mass mailing
12 shall, within five working days after the date of the mailing, file two ~~of the original~~ pieces of the
13 mailing with the ~~San Francisco~~ Ethics Commission.

14 (ii) Each candidate ~~committee that for City elective office who~~ pays for a mass mailing
15 shall, within five ~~working~~business days after the date of the mailing, file an itemized disclosure
16 statement with the ~~San Francisco~~ Ethics Commission for that mailing.

17 (iii) Each candidate ~~committee that for City elective office who~~ pays for a mass mailing
18 shall file ~~the original two~~ pieces of mail and the itemized disclosure statement required by
19 Subsections (a)(2)(i) and (a)(2)(ii) within 48 hours of the date of the mailing if the date of the
20 mailing occurs within the final 16 days before the election.

21 (iv) Every ~~original~~mass mailing filed pursuant to this subsection shall be clearly legible.

22 (b) MASS MAILINGS BY PERSONS OTHER THAN CANDIDATES.

23 (1) Disclosure. Any person who makes independent expenditures for a mass mailing
24 which supports or opposes any candidate for City elective office shall place the following
25 statement on the mailing in typeface no smaller than 14 points:

1 Notice to Voters (Required by City and County of San Francisco) This mailing is not
2 authorized or approved by any candidate for City and County office or by any election official.
3 It is paid for by [name and committee identification number]. [address, city, state]. Total Cost
4 of this mailing is [amount].

5 (2) Filing.

6 (i) Each person who makes independent expenditures of \$1,000-~~00~~ or more for a mass
7 mailing which supports or opposes any candidate for City elective office shall, ~~within five~~
8 ~~working days after the date of the mailing,~~ file two ~~of the original~~ pieces of the mailing and an
9 itemized disclosure statement for the mailing with the ~~San Francisco~~ Ethics Commission, unless that
10 person is otherwise required to file disclosures regarding the communication under Section 1.134,
11 1.152, or 1.161 of this Code.

12 (ii) Any filing required by this Section shall be submitted within five business days after the
13 date of the mailing if the date of the mailing is more than 16 days before the election, and within 48
14 hours after the mailing if the date of the mailing occurs within the final 16 days before the election.

15 ~~(ii) Each person described in Subsection (b)(2)(i) shall, within five working days after the date~~
16 ~~of the mailing, file an itemized disclosure statement with the San Francisco Ethics Commission for that~~
17 ~~mailing.~~

18 ~~(iii) Each person described in Subsection (b)(2)(i) shall file the original pieces of mail and the~~
19 ~~itemized disclosure statement required by Subsections (b)(2)(i) and (b)(2)(ii) within 48 hours of the~~
20 ~~date of the mailing if the date of the mailing occurs within the final 16 days before the election.~~

21 ~~(iviii) Every original piece of mail~~ filed pursuant to this ~~sub~~Section shall be clearly
22 legible.

23 ~~(iv) The Ethics Commission may permit any required statement or mailing to be filed by~~
24 ~~facsimile.~~

25 ~~(e) DEFINITIONS.~~

1 ~~(1) For the purposes of this Section, "Itemized disclosure statement" shall mean a detailed~~
2 ~~description of the separate costs associated with a mass mailing, including but not limited to~~
3 ~~photography, design, production, printing, distribution and postage. Each cost shall be disclosed on a~~
4 ~~form promulgated by the San Francisco Ethics Commission in a manner that demonstrates each~~
5 ~~separate charge or payment for each mass mailing.~~

6 ~~(2) For the purposes of this Section, "Mass mailing" shall be defined as set forth in the~~
7 ~~California Political Reform Act (Government Code Section 81000 et seq.), provided that the mass~~
8 ~~mailing advocates for or against one or more candidates for City elective office.~~

9 SEC. 1.161.5. DISCLOSURE AND FILING FOR ELECTIONEERING
10 COMMUNICATIONS.

11 (a) DISCLOSURE STATEMENTS.

12 (1) Every electioneering communication shall include a disclosure statement identifying
13 the person who paid for the communication. Such disclosure statement shall, at a minimum,
14 contain the following words, "paid for by _____ (insert the name of the person who paid
15 for the communication)."

16 (2) Any disclosure statement required by this section to be in printed form shall be
17 printed in a type and color so as to be easily legible to the intended public. Such disclosure
18 statement shall be printed in at least 14 point type and in a color or print that contrasts with
19 the background so as to be easily legible to the intended public.

20 (3) Any disclosure statement required by this Section to be in spoken form shall be
21 spoken at the same volume and speed as the rest of the communication so as to be clearly
22 audible and understood by the intended public and otherwise appropriately conveyed for the
23 hearing impaired.

24 (b) REPORTING OBLIGATIONS.

1 (1) Every person who makes payments for electioneering communications in an
2 aggregate amount of \$1,000.~~00~~ during any calendar year shall, within 48 hours of each
3 disclosure date, file an itemized disclosure statement with the ~~San Francisco~~-Ethics
4 Commission, unless that person is otherwise required to file disclosures regarding the communication
5 under Section 1.134, 1.152, or 1.161 of this Code.

6 (2) Each itemized disclosure statement required to be filed under this Section ~~shall be~~
7 ~~filed on a form promulgated by the San Francisco Ethics Commission and~~ shall contain the following
8 information:

9 (A) the full name, street address, city, state and zip code of the person making
10 payments for electioneering communications;

11 (B) the name of any individual sharing or exercising direction and control over the
12 person making payments for electioneering communications;

13 (C) the total amount of payments made by the person for electioneering
14 communications during the calendar year;

15 (D) a detailed description of each payment made by the person for electioneering
16 communications during the calendar year, provided that the person has not already reported
17 such payments on an itemized disclosure statement filed under this Section; such detailed
18 description shall include the date the payment was made, the full name and address of the
19 person to whom the payment was made; the amount of the payment, and a brief description
20 of the consideration for which each payment was made;

21 (E) a detailed accounting of any payments of \$100.~~00~~ or more that the person has
22 received from another person, which were used for making electioneering communications,
23 provided that the person has not already reported such payments received on an itemized
24 disclosure statement filed under this Section; such detailed accounting shall include the dollar
25 amount or value of each payment, the date of the payment's receipt, the name, street

1 address, city, state, and zip code of the person who made such payment, the occupation and
2 employer of the person who made such payment, if any, or, if the person is self-employed, the
3 name of the person's business, and the cumulative amount of payments received for the
4 purpose of making electioneering communications from that person during the calendar year;

5 (F) the total amount of all payments reported under Subsection (E) during the calendar
6 year;

7 (G) a legible copy of the electioneering communication if in printed form, or a transcript
8 of the electioneering communication if in spoken form; and

9 (H) any other information required by the Ethics Commission consistent with the
10 purposes of this Section.

11 (3) The filer shall verify, under penalty of perjury, the accuracy and completeness of the
12 information provided in the itemized disclosure statement, and shall retain for a period of five
13 years all books, papers and documents necessary to substantiate the itemized statements
14 required by this Section.

15 (4) The Ethics Commission may ~~require any itemized statement to be filed electronically and~~
16 ~~may~~ permit any required statement or mailing to be filed by facsimile. ~~The Ethics Commission~~
17 ~~shall promulgate regulations to implement this subsection before any person shall be required to file an~~
18 ~~itemized statement electronically or permitted to file a statement by facsimile.~~

19 ~~(5) If any person files an itemized statement after any deadline imposed by this Section, the~~
20 ~~Ethics Commission shall, in addition to any other penalties or remedies established in this Chapter,~~
21 ~~fine the person \$10.00 per day after the deadline until the statement is received by the Ethics~~
22 ~~Commission. The Ethics Commission may reduce or waive a fine if the Commission determines that the~~
23 ~~late filing was not willful and that enforcement will not further the purposes of this Chapter. The Ethics~~
24 ~~Commission shall deposit funds collected under this Section in the General Fund of the City and~~
25 ~~County of San Francisco.~~

1 (c) DEFINITIONS. Whenever in this Section the following words or phrases are used,
2 they shall mean:

3 (1) "Disclosure Date" shall mean:

4 (A) the first date during any calendar year when an electioneering communication is
5 distributed after a person has made payments aggregating \$1,000.00 for electioneering
6 communications; and

7 (B) after a person has met the threshold under Subsection (A), any date during that
8 same calendar year when an electioneering communication is distributed, if that same person
9 made any payments for such electioneering communication.

10 (2) "Distributed" shall mean any act that permits an electioneering communication to be
11 viewed, read or heard.

12 (3) "Electioneering Communication" shall mean any communication, including but not
13 limited to any broadcast, cable, satellite, radio, internet, or telephone communication, and any
14 mailing, flyer, doorhanger, pamphlet, brochure, card, sign, billboard, facsimile, or printed
15 advertisement, that:

16 (A) refers to a clearly identified candidate for City elective office or a City elective officer
17 who is the subject of a recall election; and

18 (B) is distributed within 90 days prior to an election for the City elective office sought by
19 the candidate or a recall election regarding the City elective officer to 500 or more individuals
20 who are registered to vote or eligible to register to vote in the election or recall election. There
21 shall be a rebuttable presumption that any that any broadcast, cable, satellite, or radio
22 communication and any sign, billboard or printed advertisement is distributed to 500 or more
23 individuals who are eligible to vote ~~in or eligible to register to vote in an election for the City~~
24 ~~elective office sought by the candidate or a recall election regarding the City elective officer~~for or
25 against the candidate clearly identified in the communication.

1 (C) The term "Electioneering Communication" shall not include:

2 (i) communications that constitute ~~expenditures or~~ independent expenditures under this
3 Chapter;

4 (ii) communications made by a slate mailer organization if such communications are
5 required to be disclosed under the California Political Reform Act, California Government Code
6 Section 81000, et seq.;

7 (iii) communications paid for by the City or any other local, State or Federal
8 government agency;

9 (iv) ~~spoken~~non-recorded communications between two or more individuals in direct
10 conversation unless such communications are made by telephone and at least one of the
11 individuals is compensated for the purposes of making the telephone communication;

12 (v) communications that appear on bumper stickers, pins, stickers, hat bands, badges,
13 ribbons and other similar memorabilia;

14 (vi) news stories, commentaries or editorials distributed through any newspaper, radio
15 station, television station, or other recognized news medium unless such news medium is
16 owned or controlled by any political party, political committee or candidate;

17 (vii) communications to all members, employees and shareholders of an organization,
18 other than a political party, provided that such communications do not constitute general
19 public advertising such as, but not limited to, broadcasting, billboards, and newspaper
20 advertisements;

21 (viii) communications that occur during a candidate debate or forum; and

22 (ix) communications made solely to promote a candidate debate or forum made by or
23 on behalf of the person sponsoring the debate or forum, provided that such communications
24 do not otherwise discuss the positions or experience of a candidate for City elective office or a
25 City elective officer who is the subject of a recall election.

1 (4) "Internet Communication" shall include paid internet advertisements such as
2 "banner" and "pop up" advertisements, paid emails or emails sent to addresses purchased
3 from another person, and similar types of internet communications as defined by the Ethics
4 Commission by regulation, but shall not include web blogs, listserves sent to persons who
5 have contacted the sender, discussion forums, or general postings on web pages.

6 (5) "Payment" shall be defined as set forth in Government Code of the State of
7 California (commencing at Section 81000); provided, however, that "payment" shall also
8 include any enforceable promise to make a payment.

9 (6) "Refers to a clearly identified candidate for City elective office or a City elective
10 officer who is the subject of a recall election" shall mean any communication that contains the
11 candidate's or officer's name, nickname or image or makes any other unambiguous reference
12 to the candidate or officer such as "your Supervisor" or "the incumbent."

13 (D) REGULATIONS. The Ethics Commission shall issue regulations implementing this
14 Section, including regulations defining all members, employees and shareholders of an
15 organization.

16 SEC. 1.168. ENFORCEMENT; ADVICE.

17 (a) ENFORCEMENT– GENERAL PROVISIONS.

18 Any person who believes that a violation of this Chapter has occurred may file a
19 complaint with the Ethics Commission, City Attorney or District Attorney. The Ethics
20 Commission shall investigate such complaints pursuant to Charter Section C3.699-13 and its
21 implementing regulations. The City Attorney and District Attorney shall investigate, and shall
22 have such investigative powers as are necessary for the performance of their duties under
23 this Chapter.

24 (b) ENFORCEMENT– CIVIL ACTIONS.

1 The City Attorney, or any voter, may bring a civil action to enjoin violations of or compel
2 compliance with the provisions of this Chapter.

3 No voter may commence an action under this Subsection without first providing written
4 notice to the City Attorney of intent to commence an action. The notice shall include a
5 statement of the grounds for believing a cause of action exists. The voter shall deliver the
6 notice to the City Attorney at least ~~sixty~~ 60 days in advance of filing an action. No voter may
7 commence an action under this Subsection if the Ethics Commission has issued a finding of
8 probable cause that the defendant violated the provisions of this Chapter, or if the City
9 Attorney or District Attorney has commenced a civil or criminal action against the defendant,
10 or if another voter has filed a civil action against the defendant under this Subsection.

11 A Court may award reasonable attorney's fees and costs to any voter who obtains
12 injunctive relief under this Subsection. If the Court finds that an action brought by a voter
13 under this Subsection is frivolous, the Court may award the defendant reasonable attorney's
14 fees and costs.

15 (c) STATUTE OF LIMITATIONS.

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

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

24 (3) Administrative. No administrative action alleging a violation of this Chapter and
25 brought under Charter Section C3.699-13 shall be commenced more than ~~five~~ four years after

1 the date on which the violation occurred. The date on which the Commission forwards a
2 complaint or information in its possession regarding an alleged violation to the District
3 Attorney and City Attorney as required by Charter Section C3.699-13 shall constitute the
4 commencement of the administrative action.

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

15 (d) ADVICE. Any person may request advice from the Ethics Commission or City
16 Attorney with respect to any provision of this Chapter. The Ethics Commission shall provide
17 advice pursuant to Charter Section C3.699-12. The City Attorney shall within 14 days of the
18 receipt of said written request provide the advice in writing or advise the person who made the
19 request that no opinion will be issued. The City Attorney shall send a copy of said request to
20 the District Attorney upon its receipt. The City Attorney shall within nine days from the date of
21 the receipt of said written request send a copy of his or her proposed opinion to the District
22 Attorney. The District Attorney shall within four days inform the City Attorney whether he or
23 she agrees with said advice, or state the basis for his or her disagreement with the proposed
24 advice.

1 No person other than the City Attorney who acts in good faith on the advice of the City
2 Attorney shall be subject to criminal or civil penalties for so acting; provided that, the material
3 facts are stated in the request for advice and the acts complained of were committed in
4 reliance on the advice.

5 SEC. 1.170. PENALTIES.

6 (a) CRIMINAL. Any person who knowingly or willfully violates any provision of this
7 Chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a
8 fine of not more than \$5,000.00 for each violation or by imprisonment in the County jail for a
9 period of not more than six months or by both such fine and imprisonment; provided, however,
10 that any willful or knowing failure to report contributions or expenditures done with intent to
11 mislead or deceive or any willful or knowing violation of the provisions of Section 1.114 of this
12 Chapter shall be punishable by a fine of not less than \$5,000 for each violation or three times
13 the amount not reported or the amount received in excess of the amount allowable pursuant
14 to Section 1.114 of this Chapter, or three times the amount expended in excess of the amount
15 allowable pursuant to Section 1.130 or 1.140.5, whichever is greater.

16 (b) CIVIL. Any person who intentionally or negligently violates any of the provisions of
17 this Chapter shall be liable in a civil action brought by the civil prosecutor for an amount up to
18 \$5,000.00 for each violation or three times the amount not reported or the amount received in
19 excess of the amount allowable pursuant to Section 1.114 or three times the amount
20 expended in excess of the amount allowable pursuant to Section 1.130 or 1.140.5, whichever
21 is greater.

22 (c) ADMINISTRATIVE. Any person who intentionally or negligently violates any of the
23 provisions of this Chapter shall be liable in an administrative proceeding before the Ethics
24 Commission held pursuant to the Charter *for an amount up to \$5,000.00 for each violation, or*
25 *three times the amount not reported or the amount received in excess of the amount allowable pursuant*

1 ~~to Section 1.114 or three times the amount expended in excess of the amount allowable pursuant to~~
2 ~~Section 1.130 or 1.140.5, whichever is greater~~for any penalties authorized therein.

3 (d) LATE FILING FEES

4 (1) Fees for Late Paper Filings. In addition to any other penalty, any person who files a
5 paper copy of any statement or report after the deadline imposed by this Chapter shall be
6 liable in the amount of ten dollars (\$10.00) per day after the deadline until the statement is
7 filed.

8 (2) In addition to any other penalty, any person who files an electronic copy of a
9 statement or report after the deadline imposed by this Chapter shall be liable in the amount of
10 twenty-five dollars (\$25.00) per day after the deadline until the electronic copy or report is
11 filed.

12 (3) Limitation on Liability. Liability imposed by Subsection (d)(1) shall not exceed the
13 cumulative amount stated in the late statement or report, or one hundred dollars (\$100.00),
14 whichever is greater. Liability imposed by Subsection (d)(2) shall not exceed the cumulative
15 amount stated in the late statement or report, or two hundred fifty dollars (\$250.00), whichever
16 is greater.

17 (4) Reduction or Waiver. The Ethics Commission may reduce or waive a fee imposed
18 by this subsection if the Commission determines that the late filing was not willful and that
19 enforcement will not further the purposes of this Chapter.

20 (e) MISUSE OF PUBLIC FUNDS. Any person who willfully or knowingly uses public
21 funds, paid pursuant to this Chapter, for any purpose other than the purposes authorized by
22 this Chapter shall be subject to the penalties provided in this Section.

23 (f) PROVISION OF FALSE OR MISLEADING INFORMATION TO THE ETHICS
24 COMMISSION; WITHHOLDING OF INFORMATION. Any person who knowingly or willfully
25 furnishes false or fraudulent evidence, documents, or information to the Ethics Commission

1 under this Chapter, or misrepresents any material fact, or conceals any evidence, documents,
2 or information, or fails to furnish to the Ethics Commission any records, documents, or other
3 information required to be provided under this Chapter shall be subject to the penalties
4 provided in this Section.

5 (g) PERSONAL LIABILITY. Candidates and treasurers are responsible for complying
6 with this Chapter and may be held personally liable for violations by their committees. Nothing
7 in this Chapter shall operate to limit the candidate's liability for, nor the candidate's ability to pay, any
8 finances or other payments imposed pursuant to administrative or judicial proceedings.

9 (h) JOINT AND SEVERAL LIABILITY. If two or more persons are responsible for any
10 violation of this Chapter, they shall be jointly and severally liable.

11 (i) EFFECT OF VIOLATION ON OUTCOME OF ELECTION.

12 (1) If a candidate is convicted of a violation of this Chapter at any time prior to his or
13 her election, his or her candidacy shall be terminated immediately and he or she shall be no
14 longer eligible for election, unless the court at the time of sentencing specifically determines
15 that this provision shall not be applicable. No person convicted of a misdemeanor under this
16 Chapter after his or her election shall be a candidate for any other City elective office for a
17 period of five years following the date of the conviction unless the court shall at the time of
18 sentencing specifically determine that this provision shall not be applicable.

19 (2) If a candidate for Mayor or the Board of Supervisors is found by a court to have
20 exceeded the Individual Expenditure Ceiling in this Chapter by ten percent or more at any
21 time prior to his or her election, he or she is ineligible for election, unless the court specifically
22 determines that this provision shall not be applicable. If feasible, the candidate's name shall
23 be removed from the ballot. No candidate for Mayor or the Board of Supervisors who is found
24 by a court to have exceeded the Individual Expenditure Ceiling in this Chapter by ten percent
25 or more after his or her election shall be a candidate for any City elective office for a period of

1 ~~5-five~~ years following the court's determination unless the court specifically determines that
2 this provision shall not be applicable. The Ethics Commission may make a recommendation to
3 the Board of Supervisors that a candidate found by a court to have exceeded the Individual
4 Expenditure Ceiling in this Chapter by ten percent or more should be removed from office.

5 (3) A plea of nolo contendere shall be deemed a conviction for purposes of this
6 Section.

7 Section 2. The San Francisco Campaign and Governmental Conduct Code is hereby
8 amended by deleting Sections 1.134.5, 1.158, and 1.160, to read as follows:

9 ~~SEC. 1.134.5. LIFTING OF INDIVIDUAL EXPENDITURE CEILINGS.~~

10 ~~This Section shall apply only if the Ethics Commission has certified that at least one candidate~~
11 ~~for Mayor or the Board of Supervisors is eligible to receive public funds under this Chapter.~~

12 ~~(a) The Executive Director shall lift the Individual Expenditure Ceiling of a candidate for~~
13 ~~Mayor to an amount equal to the sum of the highest level of the Total Supportive Funds of any other~~
14 ~~candidate for Mayor and the Total Opposition Spending against that candidate if such amount is~~
15 ~~greater than \$1,375,000, provided that the Executive Director may lift a candidate's Individual~~
16 ~~Expenditure Ceilings only in increments of \$100,000.~~

17 ~~(b) The Executive Director shall lift the Individual Expenditure Ceiling of a candidate for the~~
18 ~~Board of Supervisors to an amount equal to the sum of the highest level of the Total Supportive Funds~~
19 ~~of any other candidate for the same office on the Board of Supervisors and the Total Opposition~~
20 ~~Spending against that candidate if such amount is greater than \$140,000, provided the Executive~~
21 ~~Director may lift a candidate's Individual Expenditure Ceiling only in increments of \$10,000.~~

22 ~~(c) On the fourth business day after a statement is filed pursuant to Section 1.152 (a)(3) and~~
23 ~~(b)(3) of this Chapter, the Executive Director shall determine whether to lift the Individual Expenditure~~
24 ~~Ceilings of each candidate for Mayor or the Board of Supervisors pursuant to Subsections (a) and (b)~~
25 ~~of this Section based on the information in the statement unless pursuant to Subsection (d) a candidate~~

1 ~~for Mayor or the Board of Supervisors requests that the Executive Director make a determination~~
2 ~~regarding which candidate or candidates the communication filed with the statement supports or~~
3 ~~opposes or whether the communication is neutral.~~

4 ~~(d) Any candidate for Mayor or the Board of Supervisors may request that the Executive~~
5 ~~Director review the original or copy of a communication filed pursuant to Section 1.152(b)(3) of this~~
6 ~~Chapter to make an independent determination regarding which candidate or candidates for Mayor or~~
7 ~~the Board of Supervisors the communication actually supports or opposes or whether the~~
8 ~~communication is neutral. Such requests must be filed with the Executive Director within three business~~
9 ~~days from the date the original or copy of the communication is filed. Factors the Executive Director~~
10 ~~shall use to determine whether the communication supports or opposes one or more candidates include~~
11 ~~the following:~~

12 ~~(1) The communication clearly identifies one or more candidates;~~

13 ~~(2) The timing of the communication coincides with the campaign;~~

14 ~~(3) The communication targets voters in a particular election;~~

15 ~~(4) The communication identifies one or more candidate's position on a public policy issue and~~
16 ~~urges the reader or viewer to take action, including calling the candidate to support or oppose the~~
17 ~~candidate's position;~~

18 ~~(5) The position of one or more candidates on the public policy issue has been raised as~~
19 ~~distinguishing these candidates from others in the campaign, either in the communication itself or in~~
20 ~~other public communications;~~

21 ~~(6) The communication is not part of an ongoing series of substantially similar advocacy~~
22 ~~communications by the organization on the same issue; and~~

23 ~~(7) Any other factors the Executive Director deems relevant.~~

24 ~~Within three business days of the date the request for a determination is received, the Executive~~
25 ~~Director shall make his or her initial determination.~~

1 ~~Within one business day of the date that the Executive Director makes an initial determination,~~
2 ~~any candidate for Mayor or the Board of Supervisors may submit to the Executive Director a request~~
3 ~~that the Ethics Commission review the Executive Director's initial determination.~~

4 ~~Within one business day of receiving the request, the Executive Director shall notify each~~
5 ~~Commissioner of the candidate's request.~~

6 ~~If within one business day of the Executive Director's notice, two or more members of the~~
7 ~~Commission inform the Executive Director that they would like to review the initial determination, the~~
8 ~~Executive Director shall schedule a meeting of the Commission on a date that occurs within one week~~
9 ~~of the Commissioners' requests. If three members of the Commission vote to overrule the Executive~~
10 ~~Director's initial determination, the Commission shall make a final determination based on the factors~~
11 ~~set forth above.~~

12 ~~If no candidate requests review of the Executive Director's initial determination, if a request is~~
13 ~~made and two or more members of the Commission do not request to review the initial determination,~~
14 ~~or within one week of two members of the Commission requesting to review the initial determination, at~~
15 ~~least three members of the Commission do not vote to overrule the Executive Director's initial~~
16 ~~determination, the Executive Director's determination shall become final.~~

17 ~~The Executive Director shall determine whether to lift the Individual Expenditure Ceilings of~~
18 ~~each candidate for Mayor or the Board of Supervisors pursuant to Subsections (a) and (b) of this~~
19 ~~Section within one business day of a final determination.~~

20 ~~SEC. 1.158. IMPLEMENTING REGULATIONS; FORMS.~~

21 ~~Pursuant to Charter Section 15.102, the Ethics Commission shall adopt regulations to~~
22 ~~implement this Chapter. The Ethics Commission shall also specify the form and content of all forms and~~
23 ~~statements required to be filed under this Chapter.~~

24 ~~SEC. 1.160. NO LIMITATION OF CANDIDATE LIABILITY.~~

1 ~~Nothing in this Chapter shall operate to limit the candidate's liability for, nor the candidate's~~
2 ~~ability to pay, any fines or other payments imposed pursuant to administrative or judicial proceedings.~~

3 Section 3. The San Francisco Campaign and Governmental Conduct Code is hereby
4 amended by adding Sections 1.109, 1.143, 1.171, and 1.175, to read as follows:

5 SEC. 1.109. RETENTION OF RECORDS.

6 (a) All candidates and committees that are required to file statements prescribed by this
7 Chapter shall maintain detailed accounts, records, bills, and receipts as necessary to prepare those
8 statements. Each candidate or committee shall retain for a period of four years detailed information
9 and original source documentation supporting those statements. The Ethics Commission may by
10 regulation describe the information and documentation required to be retained for each type of
11 statement.

12 (b) Within ten business days of a request by the Ethics Commission, a committee shall provide
13 the Ethics Commission with any documents required to be retained under this Section or state law,
14 including but not limited to California Code of Regulations, Title 2, section 18401 and any subsequent
15 amendments, modifications or administrative or judicial interpretations of that regulation. When the
16 Ethics Commission requests documents under this subsection, it shall provide the committee with the
17 reasons for the request in writing.

18 SEC. 1.143. ADJUSTING INDIVIDUAL EXPENDITURE CEILINGS.

19 This Section shall apply only if the Ethics Commission has certified that at least one candidate
20 for Mayor or the Board of Supervisors is eligible to receive public funds under this Chapter.

21 (a) The Executive Director shall adjust the Individual Expenditure Ceiling of a candidate for
22 Mayor to an amount equal to the sum of the Total Opposition Spending against that candidate and the
23 highest level of the Total Supportive Funds of any other candidate for Mayor if such amount is greater
24 than \$1,475,000, provided that the Executive Director may adjust a candidate's Individual Expenditure
25 Ceilings only in increments of \$100,000.

1 (b) The Executive Director shall adjust the Individual Expenditure Ceiling of a candidate for
2 the Board of Supervisors to an amount equal to the sum of the Total Opposition Spending against that
3 candidate and the highest level of the Total Supportive Funds of any other candidate for the same office
4 on the Board of Supervisors if such amount is greater than \$143,000, provided the Executive Director
5 may adjust a candidate's Individual Expenditure Ceiling only in increments of \$10,000.

6 (c) No later than the second business day after a statement is filed pursuant to Section 1.152
7 (a)(3) or (b)(3) of this Chapter, the Executive Director shall determine whether the communication
8 supports or opposes one or more candidates.

9 Factors the Executive Director shall use to determine whether the communication supports or
10 opposes one or more candidates include the following:

11 (1) whether the communication clearly identifies one or more candidates;

12 (2) the timing of the communication;

13 (3) the voters targeted by the communication;

14 (4) whether the communication identifies any candidate's position on a public policy issue and
15 urges the reader or viewer to take action, including calling the candidate to support or oppose the
16 candidate's position;

17 (5) whether the position of one or more candidates on a public policy issue has been raised as
18 distinguishing these candidates from others in the campaign, either in the communication itself or in
19 other public communications;

20 (6) whether the communication is part of an ongoing series of substantially similar advocacy
21 communications by the organization on the same issue; and

22 (7) any other factors the Executive Director deems relevant.

23 (d) Within one business day of the date that the Executive Director makes a determination under
24 Subsection (c), either the candidate(s) identified in the communication or any candidate seeking the
25 same City elective office as the candidate identified in the communication may object to the Executive

1 Director's determination. The Executive Director shall respond to any objection within one business
2 day of receiving the objection.

3 (e) Within one business day of the Executive Director's response, either the candidate(s)
4 identified in the communication or any candidate seeking the same City elective office as the candidate
5 identified in the communication may submit to the Executive Director a request that the Ethics
6 Commission review the Executive Director's determination. Within one business day of receiving the
7 request, the Executive Director shall notify each Commissioner of the candidate's request.

8 If within one business day of the Executive Director's notice, two or more members of the
9 Commission inform the Executive Director that they would like to review the determination, the
10 Executive Director shall schedule a meeting of the Commission on a date that occurs within one week
11 of the Commissioners' requests. If three members of the Commission vote to overrule the Executive
12 Director's determination, the Commission shall make a final determination based on the factors set
13 forth above.

14 (f) If no candidate objects to the Executive Director's determination, if no candidate requests
15 review by the Commission of the Executive Director's determination, if a request is made and two or
16 more members of the Commission do not request to review the determination, or within one week of
17 two members of the Commission requesting to review the Executive Director's determination, at least
18 three members of the Commission do not vote to overrule the Executive Director's determination, the
19 Executive Director's determination shall become final.

20 The Executive Director shall determine whether to adjust the Individual Expenditure Ceilings of
21 each candidate for Mayor or the Board of Supervisors pursuant to either Subsection (a) or (b) of this
22 Section within one business day of a final determination.

23 SEC. 1.171. ISSUANCE OF SUBPOENAS.
24
25

1 The Ethics Commission, including its Executive Director, may issue subpoenas in furtherance of
2 its duties under the Charter including, but not limited to, audits of committees and enforcement of the
3 provisions of this Chapter.

4 SEC. 1.175. IMPLEMENTING REGULATIONS; FORMS.

5 Pursuant to Charter Section 15.102, the Ethics Commission shall adopt regulations to
6 implement this Chapter. The Ethics Commission shall also specify the format and content of all forms
7 and statements required to be filed under this Chapter.

8 Section 4. Operative Date.

9 The foregoing amendments to the Campaign & Governmental Conduct Code shall
10 become operative on January 1, 2010.

11
12 APPROVED AS TO FORM:
13 DENNIS J. HERRERA, City Attorney

14 By: _____
15 ANDREW SHEN
16 Deputy City Attorney