

The City and County of San Francisco



CAMPAIGN CONSULTANT MANUAL

**Regulation of Campaign Consultants
San Francisco Campaign & Governmental Conduct Code, Article I, Chapter 5
Rules and Regulations
Required Forms**

**San Francisco Ethics Commission
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PART I: CAMPAIGN CONSULTANT MANUAL

INTRODUCTION

The Campaign Consultant Ordinance, San Francisco Campaign & Governmental Conduct Code (“SF C&GC Code”), Article I, Chapter 5, Sections 1.500 – 1.540, requires campaign consultants to register with the San Francisco Ethics Commission and file periodic reports relating to their campaign consultant activity.

The Ethics Commission has the duty to receive documents required to be filed pursuant to, and to otherwise administer, the provisions of the Campaign Consultant Ordinance. [SF C&GC Code Section 1.520]

Questions about the application and effect of the Campaign Consultant Ordinance may be addressed to the Ethics Commission, at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102-6053. The Commission may be contacted at (415) 252-3100.

The full text of the Campaign Consultant Ordinance is reproduced in Part II.

Note: This guide is offered to assist campaign consultants in their filings. In case of a conflict between wording in this guide and the language of the Ordinance, the Ordinance prevails.

INDIVIDUALS AND ENTITIES WHO QUALIFY AS CAMPAIGN CONSULTANTS

A campaign consultant is a person or entity that receives or is promised \$1,000 or more in a calendar year for providing either of the following services:

- “Campaign Management” Services

OR

- “Campaign Strategy” Services

These terms are defined and discussed below and on page 4.

The following persons and entities are NOT campaign consultants:

- Employees of campaign consultants
- Clients of campaign consultants
- Attorneys who provide only legal services
- Accountants who provide only accounting services
- Pollsters who provide only polling services
- Treasurers who provide only those services required by the Political Reform Act, Government Code Section 81000, *et seq.*
- Vendors and subvendors who supply goods or services for a campaign

[SF C&GC Code Section 1.505(a)]

Note: Although employees of campaign consultants do not themselves qualify as campaign consultants, persons and entities that subcontract with a campaign consultant to provide campaign consulting services and that receive or are promised \$1,000 or more in a calendar year are also campaign consultants. [SF C&GC Code Section 1.505(a)]

“**Campaign Management**” means conducting, coordinating or supervising a campaign to elect, defeat, retain or recall a local “candidate,” or adopt or defeat a local ballot “measure,” including but not limited to:

- Hiring or authorizing the hiring of campaign staff and consultants; or
- Spending or authorizing the expenditure of campaign funds; or
- Directing, supervising or conducting the solicitation of campaign contributions; or
- Selecting or recommending vendors or subvendors of goods or services for the campaign

[SF C&GC Code Section 1.505(c)]

The terms “**candidate**” and “**measure**” are defined and discussed below and on page 5.

Example 1:

The Committee for Better Beaches pays Strategic Surf Consultants \$1,000 in a calendar year to direct a campaign to adopt a local ballot measure that would authorize San Francisco to borrow money to finance improvements to make its beaches cleaner. Strategic Surf hires two people to assist in directing the campaign for the Committee. Strategic Surf also spends campaign funds on the Committee’s behalf. Strategic Surf is a campaign consultant and must register and file periodic reports. Strategic Surf’s two employees, without doing more, are not campaign consultants and are not required to register, but their names will appear on Strategic Surf’s disclosure reports. The Committee for Better Beaches, without doing more, is not a campaign consultant and has no filing obligations under this Ordinance.

Example 2:

The Coalition to Restore Center Square hires Iris Sanchez to conduct its campaign. The Coalition pays Ms. Sanchez \$3,000 in a calendar year to call hundreds of supporters to solicit contributions for the Coalition’s campaign. Ms. Sanchez hires five employees to conduct door-to-door solicitation of contributions. Ms. Sanchez also hires various vendors to provide postage, paper and envelopes for the campaign. Ms. Sanchez is a campaign consultant and must register and file periodic reports. The five employees, without doing more, are not campaign consultants and are not required to register, but their names will appear on Ms. Sanchez’s disclosure reports. Similarly, the vendors, without doing more, are not campaign consultants and have no filing obligations under this Ordinance.

“**Campaign Strategy**” means planning for the election, defeat, retention or recall of a local candidate, or for the adoption or defeat of a local ballot measure, including not but limited to:

- Producing or authorizing the production of campaign literature and print and broadcast advertising; or
- Seeking endorsements of organizations or individuals; or
- Seeking financing; or
- Advising on public policy positions

[SF C&GC Code Section 1.505(d)]

Example 1:

Joe Konsult is an independent contractor who provides campaign consulting services to several clients. He often strategizes with his clients on various campaigns. He also advises his clients on public policy positions and produces campaign literature for his clients. He receives at least \$1,000 in a calendar year for his services. Mr. Konsult is a campaign consultant and must register and comply with all the filing requirements and prohibitions imposed by this Ordinance. Each of Mr. Konsult’s clients, without doing more, are not campaign consultants and have no filing obligations under this Ordinance.

Example 2:

The Cameron Taylor for Supervisor campaign committee employs Ryan Red as its press secretary. Red supervises five other campaign employees, participates in high level meetings to develop and implement the campaign’s strategy, and reviews all written information sent out from the campaign except for campaign literature. She earns more than \$1,000 for her services. Red is a campaign consultant who must register and file periodic reports under the Ordinance because her activities demonstrate that she is participating in campaign management and strategy. The fact that she is not involved in all strategic

decisions such as reviewing campaign literature does not mean that she is not involved in campaign management or strategy.

Example 3:

The Taylor Committee hires Bobby Blue as an employee to be its field director. Blue owns an independent political consulting service in Paradise, California. As field director, Blue coordinates and supervises the campaign's field operation, which includes hiring campaign staff, gathering signatures to get Taylor on the ballot, and increasing voter support for Taylor and turnout at the polls. Blue receives more than \$1,000 for his services to the campaign. Blue is a campaign consultant who must register and file periodic reports under the Ordinance even though he is hired as an employee of the campaign and not as an independent contractor.

Example 4:

Apple Banana and Associates, a campaign consultant, is hired and paid more than \$1,000 by the Taylor campaign to work on its fundraising and to create its campaign literature. Win White, an employee of Apple Banana, is assigned to work on the Taylor campaign. Win strategizes and implements plans to do the fundraising and create effective campaign literature. Apple Banana must register and file periodic reports under the Ordinance because it is a campaign consultant that provides campaign consultant services to a local campaign. White is not required to register or file reports because she is an employee of a campaign consultant and does not provide campaign consultant services in any other capacity.

For purposes of the Campaign Consultant Ordinance, "**candidate**" means:

- A person who has taken affirmative action to seek nomination or election to local office; or
- A local officeholder who has taken affirmative action to seek nomination or election to any elective office; or
- A local officeholder who is the subject of a recall election

[SF C&GC Code Section 1.505(e)]

For purposes of the Campaign Consultant Ordinance, "**local officeholder**" means the following elected officers:

- Mayor
- Members of the S.F. Board of Supervisors
- City Attorney
- District Attorney
- Treasurer
- Sheriff
- Assessor
- Public Defender
- Members of the Board of Education of the S.F. Unified School District
- Members of the Governing Board of the S.F. Community College District

[SF C&GC Code Section 1.505(i)]

For purposes of the Campaign Consultant Ordinance, "**measure**" means:

- A local referendum; or
- A local ballot measure, whether or not it qualifies for the ballot

[SF C&GC Code Section 1.505(j)]

INITIAL REGISTRATION

When an individual or entity meets the \$1,000 threshold discussed above, and thereby qualifies as a campaign consultant, registration is required. An individual or entity is not required to register in advance of engaging in campaign consulting activity if the \$1,000 threshold has not been met. The Ethics Commission encourages parties who provide campaign consulting services and who will ultimately qualify as campaign consultants to file as soon as possible, and not wait until they actually meet the \$1,000 threshold.

The initial Registration Report includes information pertaining to the three months preceding the date of qualification. Persons who provide campaign consulting services (but who have not yet met the \$1,000 threshold) are advised to keep adequate records of their activity in order to provide the information required at the time of registration.

A person or entity that has met the \$1,000 threshold must file:

- 1) *Campaign Consultant Cover Sheet*; and
(Filers must check the box that indicates that the filing is a registration filing.)
- 2) *Form 1: Campaign Consultant Registration Report*; and
- 3) *Form 4: Campaign Consultant Client Authorization Form* **for each client**

Note: Both Form 1 and Form 4 must be filed before the filer provides campaign consulting services or accepts any economic consideration for the provision of such services.

RE-REGISTRATION

Campaign consultants must re-register each year no later than **January 1** to maintain active status as a campaign consultant. [SF C&GC Code Section 1.515(b)]

Filers must complete:

- 1) *Campaign Consultant Cover Sheet*; and
(Filers must check the box that indicates that the filing is a re-registration filing.)
- 2) *Form 2: Campaign Consultant Re-Registration Report*

QUARTERLY REPORTS

After qualifying as a campaign consultant and filing a Registration Report with the Ethics Commission, each filer is required to file *Form 3: Campaign Consultant Quarterly Report* each quarter. Filers must complete:

- 1) *Campaign Consultant Cover Sheet*; and
(Filers must check the box that indicates that the filing is a quarterly filing.)
- 2) *Form 3: Campaign Consultant Quarterly Report*

The period covered by the first quarterly report may overlap with the period covered by the initial report.

Example:

Georgia O'Leaf is an independent contractor who provides campaign consulting services to clients. Ms. O'Leaf will earn more than \$1,000 in April for conducting three separate campaigns. On May 1, Ms.

O’Leaf registers as a campaign consultant and files a Registration Report. The report covers the period starting February 1 and ending May 1. The next activity report Ms. O’Leaf files will be due no later than June 15th and will cover the quarter starting March 1 and ending May 31.

If the filer has not engaged in any reportable activity during the reporting period, the filer is not required to file *Form 3: Campaign Consultant Quarterly Report* provided that the filer submits a *Campaign Consultant Cover Sheet* and checks the box indicating that “No Form 3 is attached because the filer engaged in no reportable activity during the reporting period.”

The reporting periods and filing deadlines are as follows:

Reporting Period	Filing Deadline
December 1 - February 28	March 15th
March 1 - May 31	June 15th
June 1 - August 31	September 15th
September 1 - November 30	December 15th

[SF C&GC Code Section 1.515(e)(10)]

REPORTING PAYMENTS PROMISED BY OR RECEIVED FROM CLIENTS

Filers are required to report “economic consideration” promised by or received from clients in exchange for campaign consulting services during the applicable reporting period. “Economic consideration” includes:

- Payments
- Fees
- Commissions
- Reimbursements for expenses
- Gifts
- Or anything else of value

[SF C&GC Code Sections 1.505(f), 1.515(a)(7), 1.515(e)(1) – (2)]

Example:

Honota Musari LLP provides campaign consultant services to the Committee for Safe Cars. Its invoice to the committee itemizes the following: (1) fees for services, (2) commission for producing campaign literature, (3) expenses that Honota Musari incurred in providing services to the committee, including costs for parking and mileage, copying and postage, and food and drink. Honota Musari must report as “economic consideration” all payments listed above even though it may not make a profit from them.

REPORTING POLITICAL CONTRIBUTIONS

Filers must report each political contribution of \$100 or more made or delivered by the filer, or made by the filer’s client at the filer’s behest, or for which the filer acted as an agent or intermediary during the reporting period to a:

- Candidate for local office; or
- Committee controlled by local officeholder or candidate for local office; or
- Ballot measure committee whether or not the committee is controlled by a local officeholder or a candidate for local office

[SF C&GC Code Sections 1.515(a)(8), 1.515(e)(3)]

For the definitions of the terms “candidate” and “measure,” see page 5.

Filers must report:

- Whether the contribution was made by the filer or by the filer's client
- Amount of the contribution
- Date of the contribution
- Name of recipient (If recipient is a committee, include its ID number.)
- The name of the contributor if filer acted as an agent or intermediary

In addition, filers must report the cumulative total of all political contributions made during the reporting period if the cumulative total is \$500 or more. [SF C&GC Code Sections 1.515(a)(9), 1.515(e)(4)] If the filer contributes less than \$500 during the reporting period, the filer must check the box that states "The cumulative total of all political contributions is less than \$500."

Note: Filers still must report each individual contribution of \$100 or more even if the cumulative total is less than \$500.

Example 1:

Eunice Applebaum pays Sylvia Antonio \$1,000 in a calendar year to raise funds for Ms. Applebaum's campaign. Ms. Antonio thereby qualifies as a campaign consultant and is required to register with the Ethics Commission. During the three months preceding the date of qualification, Ms. Antonio contributed \$400 to Supervisor Tina Taylor's campaign. Ms. Antonio also contributed \$99 to Candidate Xavier Ito's campaign. At the time of initial registration, Ms. Antonio must report the \$400 contribution to Tina Taylor. Ms. Antonio is not required to report the \$99 contribution to Xavier Ito, because it is less than \$100. Ms. Antonio is not required to report the cumulative total, because it is less than \$500.

Example 2:

Campaign consultant David Quan makes a \$150 contribution to The Yes on Proposition Z Committee during the reporting period. Mr. Quan also urges his client, candidate Sean McCarthy, to make a \$500 contribution to The Yes on Proposition Z Committee. Mr. Quan must list his own contribution and the contribution made by Candidate McCarthy on his disclosure report because it is a contribution made by a client at the behest of a campaign consultant. Both contributions are combined to determine the cumulative total. Mr. Quan must also report the cumulative total because the cumulative total is \$500 or more.

REPORTING GIFTS TO LOCAL OFFICEHOLDERS

Each filer must report any gifts promised or made by the filer to a local officeholder during the reporting period which in the aggregate total \$50 or more. [SF C&GC Code Sections 1.515(a)(10); 1.515(e)(5)].

Filers must report:

- Amount of the gift
- Date the gift was given or the expense was incurred
- Name, official title or position and department of the beneficiary of the gift
- Description of the gift (e.g., lunch, drinks, flowers, cash)

REPORTING PAYMENTS PROMISED BY OR RECEIVED FROM VENDORS OR SUBVENDORS

Each filer must report economic consideration promised to or received by the filer during the reporting period from vendors and subvendors who provide campaign-related goods or services to the filer's current clients. [SF C&GC Code Section 1.515(e)(6)] For each vendor/subvendor, the filer must report:

- Name of the vendor or subvendor

- Business telephone of the vendor or subvendor
- Business address
- Total payment promised by *or* received from vendor/subvendor

A “**vendor**” means a person or entity that sells goods or services, other than campaign consulting services, including but not limited to:

- Printing
- Catering
- Transportation services

The following persons and entities are NOT vendors:

- Attorneys who provide only legal services
- Accountants who provide only accounting services
- Pollsters who provide only polling services
- Treasurers who provide only those services required by the Political Reform Act, Government Code Section 81000, *et seq.*

[SF C&GC Code Section 1.505(k)]

REPORTING EMPLOYMENT OF LOCAL OFFICEHOLDERS AND CITY EMPLOYEES

If the filer employs a local officeholder or City employee during the reporting period, the filer must report the name of the officeholder or City employee and describe the nature of the employment by the filer. In addition, if a client of the filer employs a local officeholder or City employee at the behest of the filer during the reporting period, the filer must report the name of the client, the name of each officeholder or City employee hired by the client and the nature of the employment by the client. [SF C&GC Code Section 1.515(e)(7)]

REPORTING CITY CONTRACTS OBTAINED DURING THE REPORTING PERIOD

If the filer obtains a City contract during the reporting period and the contract is approved by a local officeholder who is the filer’s client, the filer must report the contract, the date the contract was obtained, and the name of the officeholder who approved the contract. [SF C&GC Code Section 1.515(e)(8)]

REPORTING APPOINTMENT TO PUBLIC OFFICE

If the filer is appointed to public office during the reporting period and the appointment is made by a local officeholder who is the filer’s client, the filer must report the public office to which the filer was appointed, the date of the appointment, and the name of the officeholder who appointed the filer. [SF C&GC Code Section 1.515(e)(9)]

REGISTRATION OF CLIENTS

At the time of initial registration, each campaign consultant must file:

- 1) *Campaign Consultant Cover Sheet*; and
(Filers must check the box indicating they are filing a *Form 4: Campaign Consultant Client Authorization Statement*.)
- 2) *Form 4: Campaign Consultant Client Authorization Statement* **for each client**

Note: If a client retains the campaign consultant after the date of initial registration by the consultant, the campaign consultant must submit these forms before providing any campaign consulting services to the client and before receiving any economic consideration from the client in exchange for campaign consulting services, and in any event no later than 15 days after being retained to provide campaign consulting services to the client. [SF C&GC Code Section 1.515(d)]

Note: The filer is responsible for completing and filing Form 4: Campaign Consultant Client Authorization Statement.

Example:

Candidate Xena Zapper hires campaign consultant Dagmar Snaggletooth on January 1 to solicit contributions to Candidate Zapper's campaign and promises to pay her \$1,000. Ms. Zapper requests Ms. Snaggletooth to begin soliciting contributions immediately on her behalf. Before Ms. Snaggletooth may provide any campaign consulting services to Ms. Zapper and before she receives any economic consideration from her, Ms. Snaggletooth must file: a *Campaign Consultant Cover Sheet* and *Form 4: Campaign Consultant Client Authorization Statement* with the Ethics Commission.

TERMINATION OF CLIENTS

Filers must file the following forms **within 30 days** after a client terminates the filer's services:

- 1) *Campaign Consultant Cover Sheet*; and
(Filers must check the box indicating they are filing a *Form 5: Campaign Consultant Client Termination Statement*.)
- 2) *Form 5: Campaign Consultant Client Termination Statement* **for each client**

[SF C&GC Code Section 1.515(f)]

Note: The filer is responsible for completing and filing Form 5: Campaign Consultant Client Termination Statement.

On March 8, 1999, the Ethics Commission passed Regulation 1.515(f)-1 (formerly 1-1-16.543(f)). This Regulation explains that filers are prohibited from continuing to provide campaign consulting services to a client after filing a client termination statement for that client. The Regulation clarifies that a filer may collect unpaid fees for services previously rendered after the filer files a client termination statement for the client, provided that information about the fees and the services for which they were earned are properly disclosed. The filer must report the following information:

- 1) The date the payment is due to be paid by the client;
- 2) If the payment is past due, a description of the efforts made by the filer to collect the payment;
- 3) If the filer charges interest on the amount owed by the client, a description of the terms and rate of interest to be charged;
- 4) If the filer reduced or forgave any portion of the amount owed by the client, a description of the terms and amount of the discount;
- 5) The filer reports the full amount owed by current and former clients, in addition to the payments promised and received during any reporting period.

Filers are not required to re-register clients for whom they no longer provide campaign consulting services if the only reason for re-registration is that the client has not yet paid in full for services previously rendered.

[Regulation 1.515(f)-1 (formerly 1-1-16.543(f).)]

TERMINATION OF STATUS AS A CAMPAIGN CONSULTANT

A filer is subject to all the requirements and prohibitions imposed by the Campaign Consultant Ordinance until the filer ceases all activity as a campaign consultant and files:

- 1) *Campaign Consultant Cover Sheet*; and
(Filers must check the box indicating they are filing a *Form 6: Campaign Consultant Termination Statement*.)
- 2) *Form 6: Campaign Consultant Termination Statement*, stating that the filer has ceased all activity as a campaign consultant; and
- 3) *Form 3: Campaign Consultant Quarterly Report*, reporting all activity undertaken during the period since the last date covered by the filer's last quarterly report; and
- 4) *Form 5: Campaign Consultant Client Termination Statement* **for each client**

[SF C&GC Code Section 1.515(g)]

FILING REQUIREMENTS

Reports and statements that are required by the Campaign Consultant Ordinance must be filed with the San Francisco Ethics Commission, located at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102-6053. The Commission may be contacted at (415) 252-3100.

Note: If a filing deadline falls on a Saturday, Sunday or holiday, the filing deadline is the next business day.

Documents must be received by the Ethics Commission no later than 5 p.m. on the date of the filing deadline in order to be considered timely filed.

The campaign consultant registration forms are attached to this manual in Part V. Additional manuals and forms are available at the Ethics Commission. You may also download the manual and forms from our website: www.sfgov.org/ethics.

File the original forms **and** one copy of the forms with the Ethics Commission.

If you would like to receive a date-stamped copy for your records, you must provide an **additional** copy of the forms and a self-addressed, postage-paid envelope.

If you need more space than the forms provide, you may make additional copies of the forms or attach additional sheets of paper.

If a filer discovers an error or omission in a previously filed form, the filer must amend the form as follows. The *Campaign Consultant Cover Sheet* includes a section in which the filer must indicate whether the filing is an original or an amendment. Check the box "Amendment of form(s)" and fill in the date of the previously filed form. Complete the supplemental information on the cover sheet and the appropriate form. Attach the amended form to the *Campaign Consultant Cover Sheet*.

All forms filed with the Ethics Commission pursuant to the Campaign Consultant Ordinance are public records. Filers should be aware that any member of the public may review these forms, without identifying themselves, or stating why they wish to see the records, or providing any other information. Individuals may transcribe information from, or photocopy, the forms. The forms are used to create a quarterly report of campaign consulting activity, issued by the Ethics Commission. Upon completion, these reports are also available on the Commission's website at: www.sfgov.org/ethics

FILING FEES

At the time of registration and re-registration, each consultant must pay a registration fee calculated based on the income the consultant will earn between January 1 and December 31 of the current year:

- **Tier 1:** For filers whose campaign consultant earnings are at least \$1,000 but not more than \$5,000 per calendar year, the registration fee is \$50.
- **Tier 2:** For filers whose campaign consultant earnings are more than \$5,000, but not more than \$20,000, per calendar year, the registration fee is \$200.
- **Tier 3:** For filers whose campaign consultant earnings are more than \$20,000 per calendar year, the registration fee is \$400.

Campaign consultants should estimate their earnings for the period starting January 1 and ending December 31 of the current calendar year. If a consultant is uncertain of the amount of income he or she is likely to earn during that period, he or she may pay the registration fee applicable to "Tier 1" filers. If the consultant subsequently earns more than \$5,000 during the calendar year, and therefore qualifies as either a "Tier 2" or "Tier 3" filer, the consultant will not be penalized. However, the consultant will be required to pay additional fees. If the consultant reports earning more than \$5,000 during the calendar year, the consultant will be required to pay the balance of fees applicable to "Tier 2" filers. If the consultant reports earning more than \$20,000 during the calendar year, the consultant will be required to pay the balance of fees applicable to "Tier 3" filers.

[SF C&GC Code Section 1.515(c)(ii)]

Note: Income earned in the prior calendar year should not be considered when determining the registration fees the consultant must pay in this calendar year, even if the income is actually received in this calendar year. Similarly, income earned in the last calendar year (for example, 2001) should be considered when determining the registration fees the consultant must pay in the last calendar year (for example, 2001), even if the income is not received in 2001. The Ordinance indicates that earnings, not receipts, are the basis of the fee calculation. This principle is similar to the general rule that income is taxable when earned rather than when received.

Example :

Consultant Snowy Tahoe is uncertain of the amount of income she will earn in 2001. When she re-registers on or before January 1, 2001, Ms. Tahoe may pay the minimum registration fee of \$50. This is the "Tier 1" registration fee, applicable to filers who earn less than \$5,000 in campaign consulting fees in a calendar year. On March 15, Ms. Tahoe files a quarterly report, indicating that her total campaign consultant earnings were under \$5,000. At that time, Ms. Tahoe is still a Tier 1 filer. She is not required to pay any additional registration fees. On June 15, Ms. Tahoe files a quarterly report indicating that her cumulative campaign consultant earnings for the year equal or exceed \$5,000 (but do not exceed \$20,000). At the time she files the quarterly report, Ms. Tahoe is required to pay the balance of fees applicable to "Tier 2" filers an additional \$150, so that her registration payments total \$200.

LATE FILING PENALTIES

The Ethics Commission will assess a late fine of **\$50 per day** after the due date until the report or statement is filed. If a filer fails to timely file a report or statement and the due date is fewer than thirty days before or after an election, the Commission will assess an additional late fine of **\$100 per day** after the due date until the report or statement is filed. [SF C&GC Code Section 1.525(a)]

ADDITIONAL QUESTIONS

If, after reading the manual in its entirety, you have questions regarding interpretation or administration of the Campaign Consultant Ordinance, contact the Commission staff at (415) 252-3100. The Commission encourages filers to submit their questions in writing to: 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102-6053.

The Commission renders informal and formal advice on the campaign consultant ordinance in response to written inquiries. Formal advice is provided in response to inquiries about specific factual situations. If the City Attorney and District Attorney concur with this advice, the requester is afforded some protection:

“No person who acts in good faith on an opinion issued by the commission and concurred in by the city attorney and the district attorney shall be subject to criminal or civil penalties for so acting, provided that the material facts are as stated in the opinion request.” [San Francisco Charter Section 3.699-12(a)]

SAN FRANCISCO CAMPAIGN AND GOVERNMENTAL CONDUCT CODE

CHAPTER 5 - REGULATION OF CAMPAIGN CONSULTANTS

- Sec. [1.500](#). Findings.
- Sec. [1.510](#). Prohibitions.
- Sec. [1.515](#). Registration, Reregistration, Reporting, and Fees.
- Sec. [1.520](#). Powers and Duties of the Ethics Commission.
- Sec. [1.525](#). Administrative and Civil Enforcement, and Penalties.
- Sec. [1.530](#). Code of Conduct.
- Sec. [1.535](#). Severability.
- Sec. [1.540](#). Electronic Filing of Statements and Reports.
- Sec. [1.545](#). Construction with Other Laws.

SEC. 1.500. FINDINGS.

(a) The City and County of San Francisco has a paramount interest in protecting the integrity and credibility of its electoral and government institutions. Election campaigns are highly competitive in San Francisco, and candidates frequently contract for the services of professional campaign consultants who specialize in guiding and managing campaigns.

(b) It is the purpose and intent of the people of the City and County of San Francisco in enacting this Chapter to impose reasonable registration and disclosure requirements on campaign consultants. Required registration and disclosure of information by campaign consultants will assist the public in making informed decisions, and protect public confidence in the electoral and governmental processes. (Added by Ord. 71-00, File No. 000358, App. 4/28/2000) (Derivation: Former Administrative Code Section 16.540; added by Proposition G, 11/4/97)

SEC. 1.505. DEFINITIONS.

Whenever used in this Chapter, the following definitions shall apply:

(a) “Campaign consultant” means any person or entity that receives or is promised economic consideration equaling \$1,000 or more in a calendar year for campaign consulting services. The term “campaign consultant” includes any person or entity that subcontracts with a campaign consultant to provide campaign consulting services, and that receives or is promised economic consideration equaling \$1,000 or more in a calendar year for providing campaign consulting services. The term “campaign consultant” does not include persons who are employees of a campaign consultant, attorneys who provide only legal services, accountants who provide only accounting services, pollsters who provide only polling services, and treasurers who provide only those services which are required of treasurers by the Political Reform Act, California Government Code Section 81000, *et seq.*

(b) “Campaign consulting services” means participating in campaign management or developing or participating in the development of campaign strategy.

(c) “Campaign management” means conducting, coordinating or supervising a campaign to elect, defeat, retain or recall a candidate, or adopt or defeat a measure, including but not limited to hiring or authorizing the hiring of campaign staff and consultants, spending or authorizing the expenditure of campaign funds, directing, supervising or conducting the solicitation of contributions to the campaign, and selecting or recommending vendors or subvendors of goods or services for the campaign.

(d) “Campaign strategy” means plans for the election, defeat, retention or recall of a candidate, or for the adoption or defeat of a measure, including but not limited to producing or authorizing the production of campaign literature and print and broadcast advertising, seeking endorsements of organizations or individuals, seeking financing, or advising on public policy positions.

(e) “Candidate” means a person who has taken affirmative action to seek nomination or election to local office, a local officeholder who has taken affirmative action to seek nomination or election to any elective office, or a local officeholder who is the subject of a recall election.

(f) “Economic consideration” means any payments, fees, commissions, reimbursements for expenses, gifts, or anything else of value.

(g) “Lobby” means communicate with a local officeholder for the purpose of influencing local legislative or administrative action in exchange for economic consideration.

(h) “Lobbyist” is defined in Article II of this Code.*

(i) “Local office” means the following elective offices in the City and County of San Francisco: Mayor, Board of Supervisors, City Attorney, District Attorney, Treasurer, Sheriff, Assessor, Public Defender, Board of Education of the San Francisco Unified School District, and Governing Board of the San Francisco Community College District.

(j) “Measure” means a local referendum or local ballot measure, whether or not it qualifies for the ballot.

(k) “Vendor” means a person or entity who sells goods or services, other than campaign consulting services, including but not limited to printing, catering, and transportation services. The term “vendor” does not include attorneys who provide only legal services, accountants who provide only accounting services, pollsters who provide only polling services, and treasurers who provide only those services which are required of treasurers by the Political Reform Act, California Government Code Section 81000 *et seq.* (Added by Ord. 71-00, File No. 000358, App. 4/28/2000) (Derivation: Former Administrative Code Section 16.541; added by Proposition G, 11/4/97)

SEC. 1.510. PROHIBITIONS.

It shall be unlawful for any campaign consultant to provide campaign consulting services, or accept any economic consideration for the provision of campaign consulting services, without first registering with the Ethics Commission and complying with the reporting requirements specified in Section 1.515. (Added by Ord. 71-00, File No. 000358, App. 4/28/2000) (Derivation: Former Administrative Code Section 16.542; added by Proposition G, 11/4/97)

SEC. 1.515. REGISTRATION, REREGISTRATION, REPORTING, AND FEES.

(a) REGISTRATION REPORTS. At the time of initial registration, each campaign consultant shall report to the Ethics Commission the following information:

(1) The name, business address and business phone number of the campaign consultant;

(2) If the campaign consultant is an individual, the name of the campaign consultant's employer and a description of the business activity engaged in by the employer;

(3) The names of any individuals employed by the campaign consultant to assist in providing campaign consulting services;

(4) A statement of whether the campaign consultant is required to register with the Ethics Commission pursuant to the Regulation of Lobbyists Ordinance, San Francisco Campaign and Governmental Conduct Code, Article II;*

(5) A statement of whether the campaign consultant is required to register with the Tax Collector pursuant to the Business Tax Ordinance, San Francisco Municipal Code, Part III, Section 1001, et. seq.;

(6) The name, address, and telephone number of each client to whom the campaign consultant provided campaign consulting services during the preceding three months;

(7) For each client, the total economic consideration promised by or received from the client in exchange for the provision of campaign consulting services during the preceding three months, provided that the total is \$500 or more;

(8) Each political contribution of \$100 or more made or delivered by the campaign consultant, or made by a client at the behest of the campaign consultant, or for which the campaign consultant acted as an agent or intermediary, during the preceding three months in support of or in opposition to a candidate or measure;

(9) The cumulative total of all political contributions made or delivered by the campaign consultant, or which is made by a client at the behest of the campaign consultant, or for which the campaign consultant acted as an agent or intermediary, during the preceding three months in support of or in opposition to each individual candidate or measure, provided that the cumulative total is \$500 or more;

(10) Any gifts promised or made by the campaign consultant to a local officeholder during the preceding three months which in the aggregate total \$50 or more; and

(11) Any other information required by the Ethics Commission consistent with the purposes and provisions of this Chapter.

(b) REREGISTRATION REPORTS. Each campaign consultant shall reregister annually no later January 1st.

(c) FEES. At the time of initial registration and reregistration, each campaign consultant shall pay to the Ethics Commission a registration fee and an additional fee for each client of the campaign consultant. The amount of the fee shall be:

(i) Campaign consultants earning at least \$1,000 but not more than \$5,000 per calendar year shall pay a registration fee of \$50 and shall pay a client fee of \$50 per client;

(ii) Campaign consultants earning more than \$5,000 but not more than \$20,000 per calendar year shall pay a registration fee of \$200 and a client fee of \$50 per client;

(iii) Campaign consultants earning more than \$20,000 per calendar year shall pay a registration fee of \$400 and a client fee of \$50 per client.

When a client is acquired subsequent to initial registration or reregistration, the per client fee shall be paid at the time of filing the information required by Subsection (d). The Ethics Commission shall deposit fees collected pursuant to this Section in the General Fund of the City and County of San Francisco. On or after July 1, 1999, the Ethics Commission shall evaluate the fees set by this Section and propose any amendments for approval by the Board of Supervisors no later than December 1, 1999. If the Ethics Commission or the Board of Supervisors takes no action, the fees set by this Section shall remain in effect.

(d) **CLIENT AUTHORIZATION STATEMENTS.** At the time of initial registration, the campaign consultant shall submit to the Ethics Commission a written authorization from each client that contracts with the campaign consultant for campaign consulting services.

If the campaign consultant is retained by a client after the date of initial registration, the campaign consultant must file a Client Authorization Statement before providing any campaign consulting services to the client and before receiving any economic consideration from the client in exchange for campaign consulting services, and in any event no later than 15 days after being retained to provide campaign consulting services to the client.

(e) **QUARTERLY REPORTS.** Each campaign consultant shall file with the Ethics Commission quarterly reports containing the following information:

(1) For each client, the total economic consideration promised by or received from the client during the reporting period for campaign consulting services, provided that the total is \$500 or more;

(2) The total economic consideration promised by or received from all clients during the reporting period for campaign consulting services;

(3) Political contributions of \$100 or more made or delivered by the campaign consultant, or made by a client at the behest of the campaign consultant, or for which the campaign consultant acted as an agent or intermediary, during the reporting period in support of or in opposition to a candidate or measure;

(4) The cumulative total of all political contributions made or delivered by the campaign consultant, or made by a client at the behest of the campaign consultant, or for which the campaign consultant acted as an agent or intermediary, during the reporting period in support of or in opposition to each individual candidate or measure, provided that the cumulative total is \$500 or more;

(5) Any gifts promised or made by the campaign consultant to a local officeholder during the reporting period which in the aggregate total \$50 or more;

(6) Economic consideration promised to or received by the campaign consultant during the reporting period from vendors and subvendors who provided campaign-related goods or services to a current client of the campaign consultant;

(7) The name of each local officeholder and City employee who is employed by the campaign consultant, or by a client of the campaign consultant at the behest of the campaign consultant, during the reporting period;

(8) Each City contract obtained by the campaign consultant during the reporting period, provided that the contract is approved by a local officeholder who is a client of the campaign consultant;

(9) Each appointment to public office received by the campaign consultant during the reporting period, provided that the appointment is made by a local office-holder who is a client of the campaign consultant;

(10) Any other information required by the Ethics Commission consistent with the purposes and provisions of this Chapter.

Quarterly reports are due as follows: The report for the period starting December 1st and ending February 28th is due March 15th; the report for the period starting March 1st and ending May 31st is due June 15th; the report for the period starting June 1st and ending August 31st is due September 15th; and the report for the period starting September 1st and ending November 30th is due December 15th.

(f) **CLIENT TERMINATION STATEMENTS.** Within 30 days after a client terminates the services of a campaign consultant, the campaign consultant shall submit to the Ethics Commission a statement that the client has terminated the services of the campaign consultant. A campaign consultant may not provide campaign consulting services to a client or accept economic consideration for the provision of campaign

consulting services after a client termination statement is filed, until a new client authorization statement has been filed pursuant to Section 1.515(d).

(g) CAMPAIGN CONSULTANT TERMINATION STATEMENTS. A campaign consultant shall comply with all requirements of this Chapter until the campaign consultant ceases all activity as a campaign consultant and files a statement of termination with the Ethics Commission. A statement of termination must include all information required by Subsection (e) for the period since the campaign consultant's last quarterly report.

(h) Each campaign consultant shall verify, under penalty of perjury, the accuracy and completeness of the information provided under Sections 1.515 and 1.520(c).

(i) Each campaign consultant shall retain for a period of five years all books, papers and documents necessary to substantiate the reports and statements required under this Chapter. (Added by Ord. 71-00, File No. 000358, App. 4/28/2000) (Derivation: Former Administrative Code Section 16.543; added by Proposition G, 11/4/97)

SEC. 1.520. POWERS AND DUTIES OF THE ETHICS COMMISSION.

(a) The Ethics Commission shall provide forms for the reporting of all information required by this Chapter.

(b) The Ethics Commission shall issue a registration number to each registered campaign consultant.

(c) At the time of initial registration and reregistration, the Ethics Commission shall provide the campaign consultant with a copy of the City's campaign and lobbyist laws, the Code of Conduct specified in Section 1.530, and any related material which the Commission determines will serve the purposes of this Chapter. Each campaign consultant must sign a statement acknowledging receipt of these materials.

(d) The Ethics Commission shall compile the information provided in registration and quarterly reports filed pursuant to this Chapter as soon as practicable after the close of each quarter and shall forward a report of the compiled information to the Board of Supervisors and the Mayor.

(e) The Ethics Commission shall preserve all original reports, statements, and other records required to be kept or filed under this Chapter for a period of five years. Such reports, statements, and records shall constitute a part of the public records of the Ethics Commission and shall be open to public inspection.

(f) The Commission shall provide formal and informal advice regarding the duties under this Chapter of a person or entity pursuant to the procedures specified in San Francisco; Charter Section C3.699-12.

(g) The Ethics Commission shall have the power to adopt all reasonable and necessary rules and regulations for the implementation of this Chapter pursuant to the procedure specified in Charter Section 15.102.* (Added by Ord. 71-00, File No. 000358, App. 4/28/2000) (Derivation: Former Administrative Code Section 16.544; added by Proposition G, 11/4/97)

SEC. 1.525. ADMINISTRATIVE AND CIVIL ENFORCEMENT, AND PENALTIES.

(a) If any campaign consultant files an original statement or report after any deadline imposed by this Chapter, the Ethics Commission shall, in addition to any other penalties or remedies established in this Chapter, fine the campaign consultant \$50 per day after the deadline until the statement or report is received by the Ethics Commission. If any campaign consultant files an original statement or report after any deadline imposed by this Chapter, when the deadline is fewer than 30 days before or after an election, the Ethics Commission shall, in addition to any other penalties or remedies established in this Chapter, fine

the campaign consultant \$100 per day after the deadline until the statement or report is received by the Ethics Commission. The Ethics Commission may reduce or waive a fine if the Commission determines that the late filing was not willful and that enforcement will not further the purposes of this Chapter. The Ethics Commission shall deposit funds collected under this Section in the General Fund of the City and County of San Francisco.

(b) Any person who believes that Section 1.510 has been violated may file a complaint with the Ethics Commission. Upon receipt of a complaint, or upon its own initiative, the Commission may investigate allegations of a violation of Section 1.510 and enforce the provisions of Section 1.510 pursuant to the procedures established in San Francisco Charter Section C3.699-13, and the Commission's rules and regulations adopted pursuant to Charter Section 15.102.*

(c) When the Commission, pursuant to the procedures specified in Charter Section C3.699-13, determines on the basis of substantial evidence that a person or entity has violated Section 1.510, the Commission may require the person or entity to: (1) cease and desist the violation; (2) file any reports or statements or pay any fees required by this Chapter, and/or (3) pay a monetary penalty of up to \$5,000 for each violation, or three times the amount not properly reported, whichever is greater. The Commission may cancel for up to one year the registration of any campaign consultant who has violated Section 1.510. A campaign consultant whose registration has been canceled pursuant to this Section may not provide campaign consulting services in exchange for economic consideration for the period that the registration is canceled. When the period of cancellation ends, the campaign consultant may reregister pursuant to Section 1.515(a) and (c).

(d) Any person or entity which knowingly or negligently violates or who causes any other person to violate Section 1.510 may be liable in a civil action brought by the City Attorney for an amount up to \$5,000 per violation, or three times the amount not properly reported, whichever is greater.

(e) Any person or entity which intentionally or negligently violates Section 1.510 is guilty of a misdemeanor.

(f) No administrative, civil, or criminal action shall be maintained to enforce Section 1.510 unless brought within four years after the date the cause of action accrued or the date that the facts constituting the cause of action were discovered by the Ethics Commission, City Attorney, or District Attorney, whichever is later.

(g) In investigating any alleged violation of Section 1.510, the Ethics Commission and City Attorney shall have the power to inspect, upon reasonable notice, all documents required to be maintained under Section 1.515(i). This power to inspect documents is in addition to other powers conferred on the Ethics Commission and City Attorney by the Charter, or by ordinance, including the power of subpoena. (Added by Ord. 71-00, File No. 000358, App. 4/28/2000) (Derivation: Former Administrative Code Section 16.545; added by Proposition G, 11/4/97)

SEC. 1.530. CODE OF CONDUCT.

At the time of initial registration and reregistration, each campaign consultant must elect whether to voluntarily comply with the following Code of Conduct:

“I am familiar with all the laws, rules and regulations applicable to local campaigns;

“I will not knowingly make false statements about the qualifications or positions of any candidate, or about the scope and effect of any measure;

“I will not knowingly make false statements that any real or fictitious person supports or opposes a candidate or measure;

“In the event that I make inadvertent false statements about the qualifications or positions of any candidate or about the scope and effect of any measure, I will endeavor to provide corrected information in written form to the Ethics Commission within five days;

“I will refrain from appealing to prejudice in the conduct of a campaign, and from conducting, managing or advising a campaign, which appeals to prejudice based on race, gender, ethnic background, religious affiliation or nonaffiliation, sexual orientation, age, disability, or economic status;

“I will refrain from seeking to obtain the support of or opposition to any candidate or measure by the use of financial inducements or by the use of threats or coercion;

“I will refrain from influencing the submission of a measure to the San Francisco voters for the sole purpose of obtaining economic consideration for campaign consulting services;

“I will disclose through a filing at the San Francisco Ethics Commission any agreements that would result in a campaign consulting contract resulting from my efforts to influence the submission of a measure to the San Francisco voters at the time that I seek submission of any such measure;

“I will refrain from seeking to evade, or participating in efforts of others to evade, the legal requirements in laws pertaining to political campaigns;

“I will not knowingly participate in the preparation, dissemination, or broadcast of paid political advertising or campaign materials that contain false information; and

“I will refrain from accepting clients whose interests are adverse to each other.” (Added by Ord. 71-00, File No. 000358, App. 4/28/2000) (Derivation: Former Administrative Code Section 16.546; added by Proposition G, 11/4/97)

SEC. 1.535. SEVERABILITY.

If any section, subsection, subdivision, sentence, clause, phrase or portion of this Chapter, or the application thereof to any person or entity is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Chapter or its application to other persons, business entities, or organizations. The Board of Supervisors hereby declares that it would have adopted this Chapter, and each section, subsection, subdivision, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions, or the application thereof to any person or entity, to be declared invalid or unconstitutional. (Added by Ord. 71-00, File No. 000358, App. 4/28/2000) (Derivation: Former Administrative Code Section 16.547; added by Proposition G, 11/4/97)

SEC. 1.540. ELECTRONIC FILING OF STATEMENTS AND REPORTS.

(a) **ELECTRONIC FILING REQUIRED.** Whenever campaign consultants are required by this Chapter to file an original statement or report, the Ethics Commission may require the consultants to file an electronic copy of the statement or report. The electronic copy shall be due no later than the deadline imposed by this Chapter for filing the original statement or report.

(b) **POWERS AND DUTIES OF THE ETHICS COMMISSION.**

(i) Pursuant to San Francisco Charter Section 15.102, the Ethics Commission shall adopt regulations specifying the electronic filing requirements applicable to campaign consultants. The Ethics Commission shall adopt these regulations no fewer than 120 days before the electronic filing requirements are effective.

(ii) The Ethics Commission shall prescribe the format for electronic copies of statements and reports no fewer than 90 days before the statements and reports are due to be filed.

(c) PENALTIES. If any campaign consultant files an electronic copy of a statement or report after the deadline imposed by this Section, the Ethics Commission shall, in addition to any other penalties or remedies established in this Chapter, fine the campaign consultant \$10 per day after the deadline until the electronic copy is received by the Ethics Commission. The Ethics Commission may reduce or waive a fine if the Commission determines that the late filing was not willful and that enforcement will not further the purposes of this Chapter. The Ethics Commission shall deposit funds collected under this Section in the General Fund of the City and County of San Francisco. (Added by Ord. 223-00, File No. 000742, App. 9/29/2000)

SEC. 1.545. CONSTRUCTION WITH OTHER LAWS.

Lobbying by campaign consultants and employees of campaign consultants is governed by the applicable provisions of Article II, Chapter 1 of this Code, including section 2.117, which prohibits campaign consultants and employees of campaign consultants from communicating with current and former clients on behalf of another person or entity for the purpose of influencing local legislative or administrative action in exchange for economic consideration. (Added by Ord. 28-04, File No. 031656, App. 2/20/2004)