



**Frequently Asked Questions About the Expenditure Lobbyist Measure
On the November 3, 2015 San Francisco Ballot (Proposition C)**

On June 29, 2015, the Ethics Commission voted unanimously to place a measure regulating “expenditure lobbyists” on the ballot for the November 3, 2015 election. Answers to frequently asked questions about this measure, Proposition C, are found below.

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What is an “expenditure lobbyist”?

An expenditure lobbyist is any individual or organization that spends at least \$2,500 in a calendar month to solicit, request, or urge *others* to directly lobby City officers (i.e., elected City officials, members of City boards and commissions, and City department heads).

Expenditure lobbyists are different from the “contact” lobbyists currently regulated by City law. Contact lobbyists are individuals paid to directly lobby City officers via e-mail, telephone calls, or in-person meetings.

What are some examples of expenditure lobbying?

Examples of payments that constitute expenditure lobbying include:

- Paying to transport speakers to a Board of Supervisors meeting;
- Buying ads urging members of the public to call or contact City officials’ offices; and
- Donating to a nonprofit organization in exchange for their direct lobbying efforts

What is not expenditure lobbying?

The following is not expenditure lobbying:

- Payments made to a registered lobbyist who directly contacts City officers;
- Payments made to an organization for membership dues;
- Payments made by an organization to distribute communications to its members;
- Payments made by a news media organization to develop and distribute its publications; and
- Payments made by a client to a representative to appear on the client’s behalf in a legal proceeding before a City agency or department

What does this measure require expenditure lobbyists to do?

Under the measure, an individual or organization qualifying as an expenditure lobbyist must:

- Register with the Ethics Commission;
- Pay an annual \$500 registration fee; and
- File monthly reports with the Ethics Commission that disclose the local decision that was the subject of the lobbying, the amount of money spent to influence that decision, and their campaign contributions. Registration information and the monthly reports will be publicly available.

The above requirements are nearly identical to the requirements imposed on contact lobbyists.

Employees of Section 501(c)(3) and 501(c)(4) nonprofit organizations are exempt from the requirement to pay a registration fee.

Does the measure impose any limitations on expenditure lobbyists?

Yes, like contact lobbyists, expenditure lobbyists may not make gifts over \$25 to any City officer (except in limited circumstances), attempt to influence a City matter for the purpose of securing future employment, or attempt to evade their obligations through the use of agents, associates, or employees.

What happens if an expenditure lobbyist violates these rules?

A person who fails to comply with this proposal would be subject to:

- Late filing fees of \$50 per day;
- Administrative fines up to \$5,000 per violation; and/or
- Civil penalties up to \$5,000 per violation.

Do other jurisdictions regulate expenditure lobbying?

Yes, other jurisdictions regulate expenditure lobbying or similar activities, although not always in the same manner. Those jurisdictions include Los Angeles, Sacramento, San Diego, San Jose, and the State of California.

Did the City previously regulate expenditure lobbying?

In 2009, the City made amendments to its Lobbyist Ordinance which removed provisions that had regulated expenditure lobbyists. The prior regulation of expenditure lobbyists differs from the current proposal in a few ways, including:

- The prior law defined an expenditure lobbyist to be any person that made any payments to influence local legislative or administrative action totaling \$3,200 or more in value within any three consecutive calendar months; and
- The prior law required quarterly reporting.

Can this proposal be amended or changed at a later date?

Yes. In general, voter-approved measures can only be amended by later voter-approved measures. But this measure also allows the Board of Supervisors to amend its provisions if:

- The amendment furthers the purposes of the Lobbyist Ordinance;
- The Ethics Commission approves the proposed amendment in advance by at least a four-fifths vote of all its members;
- The proposed amendment is available for public review at least 30 days before the amendment is considered by the Board of Supervisors or any committee of the Board of Supervisors; and
- The Board of Supervisors approves the proposed amendment by at least a two-thirds vote of all its members.

What is the Ethics Commission?

San Francisco voters established the Ethics Commission in November 1993 through a ballot measure that amended the City Charter. The Ethics Commission serves the public, city employees and officials and candidates for public office through education and enforcement of ethics laws. It oversees the registration and regulation of campaign consultants, candidates, and lobbyists, among many other duties.

What is the Ethics Commission's role with respect to this measure?

On June 29, 2015, the Ethics Commission voted unanimously to place the expenditure lobbyist measure on the ballot for the November 3, 2015 election.

The Ethics Commission is subject to strict political activity restrictions that prevents its members and staff from openly advocating for the passage of ballot measures, including measures that it places on the ballot itself.

But the Ethics Commission can provide objective and impartial information regarding the expenditure lobbyist measure, such as this Frequently Asked Questions page.

If you would like to ask questions about the expenditure lobbyist measure, or have someone from the Ethics Commission speak about this measure at an event or meeting, please contact Jesse Mainardi at jesse.mainardi@sfgov.org or (415) 252-3100.

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