INVITATION FOR PUBLIC COMMENT
Prop. C Expenditure Lobbyists - Revised Draft Regulations

Placed on the November 3, 2015 ballot by the Ethics Commission and approved by San Francisco voters with approximately 75% of the vote, Proposition C established registration and reporting disclosure requirements for persons who make certain payments for communications to urge others to contact City and County officials in an attempt to influence matters defined under the law as local legislative or administrative action. Effective February 1, 2016, persons who qualify under Prop. C are regulated as “Expenditure Lobbyists.”

Following passage of Prop. C, Ethics Commission Staff held two Interested Persons meeting to identify areas where terms used in Prop. C could benefit from further definition to promote the law’s effectiveness and enforceability in practice. Based on that feedback, draft regulations were prepared for the Ethics Commission's consideration at its regular meeting on January 25, 2016. (For further details, please click here).

Based on additional public comment received at the January 25th meeting and the Commission’s discussion at that meeting, revised draft regulations will be presented for further discussion and possible action by the Ethics Commission at its next regular meeting on Monday, February 22, 2016.

To ensure continuing broad public input into the Commission’s deliberations, Ethics Commission Staff is soliciting further comment on revised draft regulations, which are attached. Public comment received at the Commission’s offices by noon on Monday, February 22, 2016, will be made available to the Commission for its consideration. To ensure feedback can be considered prior to finalizing revised draft regulations for the Commission’s consideration, Ethics Commission Staff asks that public comment on the attached revised draft regulations be submitted by close of business on Tuesday, February 16, 2016.

For further information

✔ See Attachment A for the text of Prop. C as approved by San Francisco voters.
✔ The City’s full Lobbying Ordinance, including the Expenditure Lobbying provisions adopted with enactment of Prop. C., can be found here.
✔ Expenditure Lobbyist registration and reporting forms can be found in Attachment B.
✔ Contact Ethics Commission Staff with any questions at (415) 252-3100 or by email at ethics.commission@sfgov.org.
✔ See Attachment C for the text of the revised draft regulations.

February 9, 2016
Motion ordering submitted to the voters an ordinance amending the Campaign and
Governmental Conduct Code to require expenditure lobbyists to register with the
Ethics Commission and file monthly disclosures regarding their activities, at an
election to be held on November 3, 2015.

MOVED, That pursuant to Charter section 15.102, the Ethics Commission hereby
submits the following ordinance to the voters of the City and County of San Francisco, at an
election to be held on November 3, 2015.

Ordinance amending the Campaign and Governmental Conduct Code to require
expenditure lobbyists to register with the Ethics Commission and file monthly
disclosures regarding their activities.

NOTE: Unchanged Code text and uncodified text are in plain font.
Additions to Codes are in single-underline italics Times New Roman font.
Deletions to Codes are in strikethrough italics Times New Roman font.
Asterisks (* * *) indicate the omission of unchanged Code subsections or
parts of tables.

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

Section 1. Findings.
(a) The City and County of San Francisco ("City") has a long-standing, compelling
interest in furthering public disclosure of the identity of lobbyists and of their efforts to
influence decision-making regarding local legislative and administrative matters. The City has
required this disclosure to protect public confidence in the responsiveness and representative
nature of government officials and institutions.

(b) For many years, the City has required lobbyists who directly contact City officials,
referred to here as "contact lobbyists," to register with the Ethics Commission and disclose
their lobbying activities. But in addition to contact lobbyists, individuals, businesses, non-profit
organizations, labor unions, and trade associations attempt to indirectly influence City officials
by urging others to directly lobby those officials. These indirect lobbyists, referred to in this
measure as "expenditure lobbyists," make payments in an attempt to encourage others to
directly lobby City officials by urging them to attend legislative hearings to speak on their
behalf, by providing them with transportation to public meetings, by using advertising outlets
to ask others to call or contact City officials' offices to make their arguments, or by making
donations in exchange for their direct lobbying efforts. Given these efforts, it is often difficult
for City officials to know whether the individuals directly approaching them are truly voicing
their own opinions or are doing so at the behest of expenditure lobbyists.

(c) For these reasons, and consistent with the City's past efforts to further the goals of
open government and transparency in decision-making, the voters enact this ordinance to
impose registration and disclosure requirements on expenditure lobbyists. This approach is
not unique to San Francisco. Several other California jurisdictions, including Los Angeles,
Sacramento, San Diego, San Jose, and the State of California, have enacted similar
expenditure lobbyist regulations.

(d) This ordinance imposes reasonable, narrowly tailored registration and disclosure
requirements on expenditure lobbyists, obligating them to reveal information about their efforts
to influence decision-making. Since expenditure lobbyists and direct, contact lobbyists both
attempt to influence the City's legislative process, this ordinance imposes the same sorts of
registration and disclosure requirements on both types of lobbyists.
Section 2. Article II, Chapter 1 of the Campaign and Governmental Conduct Code is hereby amended by adding Section 2.103 and revising Sections 2.105, 2.106, 2.110, 2.115, 2.116, and 2.130, to read as follows:

SEC. 2.103. AMENDMENT OR REPEAL.

With respect to any provisions of this Chapter regarding regulation of expenditure lobbyists approved by the voters, the Board of Supervisors may amend those provisions if all of the following conditions are met:

(a) The amendment furthers the purposes of this Chapter;

(b) The Ethics Commission approves the proposed amendment in advance by at least a four-fifths vote of all its members;

(c) 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

(d) The Board of Supervisors approves the proposed amendment by at least a two-thirds vote of all its members.

SEC. 2.105. DEFINITIONS.

Whenever used in this Chapter I, the following words and phrases shall have the definitions be defined as provided in this Section 2.105:

"Activity expenses" means any expense incurred or payment made by a lobbyist or a lobbyist's client at the behest of the lobbyist, or arranged by a lobbyist or a lobbyist's client at the behest of the lobbyist, which benefits in whole or in part any: officer of the City and County; candidate for City and County office; aide to a member of the Board of Supervisors; or member of the immediate family or the registered domestic partner of an officer, candidate,
or aide to a member of the Board of Supervisors. An expense or payment is not an "activity expense" unless it is incurred or made within three months of a contact with the officer, candidate, or Supervisor's aide who benefits from the expense or payment, or whose immediate family member or registered domestic partner benefits from the expense or payment. "Activity expenses" include honoraria, consulting fees, salaries, and any other thing of value totaling more than $25 in value in a consecutive three-month period, but do not include political contributions.

"Candidate" shall have the same meaning as set forth in Section 1.104 of this Code.

"Client" means the person for whom lobbyist services are performed by a lobbyist.

"Contact lobbyist" means any individual who (1) makes five or more contacts in a calendar month with officers of the City and County on behalf of the individual's employer; or (2) makes one or more contacts in a calendar month with an officer of the City and County on behalf of any person who pays or who becomes obligated to pay the individual or the individual's employer for lobbyist services. An individual is not a contact lobbyist if that individual is lobbying on behalf of a business of which the individual owns a 20% or greater share.

"Economic consideration" means any payments, fees, reimbursement for expenses, gifts, or anything else of value, provided that "economic consideration" does not include salary, wages or benefits furnished by a federal, state or local government agency.

"Employee" means any person who receives, reasonably expects to receive, or whose employer is obligated to provide, an Internal Revenue Service Form W-2 wage and tax statement.

"Employer" means any person who provides an Internal Revenue Service Form W-2 wage and tax statement to an employee who performs lobbyist services on behalf of that person.
"Expenditure lobbyist" means any person, other than any government entity, or officer or employee of a government entity acting in an official capacity, who, directly or indirectly, makes payments totaling $2,500 or more in a calendar month to solicit, request, or urge other persons to communicate directly with an officer of the City and County in order to influence local legislative or administrative action. Examples of the types of activities the payment for which can count toward the $2,500 threshold referred to in the previous sentence include but are not limited to public relations, media relations, advertising, public outreach, research, investigation, reports, analyses, and studies to the extent those activities are used to further efforts to solicit, request or urge other persons to communicate directly with an officer of the City and County. The following types of payments shall not be considered for the purpose of determining whether a person is an expenditure lobbyist: payments made to a registered contact lobbyist or the registered contact lobbyist's employer for lobbyist services; 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 in an adjudicatory proceeding before a City agency or department.

"Gift" shall be defined as set forth in the Political Reform Act, Government Code Section 81000 et seq., and the regulations adopted thereunder.

"Lobbyist" means a contact lobbyist or expenditure lobbyist, any individual who (1) makes five or more contacts in a calendar month with officers of the City and County on behalf of the individual's employer; or (2) makes one or more contacts in a calendar month with an officer of the City and County on behalf of any person who pays or who becomes obligated to pay the individual or the individual's employer for lobbyist services. An individual is not a lobbyist if that individual is lobbying on behalf of a business of which the individual owns a 20% or greater share.
"Lobbyist services" means services rendered for the purpose of influencing local legislative or administrative action, including but not limited to contacts with officers of the City and County of San Francisco.

"Local legislative or administrative action" includes, but is not limited to, the drafting, introduction, consideration, modification, enactment, defeat, approval, veto, granting or denial by any officer of the City and County of any resolution, motion, appeal, application, petition, nomination, ordinance, amendment, approval, referral, permit, license, entitlement to use or contract.

"Measure" shall have the same meaning as set forth in Section 1.104 of this Code.

"Officer of the City and County" means any officer identified in Section 3.203 of this Code, as well as any official body composed of such officers. In addition, for purposes of this Chapter, "officer of the City and County" includes (1) members of the Board of Education, Community College Board, First Five Commission, Law Library Board of Trustees, Local Agency Formation Commission, Health Authority Board, Housing Authority Commission, Parking Authority, Relocation Appeals Board, Successor Agency to the former Redevelopment Agency of the City and County of San Francisco, Oversight Board of the Successor Agency, Successor Agency Commission, Transportation Authority, Workforce Investment San Francisco Board as well as any official body composed of such officers, and any person appointed as the chief executive officer under any such board or commission; (2) the Zoning Administrator, (3) the City Engineer, (4) the County Surveyor, and (5) the Bureau Chief of the Department of Public Works' Bureau of Street Use and Mapping.

"Person" means an individual, partnership, corporation, association, firm, labor union or other organization or entity, however organized.

"Public hearing" means any open, noticed proceeding.

SEC. 2.106. LOBBYING CONTACTS.
(a) Whenever used in this Chapter I, "contact" means any communication, oral or written, including communication made through an agent, associate or employee, for the purpose of influencing local legislative or administrative action, except as provided in Subsections (b) and (c).

(b) The following activities are not "contacts" within the meaning of this Chapter I.

   (1) A representative of a news media organization gathering news and information or disseminating the same to the public, even if the organization, in the ordinary course of business, publishes news items, editorials or other commentary, or paid advertisements, that urge action upon local legislative or administrative matters;

   (2) A person providing oral or written testimony that becomes part of the record of a public hearing; provided, however, that if the person making the appearance or providing testimony has already qualified as a contact lobbyist under this Chapter and is appearing or testifying on behalf of a client, the contact lobbyist's testimony shall identify the client on whose behalf the contact lobbyist is appearing or testifying;

   (3) A person performing a duty or service that can be performed only by an architect or a professional engineer licensed to practice in the State of California;

   (4) A person making a speech or producing any publication or other material that is distributed and made available to the public, through radio, television, cable television, or other medium of mass communication;

   (5) A person providing written information in response to an oral or written request made by an officer of the City and County, provided that the written information is a public record available for public review;

   (6) A person providing oral or written information pursuant to a subpoena, or otherwise compelled by law or regulation;
(7) A person submitting a written petition for local legislative or administrative action, provided that the petition is a public record available for public review;

(8) A person making an oral or written request for a meeting, or any other similar administrative request, if the request does not include an attempt to influence local legislative or administrative action;

(9) A person appearing before an officer of the City and County pursuant to any procedure established by law or regulation for levying an assessment against real property for the construction or maintenance of an improvement;

(10) A person providing purely technical data, analysis, or expertise in the presence of a registered contact lobbyist;

(11) A person distributing to any officer of the City and County any regularly published newsletter or other periodical which is not primarily directed at influencing local legislative or administrative action;

(12) A person disseminating information or material on behalf of an organization or entity to all or a significant segment of the organization's or entity's employees or members;

(13) A person appearing as a party or a representative of a party in an administrative adjudicatory proceeding before a City agency or department;

(14) A person communicating, on behalf of a labor union representing City employees, regarding the establishment, amendment, or interpretation of a collective bargaining agreement or memorandum of understanding with the City, or communicating about a management decision regarding the working conditions of employees represented by a collective bargaining agreement or a memorandum of understanding with the City;

(15) A party or prospective party to a contract providing oral or written information in response to a request for proposals, request for qualifications, or other similar request, provided that the information is directed to the department or official specifically
designated in the request to receive such information; negotiating the terms of the contract
with the City after being selected to enter into the contract; or communicating in connection
with the administration of an existing contract between the party and the City. For the
purposes of this Subsection (b)(15):

(A) A "party or prospective party" includes that party's officers or
employees; a subcontractor listed in the contract, bid, or proposal; or that subcontractor's
officers or employees. A "party or prospective party" does not include any other agent or
associate, including any outside consultant or independent contractor.

(B) Communication "in connection with the administration of an existing
contract" includes, but is not limited to, communication regarding: insurance and bonding;
contract performance and/or default; requests for in-scope change orders; legislative
mandates imposed on contractors by the City and County; payments and invoicing; personnel
changes; prevailing wage verification; liquidated damages and other penalties for breach of
contract; audits; assignments; and subcontracting. Communication "in connection with the
administration of an existing contract" does not include communication regarding new
contracts, or out-of-scope change orders.

(16) An officer or employee of a nonprofit organization or an organization
fiscally sponsored by such a nonprofit organization communicating on behalf of their
organization. For purposes of this subsection only, "nonprofit organization" means either an
organization with tax exempt status under 26 United States Code Section 501(c)(3), or an
organization with tax exempt status under 26 United States Code Section 501(c)(4) whose
most recent federal tax filing included an IRS Form 990-N or an IRS Form 990-EZ, or an
organization whose next federal tax filing is reasonably likely to include an IRS Form 990-N or
an IRS Form 990-EZ.
(c) The following activities are not "contacts" for the purpose of determining whether a
person qualifies as a contact lobbyist, but are "contacts" for purpose of disclosures required by
this Chapter I:

(1) A person providing oral information to an officer of the City and County in
response to an oral or written request made by that officer;

(2) A person making an oral or written request for the status of an action; and

(3) A person participating in a public interested persons meeting, workshop, or
other forum convened by a City agency or department for the purpose of soliciting public
input.

SEC. 2.110. REGISTRATION AND DISCLOSURES; FEES; TERMINATION OF
REGISTRATION.

(a) REGISTRATION OF LOBBYISTS REQUIRED. Lobbyists shall register with the
Ethics Commission and comply with the disclosure requirements imposed by this Chapter I.
Such registration shall occur no later than five business days of qualifying as a lobbyist, but
the Contact lobbyist shall register prior to making any additional contacts with an officer of the
City and County of San Francisco and expenditure lobbyists shall register prior to making any
additional payments to influence local legislative or administrative action.

(b) REGISTRATION.

(1) Contact lobbyists. At the time of initial registration each contact lobbyist shall
report to the Ethics Commission the following information:

(A) The name, business address, e-mail address, and business

telephone number of the lobbyist;

(B) The name, business address, and business telephone number of
each client for whom the lobbyist is performing lobbyist services;
(3C) The name, business address, and business telephone number of
the lobbyist’s employer, firm or business affiliation; and

(4D) Any other information required by the Ethics Commission through
regulation, consistent with the purposes and provisions of this Chapter.

(2) Expenditure lobbyists. At the time of initial registration each expenditure lobbyist
shall report to the Ethics Commission the following information:

(A) The name, mailing address, e-mail address, and telephone number of the
lobbyist:

(B) Expenditure lobbyists that are entities shall provide:

(i) a description of their nature and purpose(s):

(ii) if the expenditure lobbyist is a corporation, the names of the
corporation’s chief executive officer, chief financial officer, and secretary, any officer who authorized
payments to influence local legislative and administrative action, and any person who owns more than
20 percent of the corporation;

(iii) if the expenditure lobbyist is a partnership, the name of each partner
if the entity has fewer than 10, or the name of the partner with the greatest ownership interest if the
entity has 10 or more partners:

(iv) for any other type of business entity, the name of each person with
an ownership interest if the entity has fewer than 10 owners, or the name of the person with the greatest
ownership interest in the entity, if the entity has 10 or more owners:

(C) Expenditure lobbyists that are individuals shall provide a description of
their business activities; and

(D) Any other information required by the Ethics Commission through
regulation, consistent with the purposes and provisions of this Chapter.
(c) LOBBYIST DISCLOSURES. For each calendar month, each lobbyist shall submit the following information no later than the fifteenth calendar day following the end of the month:

(1) Contact lobbyists. Each contact lobbyist shall report to the Ethics Commission the following information:

(A) The name, business address and business telephone number of each person from whom the lobbyist or the lobbyist’s employer received or expected to receive economic consideration to influence local legislative or administrative action during the reporting period.

(B) The name of each officer of the City and County of San Francisco with whom the lobbyist made a contact during the reporting period.

(C) The date on which each contact was made.

(D) The local legislative or administrative action that the lobbyist sought to influence, including, if any, the title and file number of any resolution, motion, appeal, application, petition, nomination, ordinance, amendment, approval, referral, permit, license, entitlement, or contract, and the outcome sought by the client.

(E) The client on whose behalf each contact was made.

(F) The amount of economic consideration received or expected by the lobbyist or the lobbyist’s employer from each client during the reporting period.

(G) All activity expenses incurred by the lobbyist during the reporting period, including the following information:

(i) The date and amount of each activity expense;

(ii) The full name and official position, if any, of the beneficiary of each activity expense, a description of the benefit, and the amount of the benefit;
(Giii) The full name of the payee of each activity expense if other than the beneficiary;

(Div) Whenever a lobbyist is required to report a salary of an individual pursuant to this Subsection (c)(1), the lobbyist need only disclose whether the total salary payments made to the individual during the reporting period was less than or equal to $250, greater than $250 but less than or equal to $1,000, greater than $1,000 but less than or equal to $10,000, or greater than $10,000.

(BH) All political campaign contributions of $100 or more made or delivered by the lobbyist or the lobbyist’s employer, or made by a client at the behest of the lobbyist or the lobbyist’s employer during the reporting period to an officer of the City and County, a candidate for such office, a committee controlled by such officer or candidate, or a committee primarily formed to support or oppose such officer or candidate, or any committee primarily formed to support or oppose a ballot measure to be voted on only in San Francisco. This report shall include such political campaign contributions arranged by the lobbyist, or for which the lobbyist acted as an agent or intermediary.

The following information regarding each political campaign contribution shall be submitted to the Ethics Commission:

(Ai) The amount of the contribution;

(Bii) The name of the contributor;

(Ciii) The date on which the contribution was made;

(Div) The contributor's occupation;

(Ev) The contributor's employer, or if self-employed, the name of the contributor's business; and

(Fvi) The committee to which the contribution was made.
(91) For each contact at which a person providing purely technical data, analysis, or expertise was present, as described in Section 2.106(b)(10), the name, address, employer and area of expertise of the person providing the data, analysis or expertise.

(H0) Any amendments to the lobbyist's registration information required by Subsection (b).

(HH) Any other information required by the Ethics Commission through regulation, consistent with the purposes and provisions of this Chapter.

(2) **Expenditure lobbyists.** Each expenditure lobbyist shall report to the Ethics Commission the following information:

(A) The local legislative or administrative action that the lobbyist sought to influence, including, if any, the title and file number of any resolution, motion, appeal, application, petition, nomination, ordinance, amendment, approval, referral, permit, license, entitlement, or contract.

(B) The total amount of payments made during the reporting period to influence local legislative or administrative action.

(C) Each payment of $1,000 or more made during the reporting period, including the date of payment, the name and address of each person receiving the payment, a description of the payment, and a description of the consideration for which the payment was made.

(D) All campaign contributions of $100 or more made or delivered by the lobbyist or made at the behest of the lobbyist during the reporting period to an officer of the City and County, a candidate for such office, a committee controlled by such officer or candidate, or a committee primarily formed to support or oppose such officer or candidate, or any committee primarily formed to support or oppose a measure to be voted on only in San Francisco. This report shall include such campaign contributions arranged by the lobbyist, or for which the lobbyist acted as an agent or intermediary.
The following information regarding each campaign contribution shall be submitted to the Ethics Commission:

(i) The amount of the contribution;

(ii) The name of the contributor;

(iii) The date on which the contribution was made;

(iv) The contributor's occupation;

(v) The contributor's employer, or if self-employed, the name of the contributor's business; and

(vi) The committee to which the contribution was made.

(E) Any amendments to the lobbyist's registration information required by Subsection (b).

(F) Any other information required by the Ethics Commission through regulation, consistent with the purposes and provisions of this Chapter 1.

(d) REGISTRATION AND FILING OF DISCLOSURES BY ORGANIZATIONS. The Ethics Commission is authorized to establish procedures to permit the registration and filing of contact lobbyist disclosures by a business, firm, or organization on behalf of the individual contact lobbyists employed by those businesses, firms, or organizations.

(e) FEES; TERMINATION OF REGISTRATION.

(1) At the time of registration each lobbyist shall pay a fee of $500. On or before every subsequent February 1, each registered lobbyist shall pay an additional fee of $500.

(2) Failure to pay the annual fee by February 1 shall constitute a termination of a lobbyist's registration with the Ethics Commission. The Ethics Commission is also authorized to establish additional processes for the termination of a lobbyist's registration.
(3) The Ethics Commission shall waive all registration fees for any full-time employee of a tax-exempt organization presenting proof of the organization's tax-exempt status under 26 U.S.C. Section 501(c)(3) or 501(c)(4).

(4) The Ethics Commission shall deposit all fees collected pursuant to this Section in the General Fund of the City and County of San Francisco.

SEC. 2.115. PROHIBITIONS.

(a) GIFT LIMIT. No lobbyist shall make gifts to an officer of the City and County that have a fair market value of more than $25, except for those gifts that would qualify for one of the exemptions under Section 3.216(b) of this Code and its implementing regulations.

(b) FUTURE EMPLOYMENT. No lobbyist shall cause or influence the introduction or initiation of any local legislative or administrative action for the purpose of thereafter being employed or retained to secure its granting, denial, confirmation, rejection, passage or defeat.

(c) FICTITIOUS PERSONS. No contact lobbyist shall contact any officer of the City and County in the name of any fictitious person or in the name of any real person, except with the consent of such real person.

(d) EVASION OF OBLIGATIONS. No lobbyist shall attempt to evade the obligations imposed by this Chapter through indirect efforts or through the use of agents, associates or employees.

SEC. 2.116. LOBBYIST TRAINING.

(a) Each contact lobbyist must complete a lobbyist training session offered by the Ethics Commission within one year of the lobbyist's initial registration. Thereafter, contact lobbyists shall attend additional training sessions as required by the Executive Director, at his or her discretion.

(b) The Ethics Commission shall make lobbyist training sessions available on its website.
(c) On or before the deadline for completing any required lobbyist training session, each contact lobbyist must file a signed declaration with the Ethics Commission stating, under penalty of perjury, that the lobbyist has completed the required training session.

SEC. 2.130. EMPLOYMENT OF UNREGISTERED PERSONS.

It shall be unlawful knowingly to pay any contact lobbyist to contact any officer of the City and County of San Francisco, if said contact lobbyist is required to register under this Chapter and has not done so by the deadlines imposed in this Chapter.

Section 3. Scope of Ordinance. In enacting this ordinance, the voters intend to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions or deletions, in accordance with the “Note” that appears under the official title of the ordinance.

Section 4. Appropriation. There is hereby appropriated $560,000 from the General Reserve to fund administrative and enforcement costs required to implement this ordinance. Any portion of this appropriation that remains unspent at the end of Fiscal Year 2015-16 shall be carried forward and spent in subsequent years for the same purpose. Additionally, it shall be City policy in all fiscal years following depletion of this original appropriation that the Board of Supervisors shall annually appropriate $15,000 for this purpose.

Section 5. Severability. If any section, subsection, sentence, clause, phrase, or word of this ordinance, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of the ordinance. The
voters hereby declare that they would have passed this ordinance and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this ordinance or application thereof would be subsequently declared invalid or unconstitutional.

Section 6. Effective and Operative Dates. This ordinance shall become effective 10 days after the Board of Supervisors declares the results of the November 3, 2015 election. This ordinance shall become operative on February 1, 2016.

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

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Registration Report for Expenditure Lobbyists (SFEC Form 2110A)
S.F. Campaign & Governmental Conduct Code § 2.100 et seq.

File this form with the Ethics Commission. See also General Instructions attached.

☐ Check if this is an amendment. Date original registration report filed: ________________

PART I: EXPENDITURE LOBBYIST CONTACT INFORMATION

Name: ____________________________________________________________________________

Mailing Address: __________________________________________________________________

__________________________________________________________________________________

Telephone Number: ___________________________ Email Address: _________________________

PART II: TYPE OF EXPENDITURE LOBBYIST

☐ Individual. Description of business activities: __________________________________________.

☐ Check if the individual is a full time employee of a 501(c)(3) and 501(c)(4) nonprofit organization.

☐ Entity. Description of nature and purpose: ____________________________________________.

Also, check the appropriate box below:

☐ Corporation. List below the names of your CEO, CFO, secretary, any officer who authorized payments to influence local legislative and administrative action, and any person owning more than 20 percent of the corporation.

☐ Partnership. List below the names of each partner (if the entity has fewer than 10 partners) or the partner with the greatest ownership interest (if the entity has 10 or more partners).

☐ Other entity. List below the names of each person with an ownership interest (if there are fewer than 10) or the person with the greatest ownership interest (if the entity has 10 or more persons with ownership interests).

__________________________________________________________________________________

__________________________________________________________________________________

__________________________________________________________________________________
VERIFICATION

I have reviewed this Registration Report for Expenditure Lobbyists and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true, complete, and correct.

_________________________________________  _________________________
Signature of Person Filing Report                  Date

_________________________________________
Name of Person Filing Report (Please Print)
WHO IS REQUIRED TO FILE: An individual or entity that qualifies as an “expenditure lobbyist” under San Francisco law must register with the Ethics Commission by completing and filing this form. An expenditure lobbyist is an individual or entity that spends at least $2,500 in a calendar month to solicit, request, or urge others to communicate directly with a City officer in order to influence local legislative or administrative action. City officers covered by this rule generally include elected City officials, members of City boards and commissions, and City department heads.

Examples of spending that counts toward the $2,500 per month threshold include public relations, media relations, advertising, public outreach, research, investigation, reports, analysis, and studies to the extent those activities are used to solicit, request or urge other persons to communicate directly with a City officer.

Examples of spending that does not count toward the $2,500 per month threshold include: payments made to a registered “contact” 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.

WHEN AND WHERE ARE REPORTS DUE: Each expenditure lobbyist must register by filing this form with the Ethics Commission no later than five business days after qualifying as such, and prior to making any additional payments to influence local legislative or administrative action.

HOW TO FILE: Through February 28, 2016, an expenditure lobbyist must file the registration reports with the Ethics Commission by sending a PDF copy of the signed forms to the Commission’s email address: ethicscommission@sfgov.org.

Starting March 1, 2016, an expenditure lobbyist may file the registration reports with the Ethics Commission by uploading a PDF copy of the signed forms to the Commission’s website. Expenditure lobbyists filing in this manner should retain the original signed copies for at least five years. The Ethics Commission will also accept paper copies of this form delivered (e.g., by mail, etc.) directly to the Commission’s office. Forms delivered by mail must be post marked by the due date to be timely filed. Registration statements must be accompanied by the registration fee, if necessary.

PAYING THE REGISTRATION FEE: Each expenditure lobbyist must pay a fee of $500 at the time of registration. However, note that full-time employees of 501(c)(3) and 501(c)(4) nonprofit organizations qualify as expenditure lobbyists do not have to pay the registration fee. Payments may be made on-line with a debit/credit card or e-check, or sending a check to the Ethics Commission made payable to the City and County of San Francisco.

FILING AMENDMENTS: If you are filing an amendment to a previously-filed registration report, check the appropriate box on page 1. Amendments can be filed at any time, including with a monthly report (SFEC Form ______).

REPORTING EXPENDITURE LOBBYIST INFORMATION (PART I): In Part I, you must list the filer’s name, mailing address, telephone number, and email address.
REPORTING THE TYPE OF EXPENDITURE LOBBYIST (PART II): In Part II, you must indicate whether the filer is an individual or an entity. If the filer is an individual, you must provide a description of his or her business activities. Also, indicate if the filer is a full-time employee of a 501(c)(3) and 501(c)(4) nonprofit organization. If the filer is an entity, you must provide a description of its nature and purpose, indicate whether it is a corporation, partnership, or other type of business entity, and list the names of the individuals indicated on the form.

TERMINATING STATUS AS AN EXPENDITURE LOBBYIST: When no longer paying for expenditure lobbying activity, a filer may terminate its status as an expenditure lobbyist by filing a final monthly SFEC Form ______ and checking the appropriate box to indicate that that report is a termination statement. Also, please note that the Ethics Commission will automatically terminate the registration of an expenditure lobbyist that fails to pay the annual registration fee by February 1.
Disclosure Report for Expenditure Lobbyists (SFEC Form 2110B)
S.F. Campaign & Governmental Conduct Code § 2.100 et seq.

File this form with the Ethics Commission. See also General Instructions attached.

Monthly report for (month/year): ________________  Total number of pages: _______________

☐ No activity this reporting period.
☐ This amends a report filed on ____________.
☐ This is my final report and constitutes my termination statement.

PART I: EXPENDITURE LOBBYIST INFORMATION

Name: ______________________________________________________________________________

Mailing Address: _______________________________________________________________________

_____________________________________________________________________________________

Telephone Number: _______________   Email Address: ______________________________

PART II: TOTAL PAYMENTS AND MATTERS LOBBIED

Directions: Enter the total amount of payments made during the reporting period to influence local legislative or administrative action and identify those local legislative or administrative action (including any title and file number).

Total amount spent to influence: ______________________________________________________

Local legislative or administrative actions:

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________
PART III: ITEMIZED PAYMENTS TO INFLUENCE OF $1,000 OR MORE

Directions: For each payment of $1,000 or more during the reporting period to influence local legislative or administrative action, enter the date of the payment, the name and address of the payee, a description of the payment (i.e., what it was for), and the amount.

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<thead>
<tr>
<th>Date</th>
<th>Name &amp; Address of Payee</th>
<th>Description of Payment</th>
<th>Amount</th>
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☐ Additional sheets are attached.
PART IV: CAMPAIGN CONTRIBUTIONS

**Directions:** Enter the information below for each political contribution of $100 or more made or delivered by the filer, or made at the behest of the filer, during the reporting period to:
- an elected official of the City and County,
- a candidate for such office,
- a committee controlled by such officer or candidate,
- a committee primarily formed to support or oppose such officer or candidate, or
- any committee primarily formed to support or oppose a ballot measure to be voted on only in San Francisco

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<tr>
<th>Date</th>
<th>Contributor</th>
<th>Occupation/Employer</th>
<th>Recipient</th>
<th>Amount</th>
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☐ Additional sheets are attached.
VERIFICATION

I have reviewed this Disclosure Report for Expenditure Lobbyists and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true, complete, and correct.

__________________________________________  ____________________________
Signature of Person Filing Report                Date

__________________________________________
Name of Person Filing Report (Please Print)
Disclosure Report for Expenditure Lobbyists (SFEC Form XXXX)

General Instructions

WHO IS REQUIRED TO FILE: This report must be completed and filed by an individual or entity that qualifies as an “expenditure lobbyist” under San Francisco law. An expenditure lobbyist is an individual or entity that spends at least $2,500 in a calendar month to solicit, request, or urge others to communicate directly with a City officer in order to influence local legislative or administrative action. City officers covered by this rule generally include elected City officials, members of City boards and commissions, and City department heads.

Examples of spending that counts toward the $2,500 per month threshold include public relations, media relations, advertising, public outreach, research, investigation, reports, analysis, and studies to the extent those activities are used to solicit, request or urge other persons to communicate directly with a City officer.

Examples of spending that does not count toward the $2,500 per month threshold include: payments made to a registered “contact” 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.

WHEN AND WHERE ARE REPORTS DUE: Each registered expenditure lobbyist must file monthly reports with the Ethics Commission by the fifteenth day of the month following the calendar month covered by the report. For example, a report covering activity in the month of February must be filed by March 15. Deadlines falling on a weekend or holiday are extended to the next business day.

HOW TO FILE: An expenditure lobbyist may file the quarterly-monthly report with the Ethics Commission by uploading a PDF copy of the signed forms to the Commission’s website. Expenditure lobbyists filing in this manner should retain the original signed copies for at least five years. The Ethics Commission will also accept paper copies of these forms delivered (e.g., by mail, etc.) directly to the Commissions’ office. Forms delivered by mail must be post marked by the due date to be timely filed.

DESCRIBING THE TYPE OF REPORT AND PERIOD COVERED: Indicate the applicable month covered. Also be sure to enter the calendar year.

INDICATING WHETHER THE REPORT IS A TERMINATION STATEMENT: If the filer no longer has any activity to report, the filer may terminate its status as an expenditure lobbyist by checking the appropriate box on page 1. Also, please note that the Ethics Commission will automatically terminate the registration of an expenditure lobbyist that fails to pay the annual registration fee by February 1.

FILING AMENDMENTS: If you are filing an amendment to a previously-filed quarterly report, check the appropriate box on page 1 and indicate the covered reporting period. Also, any amendments to information contained in the filer’s registration statement should be made by filing an amended SFEC Form XXXX with the Commission.

REPORTING EXPENDITURE LOBBYIST INFORMATION (PART I): In Part I, you must list the filer’s name, mailing address, telephone number, and email address.
REPORTING TOTAL PAYMENTS AND MATTERS LOBBED (PART II): In Part II, the filer must report the total amount of payments made during the reporting period to influence local legislative or administrative action. Do **not** include any payments that would not count toward the $2,500 registration threshold. Also, report each local legislative or administrative action that the lobbyist sought to influence during the period, including, if any, the title and file number of any resolution, motion, appeal, application, petition, nomination, ordinance, amendment, approval, referral, permit, license, entitlement, or contract.

REPORTING ITEMIZED PAYMENTS TO INFLUENCE OF $1,000 OR MORE (PART III): In Part III, the filer must itemize each payment of $1,000 or more during the reporting period to influence local legislative or administrative action, including the date of the payment, the name and address of the payee, a description of the payment (i.e., what it was for), and the amount. Again, do **not** include any payments that would not count toward the $2,500 registration threshold.

REPORTING CAMPAIGN CONTRIBUTIONS (PART IV): In Part IV, the filer must report each campaign contribution of $100 or more made or delivered by the filer, or made at the behest of the filer, during the reporting period to an officer of the City and County, a candidate for such office, a committee controlled by such officer or candidate, a committee primarily formed to support or oppose such officer or candidate, or any committee primarily formed to support or oppose a ballot measure to be voted on only in San Francisco. Include those contributions arranged by the filer, or for which the filer acted as an agent or intermediary. For each campaign contribution, provide the name of the contributor and (if an individual) the contributor’s occupation and employer, as well as the date, amount, and recipient of the contribution.
Regulation 2.105-5. Expenditure Lobbyist Definition.

(a) A person “makes payments” at the time an expense is incurred for an activity to solicit, request, or urge other persons to communicate directly with an officer of the City and County in order to influence a matter of local legislative or administrative action.

(b) For the purposes of qualifying as an Expenditure Lobbyist, a person must:

1) make payments totaling $2,500 or more in a calendar month for activities to solicit, request, or urge other persons to communicate directly with an officer of the City and County in order to influence a matter of local legislative or administrative action.

   (i) Any payment made for these activities will count towards the $2,500 threshold if within 12 months of the payment, the services or work product paid for are cited, incorporated, quoted, or relied upon in communications urging other persons to lobby a city official on a matter of local legislative or administrative action.

(c) Charitable organizations that act as a fiscal sponsor to other charitable projects are not required to register as an expenditure lobbyist for the activities of those projects that it sponsors. Nothing in this regulation prevents a nonprofit organization that acts as a fiscal sponsor for charitable projects from qualifying as an expenditure lobbyist through its own activities.

(d) Salary paid by an employer to an employee for activities to solicit, request, or urge other persons to communicate directly with an officer of the City and County in order to influence a matter of local legislative or administrative action shall not constitute a payment toward the $2,500 qualifying threshold [Optional additional language to consider: unless those activities in total account for 50 percent or more of the employee’s time in any month].
Regulation 2.105-6. Payments for Communications with Members.

Note: Section 2.105 of the Ordinance provides that certain types of payments shall not be considered for determining whether a person qualifies as an Expenditure Lobbyist, including “payments made to an organization for membership dues” and “payments made by an organization to distribute communications to its members.” This regulation is designed to clarify the applicability of these exclusions.

(a) “Member” means an employee or shareholder of an organization, a person who pays dues or fees to an organization, or any other person who has taken an affirmative step to regularly receive an organization’s communications.

(b) Notwithstanding any solicitation, request, or urging of other persons to communicate directly with a City Officer in order to influence a matter of local legislative or administrative action that it may contain, the production and dissemination costs for any newsletter or similar communication by an organization that is regularly scheduled, produced, and distributed do not count as payments for registration or reporting purposes of Section 2.105.

Regulation 2.110-10. Registration and Reporting.

Note: Section 2.110(a) of the Ordinance provides that persons who qualify as an Expenditure Lobbyist “shall register prior to making any additional payments to influence local legislative or administrative action.” The Ordinance further sets out under Section 2.110 (b)(2) and (c)(2) the registration and reporting process for Expenditure Lobbyists. This proposed regulation is designed to provide guidance about the registration and reporting process. Subsection (a)(iii) below shows two alternatives for consideration and comment in conjunction with proposed Regulation 2.105-5(d) above.

(a) For registration, Expenditure Lobbyists shall use SFEC Form 2110A.

(b) For monthly reports, Expenditure Lobbyists shall use SFEC Form 2110B.

(i) As used in Sec 2.110(c)(2)(B) and (C) “payments made” during the reporting period means expenses that are incurred during the reporting period.

(ii) For purposes of disclosing campaign contributions, reportable contributions include contributions that would be required to be disclosed under SFEC Regulation 2.110-4.
(iii) **Alternative A:** [Salary paid to an employee of an Expenditure Lobbyist shall not constitute a payment for the purpose of reporting each payment of $1,000 or more made during a reporting period.]

or

**Alternative B:** [Salary paid to an employee of an Expenditure Lobbyist shall constitute a payment for the purpose of reporting each payment of $1,000 or more made during a reporting period only if the activities of the employee to solicit, request, or urge other persons to lobby a city official on a matter of local legislative or administrative action in total account for 50 percent or more of the employee’s time during the reporting period.]

(c) Registered Expenditure Lobbyists must continue to file monthly reports until they affirmatively terminate their registration.

**Regulation 2.110-11. Fees.**

Note: Section 2.110 (e)(3) of the Ordinance provides that the Ethics Commission “shall waive all registration fees for any full-time employee of a tax-exempt organization presenting proof of the organization’s tax-exempt status under 26 U.S.C. Section 501(c)3 or 501(c)(4).” This regulation proposes to similarly apply a fee waiver to 501(c)3 and (c)(4) non-profit entities qualifying as Expenditure Lobbyists.

(a) The Ethics Commission shall waive the $500 registration fee and the $500 annual re-registration fee for 501(c)(3) and 501(c)(4) nonprofit organizations.