

# ETHICS COMMISSION CITY AND COUNTY OF SAN FRANCISCO

## INVITATION FOR PUBLIC COMMENT

### Prop. C Expenditure Lobbyists - Revised Draft Regulations

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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](mailto:ethics.commission@sfgov.org).
- ✓ See Attachment C for the text of the revised draft regulations.

February 9, 2016

**ATTACHMENT A**

1 [Initiative Ordinance - Campaign and Governmental Conduct Code - Expenditure Lobbyists]

2  
3 **Motion ordering submitted to the voters an ordinance amending the Campaign and**  
4 **Governmental Conduct Code to require expenditure lobbyists to register with the**  
5 **Ethics Commission and file monthly disclosures regarding their activities, at an**  
6 **election to be held on November 3, 2015.**

7  
8       MOVED, That pursuant to Charter section 15.102, the Ethics Commission hereby  
9 submits the following ordinance to the voters of the City and County of San Francisco, at an  
10 election to be held on November 3, 2015.

11  
12 **Ordinance amending the Campaign and Governmental Conduct Code to require**  
13 **expenditure lobbyists to register with the Ethics Commission and file monthly**  
14 **disclosures regarding their activities.**

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

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

21       Section 1. Findings.

22       (a) The City and County of San Francisco ("City") has a long-standing, compelling  
23 interest in furthering public disclosure of the identity of lobbyists and of their efforts to  
24 influence decision-making regarding local legislative and administrative matters. The City has  
25

1 required this disclosure to protect public confidence in the responsiveness and representative  
2 nature of government officials and institutions.

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

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

21 (d) This ordinance imposes reasonable, narrowly tailored registration and disclosure  
22 requirements on expenditure lobbyists, obligating them to reveal information about their efforts  
23 to influence decision-making. Since expenditure lobbyists and direct, contact lobbyists both  
24 attempt to influence the City’s legislative process, this ordinance imposes the same sorts of  
25 registration and disclosure requirements on both types of lobbyists.

1  
2 Section 2. Article II, Chapter 1 of the Campaign and Governmental Conduct Code is  
3 hereby amended by adding Section 2.103 and revising Sections 2.105, 2.106, 2.110, 2.115,  
4 2.116, and 2.130, to read as follows:

5 **SEC. 2.103. AMENDMENT OR REPEAL.**

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

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

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

12 (c) The proposed amendment is available for public review at least 30 days before the  
13 amendment is considered by the Board of Supervisors or any committee of the Board of Supervisors;  
14 and

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

17  
18 **SEC. 2.105. DEFINITIONS.**

19 Whenever used in this Chapter 1, the following words and phrases shall ~~have the~~  
20 ~~definitions~~ be defined as provided in this Section 2.105:

21 "Activity expenses" means any expense incurred or payment made by a lobbyist or a  
22 lobbyist's client at the behest of the lobbyist, or arranged by a lobbyist or a lobbyist's client at  
23 the behest of the lobbyist, which benefits in whole or in part any: officer of the City and  
24 County; candidate for City and County office; aide to a member of the Board of Supervisors;  
25 or member of the immediate family or the registered domestic partner of an officer, candidate,

1 or aide to a member of the Board of Supervisors. An expense or payment is not an "activity  
2 expense" unless it is incurred or made within three months of a contact with the officer,  
3 candidate, or Supervisor's aide who benefits from the expense or payment, or whose  
4 immediate family member or registered domestic partner benefits from the expense or  
5 payment. "Activity expenses" include honoraria, consulting fees, salaries, and any other thing  
6 of value totaling more than \$25 in value in a consecutive three-month period, but do not  
7 include political contributions.

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

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

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

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

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

22 "Employer" means any person who provides an Internal Revenue Service Form W-2  
23 wage and tax statement to an employee who performs lobbyist services on behalf of that  
24 person.

25

1           "Expenditure lobbyist" means any person, other than any government entity, or officer or  
2 employee of a government entity acting in an official capacity, who, directly or indirectly, makes  
3 payments totaling \$2,500 or more in a calendar month to solicit, request, or urge other persons to  
4 communicate directly with an officer of the City and County in order to influence local legislative or  
5 administrative action. Examples of the types of activities the payment for which can count toward the  
6 \$2,500 threshold referred to in the previous sentence include but are not limited to public relations,  
7 media relations, advertising, public outreach, research, investigation, reports, analyses, and studies to  
8 the extent those activities are used to further efforts to solicit, request or urge other persons to  
9 communicate directly with an officer of the City and County. The following types of payments shall not  
10 be considered for the purpose of determining whether a person is an expenditure lobbyist: payments  
11 made to a registered contact lobbyist or the registered contact lobbyist's employer for lobbyist  
12 services; payments made to an organization for membership dues; payments made by an organization  
13 to distribute communications to its members; payments made by a news media organization to develop  
14 and distribute its publications; and payments made by a client to a representative to appear in an  
15 adjudicatory proceeding before a City agency or department.

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

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

1 "Lobbyist services" means services rendered for the purpose of influencing local  
2 legislative or administrative action, including but not limited to contacts with officers of the City  
3 and County of San Francisco.

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

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

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

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

24 "Public hearing" means any open, noticed proceeding.

25 **SEC. 2.106. LOBBYING CONTACTS.**

1 (a) Whenever used in this Chapter 1, "contact" means any communication, oral or  
2 written, including communication made through an agent, associate or employee, for the  
3 purpose of influencing local legislative or administrative action, except as provided in  
4 Subsections (b) and (c).

5 (b) The following activities are not "contacts" within the meaning of this Chapter 1.

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

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

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

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

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

23 (6) A person providing oral or written information pursuant to a subpoena, or  
24 otherwise compelled by law or regulation;

25



1 (7) A person submitting a written petition for local legislative or administrative  
2 action, provided that the petition is a public record available for public review;

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

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

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

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

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

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

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

23 (15) A party or prospective party to a contract providing oral or written  
24 information in response to a request for proposals, request for qualifications, or other similar  
25 request, provided that the information is directed to the department or official specifically

1 designated in the request to receive such information; negotiating the terms of the contract  
2 with the City after being selected to enter into the contract; or communicating in connection  
3 with the administration of an existing contract between the party and the City. For the  
4 purposes of this *Subsection (b)(15)*:

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

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

17 (16) An officer or employee of a nonprofit organization or an organization  
18 fiscally sponsored by such a nonprofit organization communicating on behalf of their  
19 organization. For purposes of this subsection only, "nonprofit organization" means either an  
20 organization with tax exempt status under 26 United States Code Section 501(c)(3), or an  
21 organization with tax exempt status under 26 United States Code Section 501(c)(4) whose  
22 most recent federal tax filing included an IRS Form 990-N or an IRS Form 990-EZ, or an  
23 organization whose next federal tax filing is reasonably likely to include an IRS Form 990-N or  
24 an IRS Form 990-EZ.

1 (c) The following activities are not "contacts" for the purpose of determining whether a  
2 person qualifies as a contact lobbyist, but are "contacts" for purpose of disclosures required by  
3 this Chapter I:

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

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

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

10 **SEC. 2.110. REGISTRATION AND DISCLOSURES; FEES; TERMINATION OF**  
11 **REGISTRATION.**

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

18 (b) **REGISTRATION.**

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

21 (~~A~~) The name, business address, e-mail address, and business  
22 telephone number of the lobbyist;

23 (~~B~~) The name, business address, and business telephone number of  
24 each client for whom the lobbyist is performing lobbyist services;

25

1                   (3C) The name, business address, and business telephone number of  
2 the lobbyist's employer, firm or business affiliation; and

3                   (4D) Any other information required by the Ethics Commission through  
4 regulation, consistent with the purposes and provisions of this Chapter.

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

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

9                   (B) Expenditure lobbyists that are entities shall provide:

10                   (i) a description of their nature and purpose(s);

11                   (ii) if the expenditure lobbyist is a corporation, the names of the  
12 corporation's chief executive officer, chief financial officer, and secretary, any officer who authorized  
13 payments to influence local legislative and administrative action, and any person who owns more than  
14 20 percent of the corporation;

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

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

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

23                   (D) Any other information required by the Ethics Commission through  
24 regulation, consistent with the purposes and provisions of this Chapter.  
25

1 (c) **LOBBYIST DISCLOSURES.** For each calendar month, each lobbyist shall submit  
2 the following information no later than the fifteenth calendar day following the end of the  
3 month:

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

6 (~~1~~A) The name, business address and business telephone number of  
7 each person from whom the lobbyist or the lobbyist's employer received or expected to  
8 receive economic consideration to influence local legislative or administrative action during  
9 the reporting period;

10 (~~2~~B) The name of each officer of the City and County of San Francisco  
11 with whom the lobbyist made a contact during the reporting period;

12 (~~3~~C) The date on which each contact was made;

13 (~~4~~D) The local legislative or administrative action that the lobbyist sought  
14 to influence, including, if any, the title and file number of any resolution, motion, appeal,  
15 application, petition, nomination, ordinance, amendment, approval, referral, permit, license,  
16 entitlement, or contract, and the outcome sought by the client;

17 (~~5~~E) The client on whose behalf each contact was made;

18 (~~6~~F) The amount of economic consideration received or expected by the  
19 lobbyist or the lobbyist's employer from each client during the reporting period;

20 (~~7~~G) All activity expenses incurred by the lobbyist during the reporting  
21 period, including the following information:

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

23 (~~B~~ii) The full name and official position, if any, of the beneficiary of  
24 each activity expense, a description of the benefit, and the amount of the benefit;

25

1                   (Eiii) The full name of the payee of each activity expense if other  
2 than the beneficiary;

3                   (Div) Whenever a lobbyist is required to report a salary of an  
4 individual pursuant to this Subsection (c)(1), the lobbyist need only disclose whether the total  
5 salary payments made to the individual during the reporting period was less than or equal to  
6 \$250, greater than \$250 but less than or equal to \$1,000, greater than \$1,000 but less than or  
7 equal to \$10,000, or greater than \$10,000.

8                   (8H) All political campaign contributions of \$100 or more made or  
9 delivered by the lobbyist or the lobbyist's employer, or made by a client at the behest of the  
10 lobbyist or the lobbyist's employer during the reporting period to an officer of the City and  
11 County, a candidate for such office, a committee controlled by such officer or candidate, or a  
12 committee primarily formed to support or oppose such officer or candidate, or any committee  
13 primarily formed to support or oppose a ballot measure to be voted on only in San Francisco.  
14 This report shall include such political campaign contributions arranged by the lobbyist, or for  
15 which the lobbyist acted as an agent or intermediary.

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

- 18                   ( Ai) The amount of the contribution;  
19                   ( Bii) The name of the contributor;  
20                   ( Eiii) The date on which the contribution was made;  
21                   ( Div) The contributor's occupation;  
22                   ( Ev) The contributor's employer, or if self-employed, the name of  
23 the contributor's business; and  
24                   ( Fvi) The committee to which the contribution was made.  
25

1                   (~~J~~) For each contact at which a person providing purely technical data,  
2 analysis, or expertise was present, as described in Section 2.106(b)(10), the name, address,  
3 employer and area of expertise of the person providing the data, analysis or expertise.

4                   (~~L~~) Any amendments to the lobbyist's registration information required  
5 by Subsection (b).

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

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

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

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

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

19                   (D) All campaign contributions of \$100 or more made or delivered by the  
20 lobbyist or made at the behest of the lobbyist during the reporting period to an officer of the City and  
21 County, a candidate for such office, a committee controlled by such officer or candidate, or a  
22 committee primarily formed to support or oppose such officer or candidate, or any committee primarily  
23 formed to support or oppose a measure to be voted on only in San Francisco. This report shall include  
24 such campaign contributions arranged by the lobbyist, or for which the lobbyist acted as an agent or  
25 intermediary.

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

3                                    (i) The amount of the contribution;

4                                    (ii) The name of the contributor;

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

6                                    (iv) The contributor's occupation;

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

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

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

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

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

18                                   **(e) FEES; TERMINATION OF REGISTRATION.**

19                                   (1) At the time of registration each lobbyist shall pay a fee of \$500. On or  
20 before every subsequent February 1, each registered lobbyist shall pay an additional fee of  
21 \$500.

22                                   (2) Failure to pay the annual fee by February 1 shall constitute a termination of  
23 a lobbyist's registration with the Ethics Commission. The Ethics Commission is also  
24 authorized to establish additional processes for the termination of a lobbyist's registration.  
25



1 (3) The Ethics Commission shall waive all registration fees for any full-time  
2 employee of a tax-exempt organization presenting proof of the organization's tax-exempt  
3 status under 26 U.S.C. Section 501(c)(3) or 501(c)(4).

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

6 **SEC. 2.115. PROHIBITIONS.**

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

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

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

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

19 **SEC. 2.116. LOBBYIST TRAINING.**

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

24 (b) The Ethics Commission shall make lobbyist training sessions available on its  
25 website.

1 (c) On or before the deadline for completing any required lobbyist training session,  
2 each contact lobbyist must file a signed declaration with the Ethics Commission stating, under  
3 penalty of perjury, that the lobbyist has completed the required training session.

4 **SEC. 2.130. EMPLOYMENT OF UNREGISTERED PERSONS.**

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

8  
9 Section 3. Scope of Ordinance. In enacting this ordinance, the voters intend to amend  
10 only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation  
11 marks, charts, diagrams, or any other constituent parts of the Municipal Code that are  
12 explicitly shown in this ordinance as additions or deletions, in accordance with the "Note" that  
13 appears under the official title of the ordinance.

14  
15 Section 4. Appropriation. There is hereby appropriated \$560,000 from the General  
16 Reserve to fund administrative and enforcement costs required to implement this ordinance.  
17 Any portion of this appropriation that remains unspent at the end of Fiscal Year 2015-16 shall  
18 be carried forward and spent in subsequent years for the same purpose. Additionally, it shall  
19 be City policy in all fiscal years following depletion of this original appropriation that the Board  
20 of Supervisors shall annually appropriate \$15,000 for this purpose.

21  
22 Section 5. Severability. If any section, subsection, sentence, clause, phrase, or word  
23 of this ordinance, or any application thereof to any person or circumstance, is held to be  
24 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
25 shall not affect the validity of the remaining portions or applications of the ordinance. The

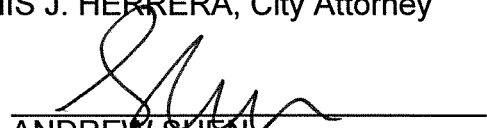
1 voters hereby declare that they would have passed this ordinance and each and every  
2 section, subsection, sentence, clause, phrase, and word not declared invalid or  
3 unconstitutional without regard to whether any other portion of this ordinance or application  
4 thereof would be subsequently declared invalid or unconstitutional.

5  
6 Section 6. Effective and Operative Dates. This ordinance shall become effective 10  
7 days after the Board of Supervisors declares the results of the November 3, 2015 election.  
8 This ordinance shall become operative on February 1, 2016.

9  
10 APPROVED AS TO FORM:

11 DENNIS J. HERRERA, City Attorney

12  
13 By:

  
14 ANDREW SHEN  
Deputy City Attorney

15 n:\leganatas2015\1500886\01023422.doc

San Francisco Ethics Commission  
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Web: [www.sfethics.org](http://www.sfethics.org)



For SFEC use

**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)

## **Registration Report for Expenditure Lobbyists (SFEC Form \_\_\_\_\_)** **General Instructions**

**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](mailto: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 Commissions’ 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](#) **whothat** 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.

[REVISED: 01/21/2016](#)

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Web: [www.sfethics.org/](http://www.sfethics.org/)



For SFEC use

**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.

Date	Name & Address of Payee	Description of Payment	Amount

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

Date	Contributor	Occupation/Employer	Recipient	Amount

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 LOBBIED (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.

[REVISED: 01/21/2016](#)

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**ATTACHMENT C**

1 **Regulation 2.105-5. Expenditure Lobbyist Definition.**

2 *Note: Section 2.105 of the Ordinance defines activities that count toward qualification as an Expenditure*  
3 *Lobbyist, and the level of those activities that trigger the requirement to register and file monthly*  
4 *reports. Based on inquiries and public comment the Ethics Commission has received, this regulation is*  
5 *proposed to clarify what counts, and how and when those activities are to be counted. Subsection (d)*  
6 *shows bracketed language for further public comment and discussion by the Commission.*

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

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

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

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

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

23 (d) Salary paid by an employer to an employee for activities to solicit, request, or urge other  
24 persons to communicate directly with an officer of the City and County in order to influence  
25 a matter of local legislative or administrative action shall not constitute a payment toward  
26 the \$2,500 qualifying threshold [**Optional additional language to consider:** unless those  
27 activities in total account for 50 percent or more of the employee’s time in any month].  
28

1 **Regulation 2.105-6. Payments for Communications with Members.**

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

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

10 (b) Notwithstanding any solicitation, request, or urging of other persons to communicate  
11 directly with a City Officer in order to influence a matter of local legislative or administrative  
12 action that it may contain, the production and dissemination costs for any newsletter or  
13 similar communication by an organization that is regularly scheduled, produced, and  
14 distributed do not count as payments for registration or reporting purposes of Section  
15 2.105.

16  
17 **Regulation 2.110-10. Registration and Reporting.**

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

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

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

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

28 (ii) For purposes of disclosing campaign contributions, reportable contributions include  
29 contributions that would be required to be disclosed under SFEC Regulation 2.110-4.

1 (iii) **Alternative A:** [Salary paid to an employee of an Expenditure Lobbyist shall not  
2 constitute a payment for the purpose of reporting each payment of \$1,000 or more  
3 made during a reporting period.]

4 **or**

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

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

13  
14 **Regulation 2.110-11. Fees.**

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

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