



ETHICS COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

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LEEANN PELHAM
EXECUTIVE DIRECTOR

Date: May 20, 2016
To: Members of the Ethics Commission
From: LeeAnn Pelham, Executive Director
Re: **AGENDA ITEM 5 - Proposal regarding a possible November 2016 ballot measure to restrict gifts, campaign contributions, and bundling by lobbyists**

Summary This memo provides information about possible policy approaches for a November 2016 ballot measure regarding potential new restrictions on gifts, campaign contributions, and bundling by lobbyists.

Action Requested That the Commission consider the information contained in this memo and provide its policy direction to Staff at its May 23rd Regular Meeting following its further receipt of public comment, additional discussion and possible action.

Background

At its April 25, 2016 meeting, the Ethics Commission ("Commission") was asked to consider a proposed ballot measure to place before San Francisco voters on the November 2016 ballot. As proposed by two groups, the San Francisco chapter of Represent.Us and Friends of Ethics, new restrictions would be created in City law to further limit gifts from lobbyists to city officers, impose a \$50 limit on campaign contributions from lobbyists, and ban the bundling of campaign contributions by lobbyists.

Following its discussion and public comment at the April meeting, the Commission voted 4-0 to request Staff to provide at the May Commission meeting for possible action its analysis and recommendations regarding the proposed ballot measure. The Commission also requested that the May Staff report include feedback from Interested Persons meetings held in the following weeks to solicit public comment on the proposals. On May 11 and May 16, Commission Staff held Interested Persons meetings to obtain public comment on the proposals.

Attachment 1 provides the initial proposal presented by Represent.Us and Friends of Ethics at the Commission's April meeting. A modified version proposed by those organizations following the May 16, 2016 Interested Persons meeting appears as Attachment 2. A summary of verbal comments provided at the two meetings appears for reference as Attachment 3. Written public comments on the proposals received to date appear in Attachment 4. For ease of reference, existing provisions of City law related to the proposed changes appear in a chart in Attachment 5.

The deadline for the Commission to submit a measure for the November 2016 ballot is August 5, which is the same deadline that applies to ordinances that the Board places on the ballot. Due to the relatively compressed timeframe following the May 11 and 16th Interested Persons meetings and revised language received by the proposal's proponents on May 18, Staff recommends that the Commission discuss and take additional public comment on the items contained in this memo, and provide its additional policy guidance at its May meeting for final action on its preferred policy approaches at the Commission's Regular meeting in June.

Interested Persons Meetings

In addition to a general discussion of the policy goals of the proposals at the Interested Persons meetings, Commission Staff also sought to obtain information for development of the legislative record. Staff also sought input to help ensure any laws proposed by the Commission would provide maximum clarity, promote compliance, and ensure enforceability in practice – goals that appeared to be similarly shared by IP meeting participants.

General topics addressed at the Interested Persons meetings included the following:

- What concerns give rise to the proposals, and what policy goals are they intended to achieve?
- What information or data demonstrates a need for the proposed policies?
- What specific activities should a bundling ban prohibit?
- What circumvention of the laws could occur, and what regulations would be needed to ensure compliance?
- With the term "lobbyists" including both contact lobbyists and expenditure lobbyists in City law, is it the intent to apply proposed restrictions to both types of lobbyists?
- To maximize their effectiveness, should the provisions also prohibit the *receipt* of impermissible gifts or contributions?

General Discussion

For each proposal under consideration, this section briefly summarizes existing law, provides policy language relayed in a May 18 proposal from Represent.Us, and identifies Staffs' alternative language or approaches for the Commission's consideration.

In general, existing City law defines "lobbyist" to mean both a contact lobbyists and any person who qualifies as expenditure lobbyist. Both types of lobbyists have registration and monthly public disclosure reporting requirements.

GIFTS

Represent Us May 18 Proposal	Staff Alternative
(a) GIFT LIMIT. No lobbyist shall make or solicit gifts to an officer of the City and County, or parent, spouse, or child of an officer of the City and County, and no such officer shall accept a gift from someone they know or should have known to be a lobbyist.	(a) GIFT PROHIBITION. (1) No contact lobbyist shall make any gifts to an officer or parent, spouse, domestic partner registered under state law, or dependent child of an officer of the City and County. (2) No officer of the City and County may accept

<p>No lobbyist shall make or solicit gifts to a third party that are earmarked for use in making gifts to an officer of the City and County, or parent, spouse, or child of an officer of the City and County.</p> <p>This prohibition shall include gifts of travel and those gifts that would otherwise qualify for one of the exemptions under Section 3.216(b) of this Code and its implementing regulations.</p>	<p>or solicit any gift from any contact lobbyist.</p>
<p>Issues to consider</p> <p>Represent.Us indicates that the revised proposed May 18 provision is designed to address the problem of gift earmarking, discussed at the first IP meeting, where lobbyists in San Francisco give gifts to organizations with the intent that the organization will then give the gift to the elected official.</p> <p>Staff proposes consideration of the alternative shown above for greater simplicity in achieving the same policy aims.</p> <p>Under both approaches, gifts would continue to have the same meaning as under the Political Reform Act, California Government Code Section 81000 et seq., and its related regulations.</p>	

LOBBYIST CONTRIBUTION LIMIT

Existing City law provides that no individual may contribute more than \$500 to any candidate for his or her campaign to elective city office. Contributions to other committees, such as candidate controlled ballot measure committee, or a committee organized by a city officeholder or candidate to support his or her candidacy for non-city office (such as political party central committees or a state legislative seat) are not limited under City law. Corporate contributions are not permitted under City law to candidates seeking elective City office. These same limits apply to those who qualify as lobbyists under City law.

Represent Us May 18 Proposal	Staff Alternative
<p>(e) LIMIT ON CAMPAIGN CONTRIBUTIONS.</p> <p>No lobbyist shall make political campaign contributions exceeding \$50 in the aggregate in an election to any officer of the City and County, including a committee controlled by such officer, or to any a candidate for officer of the City and County, including a committee controlled by such candidate.</p>	<p>(1) No contact lobbyist shall make a contribution exceeding \$500 in an election to any candidate or to any and all committees controlled by such candidate.</p> <p>(2) No candidate may accept or solicit to any and all committees controlled by such candidate contributions from a contact lobbyist that in the aggregate exceed \$500 in any election.</p>
<p>Issues to consider</p> <p>Represent.Us indicates that the language they propose is designed to clarify that the \$50 contribution limit is <i>in aggregate</i> to an officer or candidate, including committees controlled by the officer or candidate (not, for example, \$50 maximum to the officer and another \$50 maximum to the committee</p>	

controlled by the officer). In addition, this language intends to ensure that lobbyist contributions to independent expenditure-only organizations are not affected by the proposed limit.

The Staff alternative shown above would take a similar approach, but proposes to use the existing \$500 contribution limit that currently exists for all contributors, including those who may be registered lobbyists. It also would add a prohibition on the receipt of aggregate contributions in excess of that amount by a City officer or candidate for elective City office.

BUNDLING

Bundling is not restricted under current City law. Existing City law, however, provides that lobbyists much report bundled contributions.

A contact lobbyist must report all 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 measure to be voted on only in San Francisco. The report “shall include such campaign contributions arranged by the lobbyist, or for which the lobbyist acted as an agency or intermediary.”

An expenditure lobbyist must disclose 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. The report “shall include such campaign contributions arranged by the lobbyist, or for which the lobbyist acted as an agency or intermediary.”

Represent Us May 18 Proposal	Staff Recommendation
(f) BUNDLING PROHIBITION. No lobbyist shall deliver or transmit, or arrange for any person to deliver or transmit on behalf of the lobbyist, by physical or electronic means, a political campaign contribution, other than a contribution made by the lobbyist, to any officer of the City and County, a candidate for officer of the City and County, or a committee controlled by such officer or candidate.	(f) BUNDLING PROHIBITION. No contact lobbyist shall deliver, bundle, arrange, or otherwise transmit contributions, other than contributions made by the lobbyist, to any candidate or any committee controlled by such candidate. The activities subject to this prohibition include, but are not limited to: <i>[Note: see existing Ethics Reg 2.110-4(b)]</i> (1) Requesting that another person make a contribution; (2) Inviting a person to a fundraising event; (3) Supplying names to be used for invitations to a fundraising event; (4) Permitting one’s name or signature to appear on a solicitation for contributions or an

	invitation to a fundraising event; (5) Providing the use of one's home or business for a fundraising event; (6) Paying for at least 20 percent of the costs of a fundraising event; (7) Hiring another person to conduct a fundraising event; (8) Delivering a contribution, other than one's own, either by mail, by messenger, or in person; or (9) Acting as an agent or intermediary in connection with the making of a contribution.
Discussion Represent.Us has indicated that their proposed approach is designed to ensure that the use of the word "arrange" in the bundling prohibition addresses only the situation in which a lobbyist tries to circumvent the prohibition by asking someone to bundle on their behalf (subsection f), and not lobbyist speech about who should make contributions or receive contributions. They encourage the Commission to begin with a straightforward bundling prohibition and address potential circumvention methods as they arise. Staff proposes consideration of the alternative shown above for greater clarity in achieving the same policy aims.	

COMMISSION REGULATIONS

Represent Us May 18 Proposal	Staff Alternative
(g) REGULATIONS TO PREVENT CIRCUMVENTION. The Ethics Commission may adopt regulations to prevent circumvention of the provisions of this Section.	(g) REGULATIONS. The Ethics Commission may issue regulations implementing this Section, but such regulations may not establish any exceptions from the limits and prohibitions set forth above.
Discussion Staff proposes consideration of the alternative shown above for greater flexibility in achieving the same aim. Regulations may be warranted for purposes beyond the prevention of circumvention, such as further definition of terms for added clarity.	

Attachment 1

April 19, 2016

San Francisco Ethics Commission
25 Van Ness Avenue, Suite 220, San Francisco, CA 94102
Via email to: ethics.commission@sfgov.org

Dear Commissioners:

We are a group of San Francisco voters concerned about the improper role of lobbyists in city campaign financing as well as the ability of lobbyists to make gifts to our elected officials. These are demonstrated problems in San Francisco that rightfully anger voters and reduce their confidence in our city's system of electoral politics. We write to ask you to vote to place on the November 2016 ballot the below proposed changes to Section 2.115 of Article II, Chapter 1 of the Campaign and Governmental Conduct Code, amending section (a) and adding new sections (e), (f), and (g):

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

* * * *

(e) LIMIT ON CAMPAIGN CONTRIBUTIONS. No lobbyist shall make political campaign contributions exceeding \$50 in the aggregate in an election to any officer of the City and County, a candidate for such office, or a committee controlled by such officer or candidate.

(f) BUNDLING PROHIBITION: No lobbyist shall deliver, bundle, arrange, or otherwise transmit political campaign contributions, other than contributions made by the lobbyist, to any officer of the City and County, a candidate for such office, or a committee controlled by such officer or candidate.

(g) REGULATIONS TO PREVENT CIRCUMVENTION. The Ethics Commission may adopt regulations to prevent circumvention of the provisions of this Section.

Discussion

In 2000, California Proposition 34 created a prohibition on lobbyist contributions to state officers and candidates.¹ This prohibition was upheld in court,² and similar prohibitions have more recently been upheld or viewed favorably by federal circuit courts.³ However, no prohibition exists in San Francisco.

While San Francisco's \$500 contribution limit does much to diffuse the direct monetary influence any one individual may have in our elections, SF OpenData shows that registered lobbyists do routinely make maximum contributions to elected officials and candidates.⁴ But what is more concerning is that these lobbyists bundle maximum contributions in such numbers that city residents may reasonably assume that

¹ Cal. Govt. Code § 85702.

² *Inst. of Governmental Advocates v. Fair Political Practices Comm'n*, 164 F. Supp. 2d 1183 (E.D. Cal. 2001).

³ *Preston v. Leake*, 660 F.3d 726 (4th Cir. 2011); *Green Party of Connecticut v. Garfield*, 616 F.3d 189, 207 (2d Cir. 2010).

⁴ "Lobbyist Activity - Political Contributions." SF OpenData. Accessed April 4, 2016. <https://data.sfgov.org/City-Management-and-Ethics/Lobbyist-Activity-Political-Contributions/sa8r-purn>.

there exists a quid pro quo arrangement between some candidates and lobbyists seeking specific outcomes. When this appearance arises, confidence in our city's governmental process withers. And where an actual such relationship exists, the process is materially harmed.

Our research shows that lobbyist bundling is a significant problem.⁵ In total, candidates for city office have taken well over \$250,000 in bundled contributions from lobbyists over the last 5 years. Moreover, just four lobbyists – bundling an average of \$32,500 each – transmitted \$130,000 to a 2015 mayoral campaign. And one lobbyist alone bundled \$80,000 for just two recipients in the 2015 election.

Limiting the amount lobbyists can contribute to \$50 per candidate per election preserves the associational freedoms at the core of political contributions, but subjects the class to a lower limit than the general public because of the corruption risk inherent to their profession. And prohibiting lobbyist bundling does nothing to limit the key contribution rights of those persons whose contributions are being bundled by the lobbyist. Instead, it simply requires that contributors send their checks directly to candidates instead of allowing lobbyists to peddle such contributions for influence and outcomes.

In addition, we believe that lobbyists should not be able to give gifts to officers of the City. While the current gift prohibition stands at \$25 for non-exempted gifts, the notion that lobbyists may give gifts to those they are lobbying is harmful to the public's conception of the integrity of our governmental process. Changing this already low limit to a prohibition will not significantly alter the value of non-exempted gifts currently allowed, and a prohibition instills far more confidence in the electorate than does a limit. Moreover, that lobbyists may currently give unlimited gifts to public officials – including gifts of travel – is an affront to a clean governmental process. The gift limit or ban should apply to all types of gifts.

The reasonable and narrowly tailored restrictions suggested above burden only lobbyists, and not significantly. Lobbying is an important and valuable part of our policymaking process, but San Francisco voters should be able to feel confident that such persons employed to influence the decisions of our elected officials and City officers are not mixing the business of information expertise with large campaign contributions and gifts. As you so commendably did with Proposition C in 2015, we urge you to vote to place the proposed language on the November 2016 ballot so voters may have their say.

Respectfully,

Friends of Ethics members

Larry Bush
Bob Dockendorff
Hulda Garfola
Joe Kelley
Charles Marsteller
Bob Planthold
Marc Saloman
Sharyn Saslafsky
Elena Schmid
Robert VanRavenswaay

Represent.Us San Francisco members

Morgan Aitken-Young
Kevin Baker
Tyler Disney
Zach Goldfine
Charlotte Hill
Carol Lena
Ben Liyanage
David Mihai
Mathew Sommers

CC: LeeAnn Pelham, Executive Director, San Francisco Ethics Commission

⁵ You can view our research spreadsheet on lobbyist contributions and bundling at: bit.ly/1SI0xpi

Draft of updated language for San Francisco proposed lobbyist regulation language, following 2016/05/16 Interested Persons meeting #2, for consideration by Ethics Commission staff.

Submitted upon request of Ethics Commission Executive Director LeeAnn Pelham by Alex Kaplan, Policy Director - Represent.Us

(a) GIFT LIMIT. No lobbyist shall make or solicit gifts to an officer of the City and County, or parent, spouse, or child of an officer of the City and County, and no such officer shall accept a gift from someone they know or should have known to be a lobbyist. No lobbyist shall make or solicit gifts to a third party that are earmarked for use in making gifts to an officer of the City and County, or parent, spouse, or child of an officer of the City and County. This prohibition shall include gifts of travel and that have a fair market value of more than \$25, except for those gifts that would otherwise qualify for one of the exemptions under Section 3.216(b) of this Code and its implementing regulations.

* * * *

(e) LIMIT ON CAMPAIGN CONTRIBUTIONS. No lobbyist shall make political campaign contributions exceeding \$50 in the aggregate in an election to any officer of the City and County, including a committee controlled by such officer, or to any a candidate for officer of the City and County, including a committee controlled by such candidate.

(f) BUNDLING PROHIBITION. No lobbyist shall deliver or transmit, or arrange for any person to deliver or transmit on behalf of the lobbyist, by physical or electronic means, a political campaign contribution, other than a contribution made by the lobbyist, to any officer of the City and County, a candidate for officer of the City and County, or a committee controlled by such officer or candidate.

(g) REGULATIONS TO PREVENT CIRCUMVENTION. The Ethics Commission may adopt regulations to prevent circumvention of the provisions of this Section.

Gift Limits Major Points:

- There was discussion as to whether there should be a prohibition on officials receiving gifts (the proposed language places a prohibition on making gifts). Participants suggested that a prohibition be placed on officials only they know the person providing a gift is a lobbyist (perhaps unfair to penalize officers if they do not have reason to know that someone is a lobbyist).
- There was a question whether State Senate Bill AB 700 will affect current state law on gift limits
- The new gift limits in the proposal are intended to be broader than the existing local gift limits that apply more broadly; this could create confusion.
- Compliance is easier if there is conformity between local and state law concerning gift definitions, exceptions, and restrictions.
- Gift restrictions should apply only to official(s) being lobbied.
- Participants discussed whether non-elected city employees of high stature can be influenced by gifts in much the same way as elected officials, and whether the law should be amended to account for this.
- Participants raised questions regarding the ability of nonprofits to provide gifts to officials, especially gifts of travel.

Bundling

- Participants discussed whether bundling is acceptable as long as there is disclosure.
- Some participants believed that the Commission should review the definition of bundling as it exists in Los Angeles and at the Federal level.
- Question was raised on whether bundling rules should apply to both contact lobbyists and expenditure lobbyists.

Campaign Contributions

- Represent Us added primarily formed committees in support of an officer or candidate to the proposed language.
- Clarification was made that committees controlled by candidates was intended to include state committees and controlled ballot measure committees.
- Participants discussed possible circumvention of the limits (e.g. lobbyists encouraging clients by letter or phone call)
- Participants debated how big a contribution needs to be to have an effect on office-holders. There was also discussion about whether the \$50 contribution limit is already low enough to have almost no effect and whether it still allows lobbyists to contribute.
- Participants raised concerns regarding free speech rights of lobbyists: just because they lobby for a living – does this mean they should have more restrictions than non-lobbyists?

Petersen, Patricia (ETH)

From: Pelham, LeeAnn (ETH)
Sent: Wednesday, May 18, 2016 2:41 PM
To: Petersen, Patricia (ETH)
Subject: FW: Comments and updated language regarding proposed regulations on lobbyists

From: Kieran Lal [mailto:]
Sent: Wednesday, May 18, 2016 2:28 PM
To: Ethics Commission, (ETH) <ethics.commission@sfgov.org>; Pelham, LeeAnn (ETH) <leeann.pelham@sfgov.org>
Subject: Re: Comments and updated language regarding proposed regulations on lobbyists

- Hello, as a resident of San Francisco, member of represent.us San Francisco I would like to offer my support to the updated language provided.

I hope you will consider this for the agenda of the May Ethics committee meeting. I plan to attend in person in support of this.

I believe this represents common sense improvements for San Francisco.

Cheers,
Kieran Lal

On Wed, May 18, 2016 at 2:11 PM Alex Kaplan < > wrote:

Dear Director Pelham,

Thank you and your staff again for your continued work on the proposed regulations on lobbyists. I am writing to respond to your request at the most recent Interested Persons meeting that we provide updated language to address what was discussed at that meeting. I have attached to this email a document with suggested changes to the language that was discussed.

It has come to my attention that the Ethics Commission's June agenda is already quite full, and so there may not be time for the Commission to fully consider the measure at that meeting. Because there appears to be no opportunity for San Francisco voters to vote on this measure between the upcoming November election and 2018, we hope you will consider presenting the attached language to the Commissioners for their consideration at the coming May 23 meeting and suggest that they vote upon the proposal.

I believe the attached language very reasonably addresses all the main constructive concerns that were raised at the last Interested Persons meeting, and it is careful to ensure that the language addresses the raised concerns without creating unnecessary consequences or problems for lobbyists or for the City. You and your staff witnessed the support for this measure at the last two Interested Persons meetings, as well as the constructive concerns supporters brought to those meetings about overbreadth. It was a pleasure to discuss with you and the various supporters how to adapt the originally proposed language to ensure that the boundaries of the restrictions are properly placed.

The Commission may decide that they are ready to vote, that more time is needed prior to a vote, or that they want to vote to place the measure on the ballot pending small changes made by the Commission President and staff counsel (a process that I believe has happened before). We simply ask that the Commission receive this updated draft language and have the opportunity to take a vote at the upcoming May 23 meeting so that issues with the June meeting do not prevent voters from having a chance to weigh in on this important and reasonable proposal.

The changes in the attached are meant to:

1. Address the problem of gift earmarking, discussed at the last meeting, where lobbyists in San Francisco give gifts to organizations with the intent that the organization will then give the gift to the elected official (subsection a).
2. Clarified that the \$50 contribution limit is in aggregate to an officer or candidate, including committees controlled by the officer or candidate (and not \$50 maximum to the officer and another \$50 maximum to the committee controlled by the officer, for example).
3. Ensure that the use of the word "arrange" in the bundling prohibition addresses only the situation in which a lobbyist tries to circumvent the prohibition by asking someone to bundle on their behalf (subsection f), and not lobbyist speech about who should make contributions or receive contributions. While we believe that certain lobbyist solicitation of contributions may become an informal stand-in for prohibited bundling, we believe it is best for the Commission to begin with a straightforward bundling prohibition and address potential circumvention methods as they arise.
4. Ensure that lobbyist contributions to independent expenditure-only organizations are not affected.

As always, thank you for your time and effort.

Sincerely,
Alex Kaplan

--

Alex Kaplan

Policy Director, Represent.Us
415.745.8499

[REDACTED]

Time zone: Pacific

From: Pelham, LeeAnn (ETH)
To: "Alex Kaplan"
Cc: LARRY BUSH; Morgan Aitken-Young; Elena Schmid; Zach Goldfine; Charles Marsteller; Robert vanRavenswaay; Hulda Garfalo; Bob Planthold; Greg Bryan; Kieran Lal; Tyler Disney; Charlotte Hill; hgrieco@commoncause.org;
Subject: RE: Comments and updated language regarding proposed regulations on lobbyists
Date: Wednesday, May 18, 2016 5:08:00 PM

Alex,

Thank you for forwarding your comments and language you've proposed for the Commission's consideration. We are continuing to finalize items for Monday's meeting and will provide it as part of the Commission's packet.

As a point of procedural clarification, I am not aware of any constraints on the Commission's meeting agenda for June that would make it difficult to schedule the item again at that time if Commissioners wish to do so. Of course, the item language as it appears on the May 23rd agenda allows for them to act next week, as well.

Also, as our office emailed Interested Persons meeting attendees earlier today, we have confirmed that the absolute deadline for the Commission submit a ballot measure is August 5, the same deadline that applies to ordinances that the Board places on the ballot. This is not to suggest, however, that the Commission would still be considering the item at a July meeting (currently scheduled for July 250; just a point of information that we had committed to relay to all those who joined us at this week's meeting.

Looking forward to the continued discussion on Monday. Thanks again for engaging with the Commission on these important issues.

Regards,
LeeAnn

From: Alex Kaplan [REDACTED]
Sent: Wednesday, May 18, 2016 2:11 PM
To: Ethics Commission, (ETH) <ethics.commission@sfgov.org>; Pelham, LeeAnn (ETH) <leeann.pelham@sfgov.org>
Cc: LARRY BUSH <[REDACTED]>; Morgan Aitken-Young <[REDACTED]>; Elena Schmid <[REDACTED]>; Zach Goldfine <[REDACTED]>; Charles Marsteller <[REDACTED]>; Robert vanRavenswaay <[REDACTED]>; Hulda Garfalo <[REDACTED]>; Bob Planthold <[REDACTED]>; Greg Bryan <[REDACTED]>; Kieran Lal <[REDACTED]>; Tyler Disney <[REDACTED]>; Charlotte Hill <[REDACTED]>; hgrieco@commoncause.org
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As always, thank you for your time and effort.

Sincerely,

Alex Kaplan

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Alex Kaplan

Policy Director, Represent.Us
415.745.8499

[REDACTED]

Time zone: Pacific

Draft of updated language for San Francisco proposed lobbyist regulation language, following 2016/05/16 Interested Persons meeting #2, for consideration by Ethics Commission staff.

Submitted upon request of Ethics Commission Executive Director LeeAnn Pelham by Alex Kaplan, Policy Director - Represent.Us

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Petersen, Patricia (ETH)

From: Mayo, Anita D. Stearns <anita.mayo@pillsburylaw.com>
Sent: Thursday, May 19, 2016 4:25 PM
To: Pelham, LeeAnn (ETH); Petersen, Patricia (ETH); Ethics Commission, (ETH)
Subject: Comments on Proposed Amendments to Regulation of Lobbyists Law
Attachments: SF Ethics Commission Ltr 5-19-16.pdf

Importance: High

Ms. Pelham and Ms. Petersen:

Pursuant to your request, I have attached my comments to the proposed amendments to the Regulation of Lobbyists Law. Please incorporate my comments into the Commission's public record regarding the proposed amendments.

Thank you.

Anita D. Stearns Mayo | Special Counsel

Pillsbury Winthrop Shaw Pittman LLP

Four Embarcadero Center, 22nd Floor | San Francisco, CA 94111-5998

t 415.983.6477 | f 415.983.1200

anita.mayo@pillsburylaw.com | website bio

ABU DHABI AUSTIN BEIJING HOUSTON LONDON LOS ANGELES NASHVILLE NEW YORK
NORTHERN VIRGINIA PALM BEACH SACRAMENTO SAN DIEGO SAN DIEGO NORTH COUNTY
SAN FRANCISCO SHANGHAI SILICON VALLEY TOKYO WASHINGTON, DC



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VIA EMAIL

May 19, 2016

Ms. LeeAnn Pelham
Ms. Patricia Petersen
San Francisco Ethics Commission
Suite 220
25 Van Ness Avenue
San Francisco, CA 94102

Re: Proposed Amendments to City's Lobbying Law

Dear Ms. Pelham and Ms. Petersen:

Pursuant to your request at the "Interested Persons Meeting" held May 11th, I would like to submit a few comments regarding the proposed amendments to San Francisco's Regulation of Lobbyists Law (the "Lobbyists Law"). Please incorporate these comments into the Commission's public record regarding the proposed amendments.

Limit on gifts. As you know, under the current version of the Lobbyists Law, a lobbyist may only make a gift to a City officer if that gift has a fair market value of \$25 or less, unless the gift is exempt under the City's Conflict of Interest Laws (the "COI Law"). San Francisco Campaign and Governmental Conduct Code Sec. 2.115(a). The proposed amendment would prohibit all gifts by a lobbyist to a City officer and the officer's parent, spouse or child. In addition, the prohibition would extend to gifts of travel and other gifts that are currently exempt under the COI Law and state gift laws.

The current gift limit of \$25 is sufficiently low to allay any concerns that a lobbyist can have a corrupting influence on a City officer by making a gift. The \$25 limit is significantly lower than the general \$460 calendar year gift limit imposed under state law. Calif. Gov't Code Sec. 89503. In addition, the \$25 limit (capped at \$100 per calendar year under the Commission's regulations) is less than state law which imposes a \$10 monthly limit (\$120 per calendar year) on gifts by lobbyists to state

officials. Calif. Gov't Code Sec. 86203. These gift limits, rather than gift prohibitions, recognize that in a modern society, interactions between government and the private sector often take place over a nominal meal or refreshments.

The current exemption for gifts of travel (which are also permitted under state law) permits City officers to travel for legislative or governmental purposes, or for purposes related to issues regarding state, national, or international public policies, freeing tax dollars which can be used for other critical governmental functions. It should be noted that for the current travel exemption to apply: (a) the travel must be in connection with a speech given by the public official, the travel expenses are limited to the day immediately preceding, the day of, and the day immediately following, the speech, and the travel must be solely within the U.S.; or (b) the sources of such gifts of travel are limited solely to governmental agencies, educational institutions, or 501(c)(3) charities. Calif. Gov't Code Sec. 89506. In addition, before San Francisco elected officials may even accept gifts of travel for out-of-state trips paid in part by individuals or entities other than the City, another governmental agency, or an educational institution, the official must file a report with the Ethics Commission disclosing details about the trip, including the identity of the funders and the amounts contributed. San Francisco Campaign and Governmental Conduct Code Sec. 3.216(d). The current disclosures and limitations should be sufficient, and given the current state of the City's budget, a ban on such gifts of travel would negatively impact an official's ability to travel for the purposes noted above.

Differing gift limits in Lobbyists Law and COI Law. The Ethics Commission may wish to take this opportunity to reconcile the conflicting provisions of the \$25 gift limit in Section 2.115 of the Lobbyists Law and the restrictions on gifts imposed in Section 3.216(b) of the COI Law. Section 3.216(b) is more narrowly drawn than Section 2.115 because the former creates the necessary nexus between the gift donor and the gift recipient.

Section 3.216(b) prohibits a City officer or employee from soliciting or accepting a gift or loan from a person who the officer or employee knows or has reason to know is a "restricted source," except loans from commercial lending institutions in the ordinary course of business. The term "restricted source" means: (1) a person doing business with or seeking to do business with the department of the officer or employee; or (2) a person who during the prior 12 months knowingly attempted to influence the officer or employee in any legislative or administrative action. Section 3.216(b) thus prohibits a City officer or employee from receiving a gift of any value from an individual who has lobbied that officer or employee during the prior 12 months.

On the other hand, Section 2.115 of the Lobbyists Law imposes a limit of \$25 on gifts by a lobbyist to a City officer, regardless of whether the lobbyist has lobbied the officer. This creates a conflict with Section 3.216(b) of the COI law and results in confusion for both lobbyists and City officers.

To reconcile the two conflicting provisions, I recommend that Section 2.115(a) either be deleted entirely or revised as follows: **"Gift Limit. A lobbyist is subject to the gift restrictions imposed by Section 3.216(b) of this Code."**

Limit on campaign contributions. San Francisco's Campaign Finance Reform Ordinance ("CFRO") imposes a \$500 per election limit on contributions to a City officer or candidate. San Francisco Campaign and Governmental Conduct Code Sec. 1.114(a). The proposed amendment would decrease that limit to \$50 per election from a lobbyist and extend the \$50 limit to any committee controlled by a City officer or candidate, including the campaign committee of a City officer or candidate running for a position on a county central committee.

Individuals, including lobbyists, make contributions to officers and candidates who are aligned with their belief systems. In a democracy, all individuals should have the ability to support candidates of their choice. In fact, the U.S. Supreme Court has held that contribution limitations restrict a contributor's freedom of association, a basic First Amendment right. As a consequence, any governmental action to curtail that right is subject to the closest scrutiny. Significant interference may be sustained if the "state demonstrates a sufficiently important interest and employs means closely drawn to avoid unnecessary abridgment of associational freedoms." Buckley v. Valeo, 424 U.S. 1, 25 (1976). The Court also concluded that the government's interest in limiting actual or apparent corruption resulting from large individual political contributions justifies restrictions on such associational freedoms. Id. at 26-27.

The California Supreme Court addressed the issue of prohibitions on lobbyist contributions in Fair Political Practices Commission v. Superior Court, 25 Cal. 3d 33 (1979). In this case, the statute at issue imposed a ban on all contributions by lobbyists to state officers, state candidates, and committees supporting state candidates. The Court invalidated the statute, holding that the claimed state interest of limiting actual or apparent corruption was not closely drawn to avoid unnecessary abridgment of associational freedoms. In so doing, the Court reasoned as follows:

Obviously, the prohibition against lobbyist contributions in section 86200 is a substantial restriction on the lobbyists' freedom of association, and the restriction may be upheld only if the "State demonstrates a sufficiently

important interest and employs means closely drawn to avoid unnecessary abridgment of associational freedoms." (*Buckley v. Valeo*, *supra*, 424 U.S. 1, 25 [46 L.Ed.2d 659, 691].) The statute fails to meet the test.

The claimed state interest is to rid the political system of both apparent and actual corruption and improper influence. Under *Buckley* such a purpose justifies closely drawn restrictions. However, it does not appear that total prohibition of all contributions by any lobbyist is a closely drawn restriction.

First, the prohibition applies to contributions to any and all candidates even though the lobbyist may never have occasion to lobby the candidate. Secondly, the definition of lobbyist is extremely broad, to include persons who appear regularly before administrative agencies seeking to influence administrative determinations in favor of their clients. Thirdly, the statute does not discriminate between small and large but prohibits all contributions. Thus, it is not narrowly directed to the aspects of political association where potential corruption might be identified.

While either apparent or actual political corruption might warrant some restriction of lobbyist associational freedom, it does not warrant total prohibition of all contributions by all lobbyists to all candidates.

The governmental interests held to warrant substantial restrictions on political rights in *CSC v. Letter Carriers*, *supra*, 413 U.S. 548, have no greater application to lobbyists than to other private campaign contributors.

Section 86202 is invalid because it is not "closely drawn to avoid unnecessary abridgment of associational freedoms." (*Buckley v. Valeo*, *supra*, 424 U.S. 1, 25 [46 L.Ed.2d 659, 691].) This makes it unnecessary to discuss whether the section results in a denial of equal protection. *Id.* at 45.

The proposed amendment raises the following issues. First, a \$50 limit on contributions is similar to the outright ban on contributions that was invalidated by the California Supreme Court. The low limit of \$50 is a substantial restriction on a lobbyist's freedom of association to support a candidate of the lobbyist's choice. Second, the \$50 limit applies to contributions to all City officers, candidates, and committees controlled by the officers or candidates, regardless of whether a lobbyist has or will lobby that officer or candidate. Third, because San Francisco's current contribution limit of \$500 per candidate per election (which applies to both district and at-large candidates) is already lower than most contribution limits in the state, it

would be difficult to convince a court that such a low limit should be reduced even further for lobbyists.

Proponents of this amendment have pointed out that under California law, lobbyists are prohibited from making contributions to state officers or candidates. However, the restriction imposed by state law does not apply to all contributions made by lobbyists. The restriction applies solely to those contributions made to state officers of, or state candidates for, agencies which the lobbyist is registered to lobby. Calif. Gov't Code Sec. 85702. State law is thus narrowly drawn and avoids the unnecessary abridgment of a lobbyist's associational freedoms.

Finally, the proposed amendment extends the \$50 contribution limit to any committee that a City officer or candidate controls. This extension is problematic because in addition to controlling a campaign committee for City office, a City officer or candidate also controls his or her campaign committee for a state or federal office, and may also control a ballot measure committee. The imposition of a \$50 limit on contributions by a lobbyist to a City officer's or City candidate's state, federal or ballot measure committee would likely exceed the City's authority and result in legal challenges to the law.

Bundling of contributions. Currently there are no prohibitions imposed by City or state law on the bundling of contributions. The proposed amendments would prohibit lobbyists from delivering, bundling, arranging, or transmitting campaign contributions, other than those contributions made by the lobbyist, to City officers, candidates for City office, or committees controlled by City officers or candidates.

Bundling of contributions is a common practice that is currently not limited to lobbyists. Bundling reflects a voluntary practice of supporting a candidate by collecting contributions from others and then delivering the contributions to the candidate's campaign committee.

Federal campaign law does not prohibit bundling. Under federal law, a bundler is called a "conduit" which is defined as any person who receives and forwards an earmarked contribution to a candidate or the candidate's authorized committee. Instead of prohibiting such contributions, federal law instead imposes disclosure obligations on the conduit and on the recipient candidate. 11 C.F.R. Sec. 110.6.

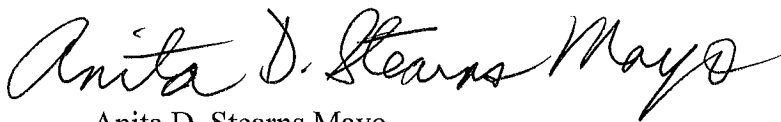
Similarly San Francisco does not prohibit the bundling of contributions. Such bundled contributions are, however, subject to detailed disclosure requirements on a lobbyist's lobbying report as fundraising activity, including the name of the candidate or committee receiving the contribution, the amount of the contribution, the name of

Ms. LeeAnn Pelham
May 19, 2016
Page 6

the contributor, the date of the contribution, and the contributor's occupation and employer. San Francisco Governmental Conduct Code Sec. 2.110(c)(1)(H), (c)(2)(D); San Francisco Ethics Commission Regulation Sec. 2.110-4. Given the detailed nature of the current disclosure obligations, there is no need to impose a prohibition on bundling.

Thank you for considering my comments.

Very truly yours,

A handwritten signature in cursive script that reads "Anita D. Stearns Mayo". The signature is written in dark ink and is positioned above the printed name.

Anita D. Stearns Mayo

Attachment 5 - San Francisco Ethics Commission Meeting, May 23, 2015 – Agenda Item 5

Provisions of Existing City Law Related to Gifts by Lobbyists, Campaign Contribution Limits, and “Bundling”

From SF Campaign & Governmental Conduct Code, Sec. 2.100 et seq. and related Ethics Commission Regulations

Provision	Current Law
Findings. Sec. 2.100	<p>(a) The Board of Supervisors finds that public disclosure of the identity and extent of efforts of lobbyists to influence decision-making regarding local legislative and administrative matters is essential to protect public confidence in the responsiveness and representative nature of government officials and institutions. It is the purpose and intent of the Board of Supervisors to impose reasonable registration and disclosure requirements to reveal information about lobbyists' efforts to influence decision-making regarding local legislative and administrative matters.</p> <p>(b) Corruption and the appearance of corruption in the form of campaign consultants exploiting their influence with City officials on behalf of private interests may erode public confidence in the fairness and impartiality of City governmental decisions. The City and County of San Francisco has a compelling interest in preventing corruption or the appearance of corruption which could result in such erosion of public confidence. Prohibitions on campaign consultants lobbying current and former clients will protect public confidence in the electoral and governmental processes. It is the purpose and intent of the people of the City and County of San Francisco in enacting this Chapter to prohibit campaign consultants from exploiting or appearing to exploit their influence with City officials on behalf of private interests.</p> <p>(Added by Ord. 71-00, File No. 000358, App. 4/28/2000; amended by Ord. 28-04, File No. 031656, App. 2/20/2004; Ord. 235-09, File No. 090833, App. 11/10/2009)</p>
Construction. Ethics Commission Regulation 2.105-1.	The provisions of Section 2.100 et seq. of the Campaign and Governmental Conduct Code, as well as its implementing regulations, shall be construed in a manner that provides for the greatest disclosure of lobbyist activity in the City and County.
Gift Prohibition, SEC. 2.115(a)	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.
Gift Definition	"Gift" shall be defined as set forth in the Political Reform Act, Government Code Section 81000 <i>et seq.</i> , and the regulations adopted thereunder.
GIFTS, generally. SEC. 3.216.	<p>(a) Prohibition on Bribery. No person shall offer or make, and no officer or employee shall accept, any gift with the intent that the City officer or employee will be influenced thereby in the performance of any official act.</p> <p>(b) General gift restrictions. In addition to the gift limits and reporting requirements imposed by the Political Reform Act and this Code and any subsequent amendments thereto, no officer or employee of the City and County shall solicit or accept any gift or loan from a person who the officer or employee knows or has reason to know is a restricted source, except loans received from commercial lending institutions in the</p>

	<p>ordinary course of business.</p> <p>(1) Restricted Source. For purposes of this section, a restricted source means: (A) a person doing business with or seeking to do business with the department of the officer or employee; or (B) a person who during the prior 12 months knowingly attempted to influence the officer or employee in any legislative or administrative action.</p> <p>(2) Gift. For purposes of this subsection, the term gift has the same meaning as under the Political Reform Act, California Government Code Section 81000 et seq., and the regulations adopted thereunder, including any subsequent amendments. Gifts exempted from the limits imposed by California Government Code Section 89503 and Section 3.1-101 of the Campaign and Governmental Conduct Code shall also be exempted from the prohibition set forth in this subsection.</p> <p>(3) Regulations. The Ethics Commission shall issue regulations implementing this section, including regulations exempting voluntary gifts that are nominal in value such as gifts that are given by vendors to clients or customers in the normal course of business.</p> <p>(c) Gifts from Subordinates. No officer or employee shall solicit or accept any gift or loan, either directly or indirectly, from any subordinate or employee under his or her supervision or from any candidate or applicant for a position as a subordinate or employee under his or her supervision. The Ethics Commission shall issue regulations implementing this Section, including regulations exempting voluntary gifts that are given or received for special occasions or under other circumstances in which gifts are traditionally given or exchanged.</p> <p>(d) Gifts of Travel.</p> <p>(1) Gifts to Elected Officers. In addition to the gift limits and reporting requirements imposed by the Political Reform Act and this Code, no elected officer may accept a gift of transportation, lodging, or subsistence for any out-of-state trip paid for in part by an individual or entity other than the City and County of San Francisco, another governmental body, or a bona fide educational institution, defined in Section 203 of the Revenue and Taxation Code, unless the officer has first disclosed on a form filed with the Ethics Commission:</p> <p>(A) the name of the individual or entity and the total amount that will be paid by the individual or entity to fund the trip, including but not limited to the amount directly related to the cost of the elected officer's transportation, lodging, and subsistence;</p> <p>(B) the name, occupation and employer of any contributor who has contributed more than \$500 to the individual or entity funding the trip and whose contributions were used in whole or in part to fund the trip;</p> <p>(C) a description of the purpose of the trip and the itinerary; and</p> <p>(D) the name of any individual accompanying the official on the trip who is:</p> <p>(i) a City employee required to file a Statement of Economic Interests,</p> <p>(ii) a lobbyist or campaign consultant registered with the Ethics Commission,</p> <p>(iii) an employee of or individual who has any ownership interest in a lobbyist or campaign consultant</p>
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	<p>registered with the Ethics Commission, or</p> <p>(iv) the individual funding the trip, or an employee or officer of the entity funding the trip.</p> <p>(2) Reimbursement of Gifts of Travel. In addition to any other reporting requirements imposed by the Political Reform Act or local law, an elected officer who reimburses an individual or entity for a gift of transportation, lodging or subsistence related to out-of-state travel and thereby avoids having received or accepted the gift shall file a form with the Ethics Commission within 30 days of such reimbursement disclosing:</p> <p>(A) the name of the individual or entity that originally paid for the transportation, lodging or subsistence;</p> <p>(B) the amount paid by the individual or entity for the elected officer's transportation, lodging or subsistence;</p> <p>(C) the amount reimbursed by the elected officer to the individual or entity and the process used to determine that amount; and</p> <p>(D) a description of the purpose of the trip and the itinerary.</p> <p>(3) Format. The Ethics Commission shall provide forms for the disclosure required by this subsection and shall make the completed forms available on its website.</p> <p>(4) Definition. For the purpose of this subsection, the term "elected officer" means the Mayor, member of the Board of Supervisors, City Attorney, District Attorney, Public Defender, Assessor, Treasurer, and Sheriff.</p> <p>(e) Restrictions. Nothing in this section shall prohibit a City department, agency, board or commission from imposing additional gift restrictions on its officers or employees.</p> <p>(Added by Proposition E, 11/4/2003; amended by Ord. 128-06, File No. 060217, App. 6/22/2006; Ord. 301-06, File No. 061333, App. 12/18/2006; Ord. 107-11, File No. 110335, App. 6/20/2011, Eff. 7/20/2011)</p>
Lobbyist - Definition	"Lobbyist" means a contact lobbyist or expenditure lobbyist.
Contact lobbyist - Definition	"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.
Expenditure lobbyist - Definition	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.
Lobbyist Employer Definition, Ethics Regulation 2.105-2	"Lobbyist employer" includes, but is not limited to, a person that is: (a) required to provide an Internal Revenue Service Form W-2 wage and tax statement to an employee who performs lobbyist services; or (b) owned by a lobbyist and which performs and charges clients for lobbyist services, even if the person is not required to provide an Internal Revenue Service Form W-2 wage and tax statement to an employee who performs lobbyist services.
Expenditure Lobbyist Definition , Ethics Regulation 2.105-5	<p>(a) A person "makes payments" 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, at the time the activity takes place.</p> <p>(b) For the purposes of qualifying as an Expenditure Lobbyist, a person must make payments totaling \$2,500 or more in a calendar month for activities to solicit, request, or urge other persons to communicate directly with officers of the City and County in order to influence local legislative or administrative action.</p> <p>(i) Any payment made for these activities will count towards the \$2,500 threshold if within 6 months of the payment, the services or work product paid for are cited, incorporated, or quoted in any communication urging other persons to lobby officers of the City and County on local legislative or administrative action.</p> <p>(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.</p> <p>(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</p> <p>(e) No payments made by any person prior to the February 1, 2016 implementation date of the Proposition C amendments approved on November 3, 2015 shall count toward the qualifying threshold or for reporting purposes.</p>
Person - Definition	An individual, partnership, corporation, association, firm, labor union or other organization or entity, however organized

Officer of the City and County - Definition	<p>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.</p> <p>[Where in Sec 3.203(a), "Officer" shall mean any person holding City elective office; any member of a board or commission required by Article III, Chapter 1 of this Code to file statements of economic interests; any person appointed as the chief executive officer under any such board or commission; the head of each City department; the Controller; and the City Administrator]</p>
Monthly public disclosures required by contact lobbyists Sec. 2.110(c)(1)(H)	All 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 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.
Monthly public disclosures required by expenditure lobbyists Sec. 2.110(c)(2)(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.
Expenditure lobbyist reporting Regulation 2.110-10(ii)	For Expenditure Lobbyist reporting purposes, "reportable contributions include contributions that would be required to be disclosed under SFEC Regulation 2.110-4."
Contributions Disclosure Regulation 2.110-4	<p>(a) Contributions that are reportable pursuant to Section 2.110 include, but are not limited to, those contributions that are made by the lobbyist and those contributions that the lobbyist knows or has reason to know were raised as a result of fundraising activity by the lobbyist, the lobbyist's agent, or the lobbyist's employer.</p> <p>(b) "Fundraising activity" includes, but is not limited to:</p>

- (1) Requesting that another person make a contribution;
- (2) Inviting a person to a fundraising event;
- (3) Supplying names to be used for invitations to a fundraising event;
- (4) Permitting one's name or signature to appear on a solicitation for contributions or an invitation to a fundraising event;
- (5) Providing the use of one's home or business for a fundraising event;
- (6) Paying for at least 20 percent of the costs of a fundraising event;
- (7) Hiring another person to conduct a fundraising event;
- (8) Delivering a contribution, other than one's own, either by mail, by messenger, or in person; or
- (9) Acting as an agent or intermediary in connection with the making of a contribution.

Example #1. A lobbyist employer's name is listed as a co-host on the invitation to a campaign fundraiser for a candidate for the Board of Supervisors, which is paid for by the candidate's committee. Contribution checks totaling \$5,000 are collected by the campaign at the event from ten attendees. The lobbyist must disclose those ten contributions.

Example #2. A lobbyist invites 5 people to attend a campaign fundraiser held by a candidate for the Board of Supervisors. Contribution checks totaling \$10,000 are collected by the campaign at the event. The five persons invited by the lobbyist made contributions totaling \$1,000 at the event. The lobbyist must disclose those five contributions.

Example #3: A lobbyist hosts a fundraising event at his home for a candidate for the Board of Supervisors. The event is attended by twenty guests. Contribution checks totaling \$5,000 are collected by the campaign at the event from ten attendees. A few weeks later, five other event attendees make contributions directly to the candidate without informing the lobbyist. The lobbyist must disclose only the \$5,000 in contributions collected at the event.

Example #4: A lobbyist solicits a contribution from one person to a candidate for the Board of Supervisors. The solicited person specifically indicates that he will mail the contribution check for \$500 to the candidate the next day. After confirming the next day that the contribution has been made, the lobbyist must disclose that contribution.

<p>Contributions, Multiple Parties Regulation 2.110-5</p>	<p>(a) If two or more lobbyists working for the same employer together arrange contributions, or if the lobbyist's employer arranges such contributions, whether through a fundraising event or otherwise, all such arranged contributions may be reported by a single registered lobbyist.</p> <p>(b) If two or more lobbyists not working for the same employer together arrange contributions, or if two or more lobbyist employers and/or lobbyists arrange such contributions, whether through a fundraising event or otherwise, all such arranged contributions shall be reported either: (1) according to which lobbyist or employer bore primary responsibility for soliciting the contribution; or (2) in approximate proportion to each lobbyist's or employer's participation in the fundraising activity.</p> <p>(c) If a lobbyist arranges contributions with another individual who is not a lobbyist and is not employed by the lobbyist's employer, all such contributions shall be reported by the lobbyist.</p>
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