

Frequently Asked Questions from Recent Ethics Commission Form 700 Filer Information Sessions

This FAQ presents answers to a range of questions posed by Form 700 filers at recent Ethics Commission Form 700 Filer Information Sessions. It is provided as general guidance on some commonly asked questions. For additional information or specific guidance based on your particular circumstances, please contact the Ethics Commission's Education and Compliance team at 415.252.3100 or by email at ethics.commission@sfgov.org.



1. Who are filing officers? What do they help with?

Departmental filing officers are individuals assigned by a Department head or that person's designee to help administer the Form 700 filing processes for that department. Filing officers disseminate filing forms and instructions to their department's officers and employees and collect and provide public access to filed statements. For reference, a [list of departmental filing officers](#) appears on the Ethics Commission's website. If you need further assistance, please contact the Ethics Commission.

2. What is a disclosure category and how do I determine my disclosure category?

Disclosure categories identify the types of economic interests that persons required to file a Form 700 may need to disclose. **Before you start filling your Form 700, you should determine what disclosure category applies to your position.** These categories are assigned by each department based on the duties of your position. You can look up your disclosure category in the [San Francisco Campaign and Governmental Conduct Code](#). You can also contact your filing officer or the Ethics Commission for assistance in determining your disclosure category. For example, if your disclosure category does not require you to report investments in certain business sectors, then you would not need to report such investments on your Form 700.

3. My disclosure category requires me to report real property I own in the City. Do I have to report my personal residence, or is that always excluded?

Your personal residence is not required to be disclosed unless:

- you claim a business deduction for a portion of your home, if the portion claimed as a tax deduction is valued at \$2,000 or more; or
- you rent out a portion of your home.

4. My disclosure category requires me to report gifts from any source. Do I have to report gifts that I received from my family?

In general, you only need to report sources of gifts worth \$50 or more, or multiple gifts that are worth \$50 or more from a single source. But you do not need to report gifts – regardless of value – from family members. For the purpose of this exception, family members include your spouse or former spouse; child or step-child; parent; grandparent; grandchild; brother; sister; current or former parent-in-law, brother-in-law, or sister-in-law; nephew; niece; aunt or uncle; including grand nephew, grand niece, grand aunt, or grand uncle, or first cousin including first cousin once removed or the spouse, or former spouse, of any such person other than a former in-law.

5. My disclosure category requires me to report gifts from any source. But do I have to report gifts from non-profit organizations?

There is no general exception for gifts from non-profit organizations. But to be reportable, you would need to have received a gift worth \$50 or more, or multiple gifts that total \$50 or more from a single non-profit.

6. How do I find out whether a company is doing business in the City, for Form 700 reporting purposes?

A business entity is doing business in your agency's jurisdiction if the entity has business contacts on a regular or substantial basis with a person who maintains a physical presence in your jurisdiction. Business contacts include, but are not limited to, manufacturing, distributing, selling, purchasing, or providing services or goods. Business contacts do not include marketing via the Internet, telephone, television, radio, or printed media. The same criteria are used to determine whether an individual, organization, or other entity is doing business in your jurisdiction.

7. My disclosure category requires me to report investments in businesses that "do business" in the City. Do I have to report my investments in mutual funds?

Even if some of the underlying holdings in a mutual fund operate in San Francisco, you are not required to report investments in diversified mutual funds. A diversified mutual fund is a portfolio of stocks, bonds, or money market instruments that is managed by an investment company and pools the money of many individuals together. A typical diversified mutual fund will own between 75 to 100 separate securities at any given time.

8. I was married only during a portion of the reporting period, but am now not married. Do I need to report my spouse's financial interests for the period we were married?

Yes. Subject to your disclosure category, Form 700s require that you report the financial interests held by you, your spouse, and any dependent children during the reporting period. If you were married during the reporting period, then you must generally disclose the financial interests held by your spouse during that time (again, if required by your disclosure category).

9. My disclosure category requires me to disclose income from any source. I rent a room in my house for short-term rentals, and after such rentals, I receive a check each month from the third-party rental company that finds and places the short-term tenants. I do not directly receive payment from such tenants. What or who do I need to report as the source of any income from short-term rentals?

The actual source of rental income (i.e., the tenant) may need to be reported on Schedule C if he/she paid \$500 or more for your short-term rental unit. But bear in mind that such renters would be reportable only if they have "regular business contacts" in San Francisco (see question 6 above). So, for example, short-term tenants who routinely visit San Francisco for business would likely need to be reported if they satisfy the \$500 threshold.

10. Are there any confidentiality provisions that apply if I own a business that provides medical services to individual clients? Can I keep the clients' names confidential?

The Fair Political Practices Commission (FPPC) has established a process by which Form 700 filers may seek guidance about such confidentiality issues. That process is set forth in [FPPC regulation 18740](https://www.fppc.org/regulation-18740). If you believe that your Form 700 raises confidentiality concerns, you should contact the Ethics Commission and the FPPC as soon as possible to allow sufficient time for this process.

11. Are there designated employees who are required to file Ethics and Sunshine training certificates?

No. Only elected officials, department heads, and members of boards and commission must file Ethics and Sunshine training certificates. By City policy issued by the Mayor and the Department of Human Resources in 2016, some employees who are involved in procurement and purchasing are now required by City policy to take ethics training. But these employees are not required to file Ethics training certificates with the Ethics Commission.

12. I recently changed positions within the City. In my former position, I filed a Form 700, and in my new one, I will also file a Form 700. Do I need to file an assuming office Form 700 upon taking the new position?

In such a situation, you are neither “assuming” nor “leaving” an office for Form 700 purposes. But on your next annual Form 700, you would be required to disclose:

- interests made reportable by your original disclosure category that were held or received at any time during the period from the beginning of the reporting period to the transfer date; and
- interests made reportable by your new disclosure category that were held or received at any time during the period from the date of the transfer through the end of the reporting period.

13. How long are paper copies of Form 700 retained in department’s files?

The law requires Form 700s to be retained for seven years.

14. Do I need to file Form 700 if my position is not listed in the City’s Conflict of Interest Code?

State law requires individuals to file a Form 700 when their position is designated in a jurisdiction’s Conflict of Interest Code (in San Francisco, [Article III, Chapter 1 of the Campaign and Governmental Conduct Code](#)). By policy, some departments may also ask other employees to file economic interest statements. Questions about financial disclosure policies that may apply to persons other than designated filers should be directed to your department head or departmental filing officer.

15. As a designated employee, why can’t I file my Form 700 electronically?

Currently, only elected City officials, department heads, board members and commissioners can file their statements electronically. In the coming year, the Ethics Commission will be proposing a change in the law to extend electronic filing to all designated filers to enable everyone to take advantage of online filing technology for their Form 700 filing requirements.

16. Where do late fees go?

Form 700 statements filed late are subject to a late fee of **\$10 per day per position, up to a maximum of \$100**. Late fees are deposited into the City’s General Fund.

17. Who has authority to levy discipline or other penalties for a failure to file a required Form 700?

Your department may discipline you for failing to file a Form 700. In addition, the Ethics Commission and/or the Fair Political Practices Commission may take steps to initiate an enforcement action against a filer who is more than 30 days late in filing Statement of Economic Interest (Form 700). Under state law, failure to file a Form 700 can subject the filer to a fine of up to \$5,000 per violation. In addition, willful failure to file may be a misdemeanor and non-filers may also be subject disciplinary action ([San Francisco Campaign and Governmental Conflict of Interest Code Section 3.1-102.5](#)).

