



ETHICS COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

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LEEANN PELHAM
EXECUTIVE DIRECTOR

Date: August 23, 2017

To: Members of the Ethics Commission

From: Kyle Kundert, Senior Policy Analyst

Re: **AGENDA ITEM 4 – Policy Report**

Summary: This memorandum updates the Commission’s Annual Policy Plan, and introduces several proposed policy devices to assist the Commission, the public, and Staff in tracking pending policy projects and proposals for Fiscal Year 2017.

Action Requested: No action is required by the Commission, but staff seeks the Commission’s guidance and input on the schedule of the Commission’s policy initiatives.

Background

Annual Policy Plan & Policy Tracking

In 2016, the Commission adopted an Annual Policy Plan (“APP”) that has been used by the Commission, Staff and the Public to assist in the tracking and scheduling of policy initiatives. As our policy work has continued to expand, Staff has evaluated the prior document and is providing the Commission this month with an updated version of the APP for fiscal year 2017-18. In addition, at the August meeting, Staff will outline several other policy documents that we are developing to further assist the Commission and the Public in the ongoing understanding of the Commission’s policy-related activities and projects.

Policy Initiatives

Staff has previously updated the Commission on ongoing policy projects as part of the Executive Director’s report. With our new Policy unit now staffed, we are better positioned to provide a monthly Policy report with fuller information about the number and scope of policy projects either ongoing or planned as a separate discussion item on the Commission’s agenda to help keep the Commission and public abreast of those projects. Going forward, we plan for that monthly report to be based on the components discussed below.

Annual Policy Plan & Policy Initiative Tracker

Commission Staff has affixed as Attachment 1, a revised APP for fiscal yr. 2017-18 that attempts to unclutter and simplify the previous year's APP. Staff has sought to make an APP that tracks the Commission's major initiatives and provides both on ongoing review of staff projects as well as a tentative outline of pending projects. The APP will continue to be featured on the Commission's website and is meant to be used by interested persons and the public to track the month-to-month activities of the Commission. Staff will also introduce several additional and pending policy tracking tools to provide further transparency about the scope of ongoing or pending projects.

The first of these items is an "Initiative Tracker." The tracker is meant to explain and expand upon the major policy projects listed on the APP, in addition to explaining minor initiatives and technical changes that Staff has encountered. The initiative tracker divides the major policy projects by subject matter area and explains in detail the project scope and the reason for the project or program review. The initiative tracker also contemplates explaining the project timeline and the smaller implementation projects that assist and advance the overall review. The aspiration for the initiative tracker is that it be used in conjunction with the APP to help break down and explain the scope of the projects listed on the APP and to provide background on each project.

Policy Work Tools

To support our policy planning and review processes, Staff is also implementing use of individualized project plans for items on which the Staff is working. This tool will enable the Staff to plan and monitor progress on its policy work, which in turn will also help ensure the Annual Policy Plan can be updated as needed. The project plans will set out a timeline of goals, important dates, outreach and other activities requiring scheduling, and other important milestones for each policy project. The project plans will be the basis for regular policy updates at the Commission's regular monthly meetings.

In addition, we are also developing a legislative and case-law tracker to ensure our policy work stays current on items that have bearing on our ongoing and pending work in the Commission's subject matter areas. As the Commission, Staff and public have seen, laws and regulations within the Commission's jurisdiction require regular review to ensure the laws are as strong and effective as possible. We envision use of this tracker to help us stay on top of emerging legislative trends and case law developments that could affect the Commission's policy work.

Monthly Update on Current Policy Initiatives

CFRO Review and Revision: Staff continued to research and amend a draft ordinance based on the Commission's review and revision of the Campaign Finance Reform Ordinance ("CFRO") originally presented to the Commission at its June 26, 2016 meeting. The draft ordinance would implement numerous campaign finance reforms as well as a number of additional conflict of interest provisions for City public officials. The latest draft of the ordinance, supporting documentation and a memorandum outlining the changes to the draft since the June 26 meeting appear in Agenda Item 5.

Form 700 – Non-voting ordinance: At the initiation of Commissioner Kopp, the Commission requested staff to evaluate and provide draft language for the Commission on an ordinance that would restrict members of City Boards and Commissions from voting on substantive matters if those individuals have not timely filed their Statement of Economic Interest (FPPC form 700). The latest draft of the ordinance, supporting documentation and a memorandum outlining the effect of the draft appear in Agenda Item 6.

Supervisor Kim Legislation: Staff has assisted in research and continues to participate in discussions with Supervisor Kim's office as part of the Supervisor's introduction of an ordinance proposing numerous amendments to CFRO. Supervisor Kim introduced that ordinance on July 26, 2017. The ordinance, as currently drafted, would require committees to 1) attest, under penalty of perjury, to the lack of any coordination with other committees; 2) require that the Voter Information Pamphlet note which candidates have agreed to voluntary spending limits; 3) clarify supplemental reporting for the public financing program; 4) require written disclaimers to appear in 14-point font; 5) require that disclaimers be included at the beginning of audio and video advertisements; 6) require that disclaimers include the top four donors to committees, if the donors have contributed \$20,000 or more; and 7) prior to each municipal election, require the Ethics Commission to distribute a pamphlet to San Francisco voters regarding third-party spending. Staff continues to work with the Supervisor's staff, other jurisdictions and subject-matter experts to draft responsive and effective comments on the legislation. A copy of the proposed ordinance, as introduced, appears for reference as Attachment 3.

Supervisor Cohen Legislation: Supervisor Cohen introduced legislation on June 13, 2017 that would require the Commission to accept disclosures and enforce rules related to spending in races for the elected positions on the Health Services Board, Retirement Board and Retiree Health Care Trust Fund Board. Staff will send a letter of comment to the Clerk of the Rules Committee conveying overall support of the intent and purpose of the legislation but also providing some considerations for the Board of Supervisors to strengthen the proposals, its implementation and enforcement. The ordinance, as currently drafted, requires that the Commission to track disclosures of candidate and third-party spending in Retirement Board, Health Service System Board and Retiree Health Care Trust Fund Board elections as well as setting late filing fees and penalties for violations which the Commission would enforce. A copy of the proposed ordinance, as introduced, appears for reference as Attachment 2.

Slate Mailers: The Commission, through public comment, has identified a potential gap in the Commission's disclosure responsibilities for slate mailers. A slate mailer is a mass mailing that supports or opposes a total of four or more candidates or ballot measures. Currently, many of these mailers are submitted to and filed with the Elections Commission. However, because of the political nature of these mailers, the Commission may wish take on the responsibility of receiving, auditing, and making the mailings available for public review. Commission Staff met with staff from the Elections Commission in July to discuss and gather information on the types of mailings and disclosures that the Elections Commission is receiving and how they are being processed. The Commission is continuing to work with Elections staff in order to review procedures and address cost-sharing responsibilities for the Commission accepting, auditing and making available slate mailers for review.

Ethics and Sunshine training: Currently, certain City officials and employees must complete an ethics and sunshine ordinance training. The ethics training, under California Government Code Section 53235, is required to be completed within one year of assuming office and again within two years of the last training. The sunshine ordinance training, under the City Administrative Code Section 67.33 must be attested, under penalty of perjury that they have attended or will attend a training session at least once annually. Commission staff is currently working to implement a revised schedule for the ethics and sunshine ordinance training that brings it into line with the current requirements for filing of the Fair Political Practices Commission Form 700 ("Form 700"). The code section addressing the Form 700 filers requires individuals to complete the Form 700 within thirty (30) days of assuming office and annually thereafter. Through its review of the ethics and sunshine training provisions, Staff is working to implement regulations that would align the requirements of the ethics and sunshine training with the form 700 filing requirements to improve the administration of these programs and advance the educational and training outcomes these programs seek to accomplish.

E-filing Form 700 Project: In 2014, the Ethics Commission implemented mandatory electronic filing of the FPPC Form 700 for elected officials, department heads, and members of boards and commissions. Commission Staff is working on regulatory action to expand these electronic filing requirements to all City employees who file a Form 700. Currently, Staff is working to submit to the Commission a set of proposed regulations that will begin to implement and assist in the process of e-filing for all Form 700 filers. The proposed regulations attempt to address gaps and inconsistencies for current e-filers in order to prepare for an eventual complete e-filing rollout.

San Francisco Ethics Commission - Annual Policy Plan

Fiscal Year 2018 (July 1, 2017 - June 30, 2018)

	Policy Issue or Topic	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
General	Policy Summit Convened by Ethics Commission											△	SR
	Annual Budget and Status Report											△	EC
	Policy Planning Project - Annual Policy Plan	SR	EC										
Enforcement	Enforcement Regulations Project	SR	EC										
	Probable Cause Determination Process Review	SR		EC									
Lobbying	Lobbying Code Review										△	SR	
	Lobbying Regulations Review												△
	Expenditure Lobbying Program Review										△	SR	
	Proposition T Regulation Implementation			△	SR		EC						
	Permit Consultant Program Review										△	SR	
Campaigns	Public Financing Program Review	SR		SR			EC		SR		EC		
	CFRO Code Review and Revision	SR	EC	BOS									
	Slate Mailer Filings to Ethics Project	SR		SR									
	Campaign Consultant Program Review										△	SR	
Ethics	Biennial Financial Disclosures Review			△	SR		EC	SR		EC			
	E-filing for Form 700 Project	SR		EC	SR						EC		
	Ethics Code Review			△	SR		EC		SR	EC			

- △ Planned Project Start
- SR Staff Review & Public Comment
- EC Before Commission
- BOS Before Board of Supervisors

- IM Implementation
- ▭ Tentative Dates

1 [Administrative Code - Disclosure of Spending in Retirement Board, Health Service Board and
2 Retiree Health Care Trust Fund Board Elections]

3 **Ordinance amending the Administrative Code to require disclosure of candidate and**
4 **third-party spending in Retirement Board, Health Service Board and Retiree Health**
5 **Care Trust Fund Board elections; set late filing fees and penalties for violations;**
6 **specify that the Department of Elections shall conduct these elections; and clarify the**
7 **confidentiality of eligible voters' names and addresses.**

8 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
9 **Additions to Codes** are in *single-underline italics Times New Roman font*.
10 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
11 **Board amendment additions** are in double-underlined Arial font.
12 **Board amendment deletions** are in ~~strikethrough Arial font~~.
13 **Asterisks (* * * *)** indicate the omission of unchanged Code
14 subsections or parts of tables.

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

16 Section 1. The Administrative Code is hereby amended by revising Chapter 16, Article
17 XIII, Sections 16.550, 16.551, 16.553, 16.553-1, 16.553-2, 16.554, 16.555, 16.556, 16.557,
18 16.558, 16.560, 16.561, 16.563, 16.563-1, 16.564, and by adding Sections 16.553-3, 16.557-
19 1, 16.566, to read as follows:

20 **SEC. 16.550. PURPOSE.**

21 (a) The Charter of the City and County of San Francisco provides that the trustees of
22 the Retirement Board, who are entrusted with the administration of the San Francisco City
23 and County Employees' Retirement System (*"Retirement System"*), shall include three
24 trustees elected from the active and retired members of the Retirement System. As used in
25 this Article XIII, a retired member of the Retirement System shall mean a person who is in
receipt of a retirement allowance relating to his or her membership in the ~~#~~Retirement ~~s~~System.

1 (b) The Charter of the City and County of San Francisco provides that the trustees of
2 the Health Service Board, who are entrusted with the administration of the San Francisco City
3 and County Employees' Health Service System (*"Health Service System"*), shall include four
4 trustees elected from the active and retired members of the Health Service System. For the
5 purposes of a Health Service System election, a retired member of the Health Service System
6 shall mean a person who is a member of the Health Service System retired under the ~~San~~
7 ~~Francisco City and County Employees'~~ Retirement System, State Teachers Retirement System
8 (*"STRS"*), Public Employees Retirement System (*"PERS"*), and the surviving spouse of an
9 active employee and the surviving spouse of a retired employee, provided that the surviving
10 spouse and the active or retired employee have been married for a period of at least one year
11 prior to the death of the active or retired employee.

12 (c) The Charter of the City and County of San Francisco provides that the trustees of
13 the Retiree Health Care Trust Fund, who are entrusted with providing a funding source to
14 defray the cost of the City's and Participating Employers' obligations to pay for health
15 coverage for retired persons and their survivors entitled to health care coverage under Charter
16 Section A8.428, shall include two trustees elected from active employees and retired
17 members of the ~~City's~~ Health Service System. One of the elected trustees shall be an active
18 City or Participating Employer employee member and one shall be a retired City or
19 Participating Employer member as of the date of their respective elections. For the purposes of
20 a Retiree Health Care Trust Fund election, an active member of the Health Service System shall mean
21 an active City employee or active employee of a Participating Employer. For the purposes of a
22 Retiree Health Care Trust Fund election, a retired member of the Health Service System shall
23 mean a person who retired from City employment, or from a Participating Employer, and who
24 is a member of the Health Service System retired under the ~~San Francisco City and County~~
25 ~~Employees'~~ Retirement System, ~~the State Teachers Retirement System (STRS)~~, or ~~the Public~~

1 ~~Employees Retirement System~~ (PERS), and the surviving spouse or domestic partner of an active
2 employee and the surviving spouse or domestic partner of a retired employee, provided that
3 the surviving spouse or domestic partner and the active or retired employee have been
4 married for a period of at least one year prior to the death of the active or retired employee.

5 ~~For the purposes of a Retiree Health Care Trust Fund election, an active member of the Health Service~~
6 ~~System shall mean an active City employee or an active employee of a Participating Employer.~~ As
7 used in this section, Participating Employer means the San Francisco Unified School District
8 and the San Francisco Community College District, following a resolution by these employers'
9 respective governing boards to participate in the Retiree Health Care Trust Fund.

10 (d) Retirement System and Health Service System members have an interest in knowing who
11 has spent significant amounts of money to support or oppose candidates for the Retirement Board, the
12 Health Service Board, and the Retiree Health Care Trust Fund Board. In selecting a candidate to
13 represent their interests on these bodies, members will benefit from increased transparency in the
14 election process. Information about the persons or entities who are spending significant funds in
15 support of particular candidates will provide valuable information that will aid members' voting
16 decisions.

17 ~~(d)~~ (e) The failure to abide by election procedure obligations and deadlines in San
18 Francisco Administrative Code Sections ~~16.550-16.565~~ 16.550-16.566 shall not invalidate an
19 election if the election has been conducted fairly and in substantial compliance with and
20 conformity to the legal requirements.

21 ~~(e)~~ (f) Whenever the term of office of such an elected trustee expires or whenever a
22 vacancy occurs in such an office so that an election is necessary to fill a present or expected
23 vacancy, the following provisions shall govern the election procedure.

24 **SEC. 16.551. RETIREMENT BOARD, HEALTH SERVICE BOARD OR RETIREE**
25 **HEALTH CARE TRUST FUND BOARD TO ORDER ELECTIONS.**

1 If a vacancy occurs, or will occur, in the office of an elected trustee prior to the date that
2 the term of that office expires, the Retirement Board, Health Service Board or Retiree Health
3 Trust Fund Board shall order a special election to fill the vacancy for the unexpired portion of
4 the term of office, unless another election to a Retirement Board, Health Service Board or
5 Retiree Health Care Trust Fund Board office is scheduled to be completed within six months
6 after the vacancy has, or shall, occur, in which case the elections shall be combined;
7 provided, however, that a separate special election shall be required if the election which has
8 already been scheduled will occur too soon to nominate and select candidates for the more
9 recent vacancy. Whenever the Retirement Board, Health Service Board or Retiree Health
10 Care Trust Fund Board orders an election, the ~~respective Board shall specify whether the election~~
11 ~~is to be conducted by the~~ Department of Elections shall conduct the election or by an unbiased
12 ~~independent contractor ("Contractor").~~ Special elections may be held on an expedited basis as
13 determined by the Department of Elections. The first Retiree Health Care Trust Fund Board
14 election shall be a special election conducted by the Department of Elections.

15 **SEC. 16.553. NOTICE TO MEMBERS AND RETIRED MEMBERS; NOMINATION OF**
16 **MEMBERS AND RETIRED MEMBERS.**

17 The Retirement Board, Health Service Board or Retiree Health Care Trust Fund Board
18 shall thereafter notify the members ~~and retired members~~ of the Retirement System or Health
19 Service System respectively of the following:

- 20 (a) The necessity for an election;
- 21 (b) The procedure for nomination and selection of candidates to serve on the Board;

22 ~~and~~

23 (c) The candidate and third-party disclosure requirements, set forth in Sections 16.553-2 and
24 16.553-3; and

1 ~~(e)~~ (d) The dates that ballots may be marked and delivered and the procedure for
2 voting.

3 The period of time during which nominations may be made shall be set by the
4 Retirement Board, Health Service Board or Retiree Health Care Trust Fund Board, but in no
5 event shall be less than 31 days. Any person nominated to serve as a trustee of the
6 Retirement Board, Health Service Board or Retiree Health Care Trust Fund Board shall, on
7 forms provided by the respective Board for this purpose, and by the date set by the respective
8 Board, verify acceptance of the nomination and agree to serve if elected before he or she may
9 be listed as a candidate.

10 In any election for membership on the Retirement Board, Health Service Board or
11 Retiree Health Care Trust Fund Board, when only one candidate has filed nomination papers,
12 the Department of Elections ~~or Contractor~~ shall not conduct an election and shall declare the
13 sole candidate to be a member of the Retirement Board, Health Service Board or Retiree
14 Health Care Trust Fund Board.

15 **SEC. 16.553-1. CANDIDATE QUALIFICATION STATEMENTS.**

16 (a) **Content and Form of Statement.** Candidates ~~may~~ shall file a candidate
17 qualification statement including the name, age and occupation of the candidate and a
18 description of no more than 200 words of the candidate's education and qualifications as
19 expressed by the candidate. The candidate qualification statement shall also require candidates to
20 attest that they have read and understand the procedures and requirements set forth in this Article XIII.
21 To ensure that all statements are filed in a uniform format, the statement shall be in a manner
22 specified, and on a form provided, by the Department of Elections, ~~or Contractor~~, for this
23 purpose.
24
25

1 (b) **Deadline for Submission of Statement.** Candidates ~~who choose to submit~~ shall file
2 a candidate qualification statement ~~shall file the statement with~~ at the date and time established by
3 the Department of Elections, ~~or Contractor, at the date and time established by that department.~~

4 (c) **Inclusion of Nominators and Supporters.** The candidate qualification statement
5 may, but need not, include the names of some or all of the candidate's nominators. The
6 statement may also include the names of individuals and entities which support the candidate
7 but did not serve as nominators. The names of such supporters shall not be published as part
8 of the candidate's qualification statement unless the candidate provides the supporter's written
9 authorization at the time the statement is submitted to the Director of Elections ~~or Contractor.~~
10 The authorization shall be in a form prescribed by the Director of Elections ~~or Contractor.~~ If
11 the candidate chooses to include the names of nominators, or other supporters in the
12 candidate qualification statement, these names shall be counted toward the 200-word limit.

13 (d) **Limitations.** The candidate qualification statement shall not include the political
14 party affiliation of the candidate, ~~nor~~ membership or activity in partisan political organizations.

15 (e) **Withdrawal of Statement.** A candidate may withdraw, but not change, his or her
16 candidate qualification statement by filing with the Director of Elections, ~~or Contractor,~~ a signed
17 and sworn statement of withdrawal no later than 5:00 p.m. of the thirtieth day prior to the
18 election.

19 **SEC. 16.553-2. CANDIDATE DISCLOSURE REQUIREMENTS.**

20 (a) Statement of Economic Interests (Form 700). Each candidate for Retirement Board,
21 Health Service Board or Retiree Health Care Trust Fund Board elections shall file, by the date
22 set by the respective Board for verifying acceptance of the nomination, a ~~statement~~ Statement of
23 Economic Interests (Form 700) disclosing the information required by the disclosure category for
24 the ~~elective~~ office sought by the candidate established in the Conflict of Interest Code.
25 Candidates shall file such statements with the Ethics Commission ~~respective Board on the same~~

1 ~~forms as used by filers under Section 3.1-100 et seq. of the Conflict of Interest Code.~~ This statement
2 shall not be required if the candidate has filed, within 90 days prior to accepting the
3 ~~nomination, a statement at disclosure category one (1) with the City and County of San Francisco~~
4 Ethics Commission.

5 (b) Spending by Candidates.

6 (1) Disclosure. Whenever a candidate for the Retirement Board, Health Service Board
7 or Retiree Health Care Trust Fund Board spends \$500 or more on communications, including but not
8 limited to any broadcast, electronic, social media or telephone communication, and any printed
9 mailing, flyer, door-hanger, pamphlet, brochure, card, sign, or billboard, with persons eligible to
10 participate in elections for the Retirement Board, Health Service Board or Retiree Health Care Trust
11 Fund Board, the candidate shall file disclosure statements that include:

12 (A) a copy of the communication(s);

13 (B) the amount the candidate spent on creating and distributing the
14 communication(s);

15 (C) the source of the candidate's funds spent on creating and distributing the
16 communication(s); and

17 (D) the vendor(s) used to create or distribute the communication(s).

18 (2) Filing of Disclosures. Candidates shall file the disclosure statements required
19 under this subsection 16.553-2(b) with the Ethics Commission. Candidates shall file these statements
20 within 72 hours of distributing such communications, except that in the 14 days prior to the first date
21 on which ballots may be marked and delivered, and continuing through the entire period in which
22 ballots may be marked and delivered, candidates shall file the required disclosure statements within 24
23 hours of distributing these communications.

24 **SEC. 16.553-3. THIRD-PARTY DISCLOSURE REQUIREMENTS.**

1 (a) Disclosure. Whenever any person or entity, other than a candidate, spends \$500 or more
2 on communications featuring a candidate, including but not limited to any broadcast, electronic, social
3 media or telephone communication, and any printed mailing, flyer, door-hanger, pamphlet, brochure,
4 card, sign, or billboard, with persons eligible to participate in elections for the Retirement Board,
5 Health Service Board or Retiree Health Care Trust Fund Board, that person or entity shall file
6 disclosure statements that include:

7 (1) the person or entity's contact information, including the person's name or the name
8 of the entity's representative, the person or representative's telephone number, and the person or
9 representative's e-mail address;

10 (2) a copy of the communication(s);

11 (3) the amount the person or entity spent on creating and distributing the
12 communication(s);

13 (4) the source of the person's or entity's funds spent creating and distributing the
14 communication(s); and

15 (5) the vendor(s) used to create or distribute the communication(s).

16 (b) Filing of Disclosures. Persons or entities shall file the statements required by this Section
17 16.553-3 with the Ethics Commission. These persons or entities shall file the required disclosure
18 statements within 72 hours of distributing such communications, except that in the 14 days prior to first
19 date on which ballots may be marked and delivered, and continuing through the entire period in which
20 ballots may be marked and delivered, persons and entities shall file the required disclosure statements
21 within 24 hours of distributing these communications.

22 (c) Exception. Employee organizations that represent employees who are eligible to benefit
23 from the Retirement System, Health Service System or Retiree Health Care Trust Fund, are subject to
24 the disclosure requirements established by subsections (a) and (b); provided that, an employee
25

1 organization whose communications are directed solely to its own members shall not be required to
2 disclose copies of those communications.

3 **SEC. 16.554. NOTICE TO DEPARTMENT OF ELECTIONS ~~OR CONTRACTOR~~.**

4 The Retirement Board, Health Service Board or Retiree Health Care Trust Fund Board
5 shall notify the Department of Elections ~~or Contractor~~ at least 120 days prior to the first day
6 that ballots may be marked and delivered (hereafter referred to as the "First Voting Day") that
7 an election shall be held.

8 **SEC. 16.555. NOTICE TO DEPARTMENTS; APPOINTMENT OF ELECTION**
9 **OFFICERS.**

10 The Department of Elections ~~or Contractor~~ shall notify each department, office and
11 agency of the City and County of San Francisco (hereunder referred to as "department") at
12 least 90 days prior to the First Voting Day that the department must designate an employee
13 who shall serve as Election Officer for that department and must inform the Department of
14 Elections ~~or Contractor~~ at least 60 days prior to the First Voting Day of the identity of such
15 officer. The Department of Elections ~~or Contractor~~ shall supply each department with a form
16 which can be returned to the Department of Elections ~~or Contractor~~ which identifies the
17 employee who has been designated Election Officer. If any department has not designated an
18 Election Officer by the appointed deadline, the Department of Elections ~~or Contractor~~ shall
19 treat the department head as the Election Officer until such designation has been made.

20 **SEC. 16.556. INSTRUCTIONS TO ELECTION OFFICERS.**

21 The Department of Elections ~~or Contractor~~ shall provide written instructions to each
22 Election Officer at least 21 days prior to the First Voting Day, informing such officer of dates
23 on which ballots will be distributed and collected and the procedure to be followed for their
24 distribution and collection. If any department has failed to designate an Election Officer by the
25 time that the Department of Elections ~~or Contractor~~ sends these written instructions, the

1 Department of Elections ~~or Contractor~~ shall thereafter treat the administrative head of the
2 department as the Election Officer until another employee has been designated as such by
3 that department.

4 **SEC. 16.557. DELIVERY OF BALLOTS AND NAMES OF ELIGIBLE VOTERS TO**
5 **DEPARTMENT OF ELECTIONS ~~OR CONTRACTOR~~.**

6 The Retirement Board, Health Service Board or Retiree Health Care Trust Fund Board
7 shall furnish the Department of Elections ~~or Contractor~~ with the names of the eligible nominees
8 at least 35 days prior to the First Voting Day.

9 The Retirement Board, Health Service Board or Retiree Health Care Trust Fund Board
10 shall also furnish the Department of Elections ~~or Contractor~~ with a list of the members and
11 retired members of the Retirement System or Health Service System respectively eligible to
12 vote ("voters") in the election at the same time that it furnishes the names of the eligible
13 nominees. A supplemental list shall be furnished to the Department of Elections ~~or Contractor~~
14 within two days of the First Voting Day, which list shall provide the names of eligible voters not
15 included on the original list. These lists shall be in the format required by the Department of
16 Elections ~~or Contractor~~. These lists shall include the last known addresses for the members
17 and retired members. For the active members, at the election of the entity conducting the
18 election the department address shall be provided as an alternative.

19 Upon request, the City's Health Service System shall provide all information to
20 ~~Contractor, or~~ the Department of Elections; necessary to conduct the Retiree Health Care Trust
21 Fund Board nomination and election process including, but not limited to, information
22 regarding voter lists, voter contact information and Health Service System membership status.

23 **SEC. 16.557-1. CONFIDENTIALITY OF NAMES AND ADDRESSES OF ELIGIBLE**
24 **VOTERS.**

1 The disclosure of the names, addresses, and other personal information of eligible voters in the
2 custody and control of the Department of Elections shall not be subject to the California Elections
3 Code, including Section 2194. Any potential disclosure of names, addresses, and other personal
4 information of eligible voters shall be subject to the California Public Records Act (California
5 Government Code Section 6250, et seq.) and the San Francisco Sunshine Ordinance (Administrative
6 Code Section 67.1, et seq.).

7 **SEC. 16.558. BALLOTS TO CONTAIN INSTRUCTIONS FOR VOTING.**

8 Each ballot shall contain instructions printed on it informing the voters of the procedure
9 to be used in marking the ballot. Each ballot, or ballot return envelope, shall inform the voter
10 that there are three ways to return the ballot:

11 (a) By placing the ballot in the signed and sealed return envelope provided by ~~the~~
12 ~~Contractor or~~ the Department of Elections in the container maintained for such purpose by the
13 Election Officer of the voter's department, or by otherwise using the collection procedure
14 arranged for by the Election Officer;

15 (b) By delivering the signed and sealed return envelope provided by ~~the Contractor or~~
16 the Department of Elections with the ballot enclosed personally to the Department of Elections
17 ~~or the Contractor~~; and

18 (c) By placing a stamp on the ballot return envelope and mailing the ballot and
19 envelope to the Department of Elections ~~or the Contractor~~.

20 The instructions shall also note the date by which ballots must be delivered to be
21 counted.

22 **SEC. 16.560. DELIVERY OF BALLOTS AND INSTRUCTIONS TO ELECTION**
23 **OFFICERS.**

24 (a) **Members.** The Department of Elections ~~or Contractor~~ shall cause the ballots and
25 accompanying envelopes to be mailed or delivered pursuant to Section 16.559(a) not later

1 than 10 days prior to the First Voting Day, along with written instructions for their proper
2 distribution and collection and any other pertinent guidelines as set out in these provisions or
3 as otherwise applicable.

4 (b) **Retired Members.** The Department of Elections ~~or Contractor~~ shall deposit in the
5 mail the ballots and accompanying envelopes to each retired member at least 10 business
6 days prior to the First Voting Day.

7 **SEC. 16.561. DUTIES OF ELECTION OFFICERS.**

8 Each Election Officer shall:

9 (a) Prior to the date that ballots are delivered, inform the department or employee
10 responsible for distributing paychecks to employees of the department of the dates during
11 which ballots are to be distributed to employees and of the responsibility of the Payroll
12 Department to make arrangements to distribute a ballot with each paycheck by a date that will
13 allow each voter at least three days to mark and deliver the ballot;

14 (b) Upon receipt of the ballots, coordinate his or her efforts and those of the Payroll
15 Department to insure that the ballots are ready to be distributed along with paychecks by a
16 date that will allow each voter at least three days to mark and deliver the ballot;

17 (c) Provide notice to employees who are in the Retirement System or Health Service
18 System but would not be likely to receive ballots along with their paychecks, such as
19 employees on the temporary payroll, that ballots are available;

20 (d) Provide ballots to employees who did not, or would not, receive them along with
21 their paychecks pursuant to the procedure established by the Department of Elections ~~or~~
22 ~~Contractor~~;

23 (e) Establish and maintain a collection procedure so that employees have a convenient
24 method of returning ballots, which method shall, where possible, make use of at least one
25 container in which ballots can be placed; and

1 (f) Return the ballots which have been received or otherwise collected according to the
2 collection procedure established by such officer to the Department of Elections ~~or Contractor~~,
3 either personally or by the inter-office mail system, in a timely manner so that the ballots will
4 be delivered to the Department of Elections ~~or Contractor~~ by the date established by the
5 Retirement Board, the Health Service Board or Retiree Health Care Trust Fund Board as the
6 final date for such delivery.

7 **SEC. 16.563. COUNTING OF BALLOTS AND CERTIFICATION OF NEW TRUSTEE.**

8 (a) The Department of Elections ~~or Contractor~~ shall thereafter count the ballots in such
9 a manner that the identity of the individual casting any particular ballot will not be disclosed.
10 Each ballot shall be counted so long as it has been properly marked, signed and delivered.
11 The Department of Elections ~~or Contractor~~ shall certify the new Health Service Board or
12 Retiree Health Care Trust Fund Board trustee.

13 (b) Within five days of the close of voting and prior to certification, the Retiree Health
14 Care Trust Fund Board secretary shall attest to the Department of Elections ~~or contractor~~ that
15 there is one retired member trustee and one active member trustee candidate to fill the two
16 elected Retiree Health Care Trust Fund Board trustee positions. For purposes of Retiree
17 Health Care Trust Fund Board elections, the date of the election shall be the day the election
18 is certified by the Department of Elections ~~or Contractor~~. In the event that the active member
19 candidate with the highest number of votes is no longer an active member on the day the
20 election is certified, the Department of Elections shall certify the active member candidate with
21 the next highest number of votes. In the event that the retired member candidate with the
22 highest number of votes is no longer a retired member on the day the election is certified, the
23 Department of Elections shall certify the retired member candidate with the next highest
24 number of votes.

1 (c) Within five days of the close of voting and prior to certification, the Executive
2 Director of the Retirement System shall attest to the Department of Elections ~~or Contractor~~
3 whether there is a retired member serving as trustee on the Retirement Board:

4 (i) (1) If, at that time, there is no retired member serving as trustee, the
5 Department of Elections ~~or Contractor~~ shall certify the individual receiving the highest number
6 of votes as the newly elected trustee of the Retirement Board.

7 (ii) (2) If, at that time, there is a retired member serving as trustee, the
8 Department of Elections ~~or Contractor~~ shall certify the member (not a retired member)
9 receiving the highest number of votes as the newly elected trustee of the Retirement Board.

10 Where there is no vacancy, the Department of Elections ~~or Contractor~~ shall certify the
11 new Retirement Board trustee as close to the expiration of the term as reasonably possible.

12 **SEC. 16.563-1. CHANGE IN STATUS FOR ELECTED RETIREE HEALTH CARE**
13 **TRUST FUND BOARD MEMBERS.**

14 (a) If, after a Retiree Health Care Trust Fund Board election has been certified by the
15 Department of Elections ~~or the Contractor~~, the active Retiree Health Care Trust Fund Board
16 member retires, then that Board member's seat shall be deemed vacant and shall remain
17 vacant until the Board can hold a special election under Section 16.551.

18 (b) If, after a Retiree Health Care Trust Fund Board election has been certified by the
19 Department of Elections ~~or the Contractor~~, the retired Retiree Health Care Trust Fund Board
20 member returns to active status, then that Board member's seat shall be deemed vacant and
21 shall remain vacant until the Board can hold a special election under Section 16.551.

22 **SEC. 16.564. RETIREMENT BOARD, HEALTH SERVICE BOARD OR RETIREE**
23 **HEALTH CARE TRUST FUND BOARD TO REIMBURSE DEPARTMENT OF ELECTIONS.**

24 The Retirement Board, Health Service Board or Retiree Health Care Trust Fund Board
25 shall reimburse the Department of Elections for the actual expenses incurred by it in

1 conducting Retirement Board, Health Service Board or Retiree Health Care Trust Fund Board
2 elections respectively. ~~The Retirement Board, Health Service Board or Retiree Health Trust Fund~~
3 ~~Board shall pay all Contractor expenses when the respective Board specifies that a Contractor conduct~~
4 ~~a Retirement Board, Health Service Board or Retiree Health Trust Fund Board election.~~

5 **SEC. 16.566. ENFORCEMENT; PENALTIES AND LATE FILING FEES.**

6 (a) Enforcement. Any person who believes that a violation of Sections 16.553-2 and 16.553-3
7 has occurred may file a complaint with the Ethics Commission. The Ethics Commission shall
8 investigate such complaints pursuant to its enforcement regulations for complaints filed under Charter
9 Section C3.699-13.

10 (b) Statute of Limitations. Ethics Commission investigations must be commenced within four
11 years after the date on which the violation occurred.

12 (c) Penalties. Any person who intentionally or negligently violates Sections 16.553-2 and
13 16.553-3 shall be liable in an administrative proceeding before the Ethics Commission for an amount
14 up to \$5,000 for each violation.

15 **(d) Late Filing Fees.**

16 (1) Late Fees. In addition to any other penalty, any person who files any statement
17 required by Sections 16.553-2(b) and 16.553-3 after the deadline imposed by these Sections shall be
18 liable in the amount of twenty-five dollars (\$25) per day after the deadline until the statement is filed.

19 (2) Limitation on Liability. Liability imposed by subsection (d)(1) shall not exceed the
20 cumulative amount stated in the required disclosure statement, or two hundred fifty dollars (\$250),
21 whichever is greater.

22 (3) Reduction or Waiver. The Executive Director of the Ethics Commission may reduce
23 or waive a fee imposed by this subsection if she determines that the late filing was not willful and that
24 enforcement will not further the purposes of Sections 16.553-2(b) and 16.553-3.

1 Section 2. Effective Date. This ordinance shall become effective 30 days after
2 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
3 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
4 of Supervisors overrides the Mayor's veto of the ordinance.

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

11 Section 4. Severability. If any section, subsection, sentence, clause, phrase, or word
12 of this ordinance, or any application thereof to any person or circumstance, is held to be
13 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
14 shall not affect the validity of the remaining portions or applications of the ordinance. The
15 Board of Supervisors hereby declares that it would have passed this ordinance and each and
16 every section, subsection, sentence, clause, phrase, and word not declared invalid or
17 unconstitutional without regard to whether any other portion of this ordinance or application
18 thereof would be subsequently declared invalid or unconstitutional.

19
20 APPROVED AS TO FORM:
21 DENNIS J. HERRERA, City Attorney

22 By: _____
23 ANDREW SHEN
24 Deputy City Attorney

25
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1 [Campaign and Governmental Conduct Code - Campaign Finance Amendments]

2

3 **Ordinance amending the Campaign and Governmental Conduct Code to 1) require**
 4 **candidates to attest, under penalty of perjury, to the lack of any coordination with other**
 5 **committees; 2) require that the Voter Information Pamphlet note which candidates have**
 6 **agreed to voluntary spending limits; 3) clarify supplemental reporting for the public**
 7 **financing program; 4) require written disclaimers to appear in 14-point font; 5) require**
 8 **that disclaimers be included at the beginning of audio and video advertisements; 6)**
 9 **require that disclaimers include the top four donors to committees, if the donors have**
 10 **contributed \$20,000 or more; and 7) prior to each municipal election, require the Ethics**
 11 **Commission to distribute a pamphlet to San Francisco voters regarding third-party**
 12 **spending.**

13 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
 14 **Additions to Codes** are in *single-underline italics Times New Roman font*.
 15 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
 16 **Board amendment additions** are in double-underlined Arial font.
 17 **Board amendment deletions** are in ~~strikethrough Arial font~~.
 18 **Asterisks (* * * *)** indicate the omission of unchanged Code
 19 subsections or parts of tables.

20

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

22

23 Section 1. The Campaign and Governmental Conduct Code is hereby amended by
 24 revising Sections 1.115, 1.128, 1.142, 1.152, 1.161, and 1.162, and adding Section 1.165, to
 25 read as follows:

26

SEC. 1.115. COORDINATION OF EXPENDITURES.

27

28 (a) **General.** An expenditure is not considered independent and shall be treated as a
 29 contribution from the person making the expenditure to the candidate on whose behalf, or for
 30 whose benefit the expenditure is made, if the expenditure funds a communication that

1 expressly advocate the nomination, election or defeat of a clearly identified candidate and is
2 made under the following circumstance:

3 (1) The expenditure is made at the request, suggestion, or direction of, or in
4 cooperation, consultation, concert or coordination with, the candidate on whose behalf, or for
5 whose benefit, the expenditure is made; or

6 (2) The communication funded by the expenditure is created, produced or
7 disseminated:

8 (A) After the candidate has made or participated in making any decision
9 regarding the content, timing, location, mode, intended audience, volume of distribution, or
10 frequency of placement of the communication; or

11 (B) After discussion between the creator, producer or distributor of a
12 communication, or the person paying for that communication, and the candidate or committee
13 regarding the content, timing, location, mode, intended audience, volume of distribution or
14 frequency of placement of that communication, the result of which is agreement on any of
15 these topics.

16 (b) **Rebuttable Presumption of Coordination.** In addition to ~~Subsection (a) of this~~
17 ~~section~~ subsection (a), there shall be a presumption that an expenditure funding a
18 communication that expressly advocates the nomination, election or defeat of a clearly
19 identified candidate is not independent of the candidate on whose behalf or for whose benefit
20 the expenditure is made, when:

21 (1) It is based on information about the candidate or committee's campaign
22 needs or plans provided to the spender by the candidate;

23 (2) It is made by or through any agent of the candidate in the course of the
24 agent's involvement in the current campaign;

1 (3) The spender retains the services of a person, including a campaign
2 consultant, who provides, or has provided, the candidate with professional services related to
3 campaign or fund raising strategy for that same election;

4 (4) The communication replicates, reproduces, republishes or disseminates, in
5 whole or in substantial part, a communication designed, produced, paid for or distributed by
6 the candidate; or

7 (5) In the same election that the expenditure is made, the spender or spender's
8 agent is serving or served in an executive or policymaking role for the candidate's campaign
9 or participated in strategy or policy making discussions with the candidate's campaign relating
10 to the candidate's pursuit of election to office and the candidate is pursuing the same office as
11 a candidate whose nomination or election the expenditure is intended to influence.

12 (c) **Exceptions.** Notwithstanding the foregoing, an expenditure shall not be
13 considered a contribution to a candidate merely because:

14 (1) The spender interviews a candidate on issues affecting the spender;

15 (2) The spender has obtained a photograph, biography, position paper, press
16 release, or similar material from the candidate;

17 (3) The spender has previously made a contribution to the candidate;

18 (4) The spender makes an expenditure in response to a general, non-specific
19 request for support by a candidate, provided that there is no discussion with the candidate
20 prior to the expenditure relating to details of the expenditures;

21 (5) The spender has invited the candidate or committee to make an appearance
22 before the spender's members, employees, shareholders, or the families thereof, provided
23 that there is no discussion with the candidate prior to the expenditure relating to details of the
24 expenditure;

25

1 (6) The spender informs a candidate that the spender has made an expenditure
2 provided that there is no other exchange of information not otherwise available to the public,
3 relating to the details of the expenditure; or

4 (7) The expenditure is made at the request or suggestion of the candidate for
5 the benefit of another candidate or committee.

6 (d) **Definition.** For purposes of ~~this Section~~ subsections (a)-(c), the terms "candidate"
7 includes an agent of the candidate when the agent is acting within the course and scope of
8 the agency.

9 (e) **Candidate Statements Regarding Coordination of Expenditures.** Candidates required to
10 file campaign disclosure statements with the Ethics Commission shall attest, under penalty of perjury,
11 that their candidate committees have not failed to report any expenditure made by another committee
12 that would constitute a contribution to their candidate committees. Candidates shall file the form
13 required by this subsection (e) on the deadlines established by Section 1.135 for supplemental
14 preelection statements and on the day of any election for which they appear on the ballot.

15 **SEC. 1.128. ACCEPTANCE OR REJECTION OF VOLUNTARY EXPENDITURE**
16 **CEILINGS.**

17 (a) Eligible Candidates. Candidates for Assessor, City Attorney, District Attorney,
18 Public Defender, Sheriff, Treasurer, the Board of Education of the San Francisco Unified
19 School District or the Governing Board of the San Francisco Community College District may
20 accept the applicable voluntary expenditure ceiling. Candidates for the Board of Supervisors
21 or Mayor may not accept a voluntary expenditure ceiling.

22 (b) Acceptance of Voluntary Expenditure Ceiling. To accept the applicable voluntary
23 expenditure ceiling, a candidate must file a statement with the Ethics Commission accepting
24 the applicable voluntary expenditure ceiling. A candidate who has filed such a statement may not
25 make qualified campaign expenditures in excess of the voluntary expenditure ceiling, unless under

1 Section 1.134, the Ethics Commission has lifted the applicable voluntary expenditure ceiling. The
2 candidate shall file this statement no later than the deadline for filing nomination papers with
3 the Department of Elections. A candidate may not withdraw the statement accepting the
4 voluntary expenditure ceiling after filing the statement. A candidate may not file the statement
5 accepting the applicable voluntary expenditure ceiling if the Ethics Commission has lifted the
6 voluntary expenditure ceiling under Section 1.134 of this Chapter.

7 **(c) Voter Information Pamphlet.**

8 **(1) Notice regarding each eligible candidate.** *The Director of Elections shall include*
9 *in the Voter Information Pamphlet a notice informing voters whether each candidate for Assessor, City*
10 *Attorney, District Attorney, Public Defender, Sheriff, Treasurer, the Board of Education of the San*
11 *Francisco Unified School District or the Governing Board of the San Francisco Community College*
12 *District has accepted the voluntary expenditure ceiling. For candidates who have accepted the*
13 *voluntary expenditure ceiling, the notice shall state: “The above candidate has accepted the City’s*
14 *voluntary spending limit.” For candidates who have not accepted the voluntary expenditure ceiling,*
15 *the notice shall state: “The above candidate has NOT accepted the City’s voluntary spending limit.”*
16 *If a candidate was precluded from accepting the voluntary expenditure ceiling because the expenditure*
17 *ceiling for a particular race was lifted under Section 1.134 of the Chapter before the candidate filed the*
18 *statement required by this Section, the notice for that candidate shall state: “The City’s voluntary*
19 *spending limit was lifted before the candidate decided whether to accept or not accept the limit.” The*
20 *notice shall be printed in the same font size and type, and on the same page, as the candidate’s*
21 *statement of qualifications.*

22 **(2) Notice regarding candidates for the Board of Supervisors and Mayor.** *The*
23 *Director of Elections shall include in the Voter Information Pamphlet a notice informing voters that*
24 *candidates for the Board of Supervisors and Mayor are not eligible to accept voluntary expenditure*
25 *ceilings. Within 60 days after the effective date of the ordinance in Board File No. _____, after*

1 consulting with the Executive Director of the Ethics Commission, the Director of Elections shall
2 determine the wording of the notice.

3 ~~(e)~~ (d) **Website.** The Ethics Commission shall maintain, on its website, a list of the
4 candidates who have accepted the voluntary expenditure ceiling. If the Ethics Commission
5 has lifted a voluntary expenditure ceiling for a particular race under Section 1.134 of this
6 Chapter, the Ethics Commission shall instead maintain a list of the candidates who have
7 accepted, but are no longer subject to the voluntary expenditure ceiling in that race.

8 ~~(d) A candidate who has accepted the applicable voluntary expenditure ceiling and makes~~
9 ~~qualified campaign expenditures in excess of the voluntary expenditure ceiling, at a time when the~~
10 ~~Ethics Commission has not lifted the applicable voluntary expenditure ceiling, is subject to the~~
11 ~~penalties in Section 1.170.~~

12 **SEC. 1.142. PROCESS FOR ESTABLISHING ELIGIBILITY; CERTIFICATION BY**
13 **THE ETHICS COMMISSION.**

14 (a) STATEMENT OF PARTICIPATION OR NON-PARTICIPATION. Each candidate
15 for the Board of Supervisors or Mayor must sign and file a Statement of Participation or Non-
16 Participation in the public financing program. The statement must be filed by the candidate
17 with the Ethics Commission no later than the deadline for filing nomination papers. On the
18 statement, each candidate shall indicate whether he or she intends to participate in the public
19 financing program. A statement of participation or non-participation may not be amended after
20 the deadline for filing nomination papers.

21 (b) DECLARATION BY CANDIDATE. To become eligible to receive public financing
22 of campaign expenses under this Chapter, a candidate shall declare, under penalty of perjury,
23 that the candidate satisfies the requirements specified in Section 1.140. Candidates shall be
24 permitted to submit the declaration and any supporting material required by the Ethics
25 Commission to the Ethics Commission no earlier than nine months before the date of the

1 election, but no later than the 70th day before the election. Once the declaration and
2 supporting material are submitted, they may not be amended. The declaration and supporting
3 material may be withdrawn and refiled, provided that the refiling is made no later than the 70th
4 day before the election.

5 If any deadline imposed by this Subsection falls on a Saturday, Sunday, or legal
6 holiday, the deadline shall be the next business day.

7 (c) DETERMINATION OF ELIGIBILITY. The Executive Director of the Ethics
8 Commission shall review the candidate's declaration and supporting material to determine
9 whether the candidate is eligible to receive public funds under this Chapter. The Executive
10 Director may audit the candidate's records, interview contributors and take whatever steps the
11 Executive Director deems necessary to determine eligibility. At the request of the Executive
12 Director, the Controller shall assist in this review process.

13 (d) DETERMINATION OF OPPOSITION. To determine whether a candidate for the
14 Board of Supervisors is opposed as required under Section 1.140(b)(3) of this Chapter or a
15 candidate for Mayor is opposed as required under Section 1.140(c)(3) of this Chapter, the
16 Executive Director shall review the material filed pursuant to Section 1.152 of this Chapter,
17 and may review any other material.

18 (e) CERTIFICATION. If the Executive Director determines that a candidate for Mayor
19 or the Board of Supervisors has satisfied the requirements of Section 1.140, the Executive
20 Director shall notify the candidate and certify to the Controller that the candidate is eligible to
21 receive public financing under this Chapter. The Executive Director shall not certify that a
22 candidate is eligible to receive public financing if the candidate's declaration or supporting
23 material is incomplete or otherwise inadequate to establish eligibility. Except as provided in
24 subsection (h), the Executive Director shall determine whether to certify a candidate no later
25 than 30 days after the date the candidate submits his or her declaration and supporting

1 material, provided that the Executive Director shall make all determinations regarding whether
2 to certify a candidate no later than the 55th day before the election.

3 (f) RESUBMISSION. If the Executive Director declines to certify that a candidate is
4 eligible to receive public financing under this Chapter, the Executive Director shall notify the
5 candidate. Notwithstanding Section 1.142(b) of this Chapter, the candidate may, within five
6 business days of the date of notification, resubmit the declaration and supporting material. If
7 the candidate does not timely resubmit, the Executive Director's determination is final.

8 If, after viewing resubmitted material, the Executive Director declines to certify that a
9 candidate is eligible to receive public financing under this Chapter, the Executive Director
10 shall notify the candidate of this fact. Additional resubmissions may be permitted in the
11 Executive Director's discretion. If the candidate fails to resubmit in the time specified by the
12 Executive Director, or if no further resubmissions are permitted, the Executive Director's
13 determination is final.

14 (g) APPEAL TO THE ETHICS COMMISSION. If the Executive Director declines to
15 certify that a candidate is eligible to receive public financing under this Chapter, the candidate
16 may appeal the Executive Director's final determination to the Ethics Commission. The
17 candidate must deliver the written appeal to the Ethics Commission within five days of the
18 date of notification of the Executive Director's determination.

19 ~~(h) SUPERVISORIAL CANDIDATES SEEKING ELECTION IN NOVEMBER 2012. The~~
20 ~~Executive Director shall not certify any supervisorial candidates seeking election in November 2012 as~~
21 ~~eligible to receive public funds until the Redistricting Task Force, convened by the Board of~~
22 ~~Supervisors in Ordinance No. 93-11, has completed its 2012 revision of supervisorial district~~
23 ~~boundaries. Supervisorial candidates seeking election in November 2012 may submit their declaration~~
24 ~~and any supporting material concerning their eligibility to the Ethics Commission prior to the~~
25 ~~completion of the Redistricting Task Force's revision of supervisorial district boundaries.~~

1 **SEC. 1.152. SUPPLEMENTAL REPORTING IN ELECTIONS FOR BOARD OF**
2 **SUPERVISORS AND MAYOR.**

3 (a) ELECTIONS FOR THE BOARD OF SUPERVISORS.

4 (1) In addition to the campaign disclosure requirements imposed by the
5 California Political Reform Act and other provisions of this Chapter, each candidate committee
6 supporting a candidate for the Board of Supervisors shall file a statement with the Ethics
7 Commission indicating when the committee has received contributions to be deposited into its
8 Campaign Contribution Trust Account or made expenditures that equal or exceed ~~\$5,000~~
9 \$10,000 within 24 hours of reaching or exceeding that amount.

10 (2) In addition to the supplemental report in Subsection (a)(1) of this Section,
11 each candidate committee supporting a candidate for the Board of Supervisors shall file a
12 statement with the Ethics Commission disclosing when the committee has received
13 contributions to be deposited into its Campaign Contribution Trust Account or made
14 expenditures that in the aggregate-equal or exceed \$100,000. The candidate committee shall
15 file this report within 24 hours of reaching or exceeding the threshold. Thereafter, the
16 candidate committee shall file an additional supplemental report within 24 hours of every time
17 the candidate committee receives additional contributions to be deposited into its Campaign
18 Contribution Trust Account or makes additional expenditures that in the aggregate equal or
19 exceed \$10,000.

20 (3) The Executive Director shall post the information disclosed on statements
21 required by this subsection on the website of the Ethics Commission within two business days
22 of the statement's filing.

23 * * * *

24 **SEC. 1.161. CAMPAIGN ADVERTISEMENTS.**

1 (a) DISCLAIMERS. In addition to complying with the disclaimer requirements set forth
2 in Chapter 4 of the California Political Reform Act, California Government section 84100 et
3 seq., and its enabling regulations, all committees making expenditures which support or
4 oppose any candidate for City elective office or any City measure shall also comply with the
5 following additional requirements:

6 (1) TOP ~~TWO~~ FOUR CONTRIBUTORS. The disclaimer requirements for
7 primarily formed independent expenditure committees and primarily formed ballot measure
8 committees set forth in the Political Reform Act with respect to a committee's top two major
9 contributors shall apply to the top four contributors of \$20,000 or more. The Ethics
10 Commission may adjust this monetary threshold to reflect any increases or decreases in the
11 Consumer Price Index. Such adjustments shall be rounded off to the nearest five thousand
12 dollars.

13 (2) WEBSITE REFERRAL. Each disclaimer required by the Political Reform
14 Act or its enabling regulations and by this section shall be followed in the same required
15 format, size and speed by the following phrase: "Financial disclosures are available at
16 sfethics.org." A substantially similar statement that specifies the web site may be used as an
17 alternative in audio communications.

18 (3) MASS MAILINGS AND SMALLER WRITTEN ADVERTISEMENTS. Any
19 disclaimer required by the Political Reform Act and by this section on a mass mailing, door
20 hanger, flyer, poster, oversized campaign button or bumper sticker, or print advertisement
21 shall be printed in at least ~~12-point~~ 14-point font.

22 (4) CANDIDATE ADVERTISEMENTS. Advertisements by candidate
23 committees shall include the following disclaimer statements: "Paid for by _____ (insert
24 the name of the candidate committee)." and "Financial disclosures are available at
25 sfethics.org." Except as provided in subsection (a)(3), the statements' format, size and speed

1 shall comply with the disclaimer requirements for independent expenditures for or against a
2 candidate set forth in the Political Reform Act and its enabling regulations.

3 (5) AUDIO AND VIDEO ADVERTISEMENTS. For audio advertisements, the
4 disclaimers required by this Section 1.161 shall be spoken at the beginning of such advertisements.
5 For video advertisements, the disclaimers required by this Section 1.161 shall appear in writing and be
6 spoken at the beginning of such advertisements.

7 * * * *

8 **SEC. 1.162. ELECTIONEERING COMMUNICATIONS.**

9 (a) DISCLAIMERS.

10 (1) Every electioneering communication for which a statement is filed pursuant
11 to subsection (b) shall include the following disclaimer: "Paid for by _____ (insert the
12 name of the person who paid for the communication)." and "Financial disclosures are
13 available at sfethics.org."

14 (2) Any disclaimer required by this Section shall be included in or on an
15 electioneering communication in a size, speed or format that complies with the disclaimer
16 requirements for independent expenditures supporting or opposing candidates set forth in the
17 Political Reform Act and its enabling regulations.

18 (3) Notwithstanding subsection (a)(2), any disclaimer required by this Section:
19 (A) to appear on a mass mailing, door hanger, flyer, poster, oversized
20 campaign button or bumper sticker, or print advertisement, shall be printed in at least ~~12-point~~
21 14-point font;

22 (B) to be included in an audio advertisement, shall be spoken at the beginning of
23 such advertisements; or

24 (C) to be included in a video advertisement, shall appear in writing and be
25 spoken at the beginning of such advertisements.

1 * * * *

2 **SEC. 1.165. INFORMATION REGARDING THIRD-PARTY SPENDING IN MUNICIPAL**
3 **ELECTIONS.**

4 (a) **Webpage.** Prior to each municipal election, the Ethics Commission shall create a public
5 webpage that provides the most readily available information regarding independent expenditures
6 made in support of or opposition to candidates or ballot measures appearing on the ballot for that
7 election, the committees that made the independent expenditures, all donors who contributed over
8 \$20,000 to each of the listed committees, and the total amount those donors contributed. The Director
9 of Elections shall include in the Voter Information Pamphlet a reference to this Ethics Commission
10 webpage.

11 (b) **Ethics Commission Pamphlet.** The Ethics Commission shall mail to each registered San
12 Francisco voter a pamphlet regarding the independent expenditures made in support of or opposition
13 to candidates or ballot measures appearing on the ballot for that election, the committees that made the
14 independent expenditures, the top four donors who contributed over \$20,000 to each of the listed
15 committees, the total amount those donors contributed, and referencing the webpage required by
16 subsection (a). The Ethics Commission shall mail these pamphlets by a date that would allow each San
17 Francisco voter to receive them no later than 14 days before each municipal election.

18
19 Section 2. Effective Date. This ordinance shall become effective 30 days after
20 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
21 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
22 of Supervisors overrides the Mayor's veto of the ordinance.

23
24 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
25 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,

1 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
2 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
3 additions, and Board amendment deletions in accordance with the “Note” that appears under
4 the official title of the ordinance.

5

6 Section 4. Severability. If any section, subsection, sentence, clause, phrase, or word
7 of this ordinance, or any application thereof to any person or circumstance, is held to be
8 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
9 shall not affect the validity of the remaining portions or applications of the ordinance. The
10 Board of Supervisors hereby declares that it would have passed this ordinance and each and
11 every section, subsection, sentence, clause, phrase, and word not declared invalid or
12 unconstitutional without regard to whether any other portion of this ordinance or application
13 thereof would be subsequently declared invalid or unconstitutional.

14

15 APPROVED AS TO FORM:
16 DENNIS J. HERRERA, City Attorney

17 By: _____
18 ANDREW SHEN
19 Deputy City Attorney

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