

1 [Campaign and Governmental Conduct Code - Campaign Finance and Conflict of Interest
2 Provisions]

3 **Ordinance amending the Campaign and Governmental Conduct Code to 1) prohibit**
4 **earmarking of contributions and false identification of contributors; 2) modify**
5 **contributor card requirements; 3) require disclosure of contributions solicited by City**
6 **elective officers for ballot measure and independent expenditure committees; 4)**
7 **establish local behested payment reporting requirements; 5) require additional**
8 **disclosures for campaign contributions from business entities to San Francisco**
9 **political committees; 6) require disclosure of bundled campaign contributions; 7)**
10 **prohibit behested payments made at the request of City elective officers and**
11 **candidates for City elective offices who must approve certain City contracts; 8) prohibit**
12 **behested payments made at the request of and campaign contributions to members of**
13 **the Board of Supervisors, candidates for the Board, the Mayor, candidates for Mayor,**
14 **and their controlled committees, from any person with pending or recently resolved**
15 **land use matters; 9) require committees to file a third pre-election statement prior to an**
16 **election; 10) remove the prohibition against distribution of campaign advertisements**
17 **containing false endorsements; 11) allow members of the public to receive a portion of**
18 **penalties collected in certain enforcement actions; 12) permit the Ethics Commission**
19 **to recommend contract debarment as a penalty for campaign finance violations; 13)**
20 **create new conflict of interest and political activity rules for elected officials and**
21 **members of boards and commissions; 14) specify recusal procedures for members of**
22 **boards and commissions; and 15) appropriate \$230,000 to the Ethics Commission to**
23 **fund administrative and enforcement costs for this ordinance.**

24 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
25 **Additions to Codes** are in *single-underline italics Times New Roman font*.
Deletions to Codes are in *strikethrough italics Times New Roman font*.
Board amendment additions are in double-underlined Arial font.

1 **Board amendment deletions** are in ~~strikethrough~~ Arial font.
2 **Asterisks (* * * *)** indicate the omission of unchanged Code
3 subsections or parts of tables.

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

5 Section 1. The Campaign and Governmental Conduct Code, Article I, Chapter 1, is
6 hereby amended by revising Sections 1.104, 1.114, 1.126, 1.135, 1.168, 1.170, adding
7 Sections 1.114.5, 1.123, 1.124, 1.125, 1.127, and deleting Section 1.163.5, to read as follows:

8 **SEC. 1.104. DEFINITIONS.**

9 Whenever in this Chapter 1 the following words or phrases are used, they shall mean:

10 * * * *

11 "Behested payment" shall mean a payment for a legislative, governmental, or charitable
12 purpose made at the behest of a City elective officer or candidate for City elective office.

13 "Business entity" shall mean a limited liability company (LLC), corporation, limited
14 partnership, or limited liability partnership.

15 * * * *

16 "Developer" shall mean the individual or entity that is the project sponsor responsible for filing
17 a completed Environmental Evaluation Application with the Planning Department (or other lead
18 agency) under the California Environmental Quality Act (Public Resources Code Section 21000 et
19 seq.) for a project. For any project sponsor that is an entity, "developer" shall include all of its
20 constituent individuals or entities that have decision-making authority regarding any of the entity's
21 major decisions or actions. By way of example and without limitation, if the project sponsor is a
22 limited liability company, each of its members is considered a developer for purposes of the
23 requirements of this Chapter, and similarly if the project sponsor is a partnership, each of its general
24 partners is considered a developer for purposes of the requirements of this Chapter. If the owner or
25 agent that signs and submits the Environmental Evaluation Application will not be responsible for
obtaining the entitlements or developing the project, then for purposes of the requirements of this

1 Chapter 1 the developer shall be instead the individual or entity that is responsible for obtaining the
2 entitlements for the project.

3 * * * *

4 “Financial interest” shall mean (a) an ownership interest of at least 10% or \$1,000,000 in the
5 project or property that is the subject of the land use matter; (b) holding the position of director or
6 principal officer, including President, Vice-President, Chief Executive Officer, Chief Financial Officer,
7 Chief Operating Officer, Executive Director, Deputy Director, or member of Board of Directors, in an
8 entity with at least 10% ownership interest in that project or property; or (c) being the developer of
9 that project or property.

10 * * * *

11 “Land use matter” shall mean (a) any request to a City elective officer for a Planning Code or
12 Zoning Map amendment, or (b) any application for an entitlement that requires a discretionary
13 determination at a public hearing before a board or commission under the San Francisco Building
14 Code, the Planning Code, or the California Environmental Quality Act (California Public Resources
15 Code Section 21000 et seq.).

16 “Made at the behest of” a candidate for City elective office or City elective officer shall mean
17 made under the control or at the direction of; in cooperation, consultation, coordination, or concert
18 with, at the request or suggestion of; or with the express, prior consent of, the candidate or officer.

19 * * * *

20 “Prohibited source contribution” shall mean a contribution made in violation of (a) Section
21 1.114, (b) from a foreign national, (c) from a person with a City contract as defined in Section 1.126,
22 (d) from a person who is a party to a City land use matter as defined in Section 1.127, or (e) from a
23 lobbyist as defined in Section 2.105.

24 * * * *

1 “Solicit” shall mean personally request a contribution from any candidate or committee, either
2 orally or in writing.

3 * * * *

4
5 **SEC. 1.114. CONTRIBUTIONS - LIMITS AND PROHIBITIONS.**

6 (a) LIMITS ON CONTRIBUTIONS TO CANDIDATES. No person other than a
7 candidate shall make, and no campaign treasurer for a candidate committee shall solicit or
8 accept, any contribution which will cause the total amount contributed by such person to such
9 candidate committee in an election to exceed \$500.

10 (b) LIMITS PROHIBITION ON CONTRIBUTIONS FROM CORPORATIONS. No
11 corporation organized pursuant to the laws of the State of California, the United States, or any
12 other state, territory, or foreign country, whether for profit or not, shall make a contribution to a
13 candidate committee, provided that nothing in this subsection (b) shall prohibit such a
14 corporation from establishing, administering, and soliciting contributions to a separate
15 segregated fund to be utilized for political purposes by the corporation, provided that the
16 separate segregated fund complies with the requirements of Federal law including Sections
17 432(e) and 441b of Title 2 of the United States Code and any subsequent amendments to
18 those Sections.

19 (c) EARMARKING. No person may make a contribution to a committee on the condition or
20 with the agreement that it will be contributed to any particular candidate or committee to circumvent
21 the limits established by subsections (a) and (b).

22 ~~(e)~~ (d) AGGREGATION OF AFFILIATED ENTITY CONTRIBUTIONS.

23 (1) General Rule. For purposes of the contribution limits imposed by this
24 Section 1.114 and Section 1.120, the contributions of an entity whose contributions are
25 directed and controlled by any individual shall be aggregated with contributions made by that

1 individual and any other entity whose contributions are directed and controlled by the same
2 individual.

3 (2) Multiple Entity Contributions Controlled by the Same Persons. If two or
4 more entities make contributions that are directed and controlled by a majority of the same
5 persons, the contributions of those entities shall be aggregated.

6 (3) Majority-Owned Entities. Contributions made by entities that are majority-
7 owned by any person shall be aggregated with the contributions of the majority owner and all
8 other entities majority-owned by that person, unless those entities act independently in their
9 decisions to make contributions.

10 (4) Definition. For purposes of this Section 1.114, the term "entity" means any
11 person other than an individual and "majority-owned" means a direct or indirect ownership of
12 more than 50% percent.

13 ~~(d) CONTRIBUTOR INFORMATION REQUIRED. If the cumulative amount of contributions~~
14 ~~received from a contributor is \$100 or more, the committee shall not deposit any contribution that~~
15 ~~causes the total amount contributed by a person to equal or exceed \$100 unless the committee has the~~
16 ~~following information: the contributor's full name; the contributor's street address; the contributor's~~
17 ~~occupation; and the name of the contributor's employer or, if the contributor is self-employed, the name~~
18 ~~of the contributor's business. A committee will be deemed not to have had the required contributor~~
19 ~~information at the time the contribution was deposited if the required contributor information is not~~
20 ~~reported on the first campaign statement on which the contribution is required to be reported.~~

21 (e) FORFEITURE OF UNLAWFUL CONTRIBUTIONS. In addition to any other
22 penalty, each committee that receives a contribution which exceeds the limits imposed by this
23 Section 1.114 or which does not comply with the requirements of this Section shall pay
24 promptly the amount received or deposited in excess of the permitted amount ~~permitted by this~~
25 ~~Section~~ to the City and County of San Francisco ~~and~~ by delivering the payment to the Ethics

1 Commission for deposit in the General Fund of the City and County; provided that the Ethics
2 Commission may provide for the waiver or reduction of the forfeiture.

3 (f) RECEIPT OF CONTRIBUTIONS. A contribution to a candidate committee or
4 committee making expenditures to support or oppose a candidate shall not be considered
5 received if it is not cashed, negotiated, or deposited, and in addition ~~is~~ returned to the donor
6 before the closing date of the campaign statement on which the contribution would otherwise
7 be reported, except that a contribution to a candidate committee or committee making
8 expenditures to support or oppose a candidate made before an election at which the
9 candidate is to be voted on but after the closing date of the last campaign statement required
10 to be filed before the election shall not be considered to be deemed received if it is not
11 cashed, negotiated, or deposited, and is returned to the contributor within 48 hours of receipt.
12 For all committees not addressed by this Section 1.114, the determination of when
13 contributions are considered to be received shall be made in accordance with the California
14 Political Reform Act, California Government Code Section 81000, et seq.

15
16 **SEC. 1.114.5. CONTRIBUTIONS - DISCLOSURES.**

17 (a) CONTRIBUTOR INFORMATION REQUIRED. If the cumulative amount of contributions
18 received from a contributor is \$100 or more, the committee shall not deposit any contribution that
19 causes the total amount contributed by a person to equal or exceed \$100 unless the committee has the
20 following information: the contributor's full name; the contributor's street address; the contributor's
21 occupation; the name of the contributor's employer or, if the contributor is self-employed, the name of
22 the contributor's business; and a signed attestation from the contributor that the contribution does not
23 constitute a prohibited source contribution.

1 (1) A committee will be deemed not to have had the required contributor information at
2 the time the contribution was deposited if the required contributor information is not reported on the
3 first campaign statement on which the contribution is required to be reported.

4 (2) If a committee that collects the information required under this subsection (a) and
5 collects a signed attestation, or its electronic equivalent, that the contributor has not made a prohibited
6 source contribution, there shall be a rebuttable presumption that the committee has not accepted a
7 prohibited source contribution.

8 (b) DISCLOSURE REQUIREMENTS FOR CONTRIBUTIONS TO BALLOT MEASURE
9 COMMITTEES AND COMMITTEES MAKING INDEPENDENT EXPENDITURES.

10 (1) In addition to the requirements in subsection (a), any person making contributions
11 that total \$5,000 or more in a single election cycle, to a ballot measure committee or committee making
12 independent expenditures at the behest of a City elective officer must disclose the name of the City
13 elective officer who requested the contribution.

14 (2) Committees receiving contributions subject to subsection (b)(1) must report the
15 names of the City elective officers who requested those contributions at the same time that the
16 committees are required to file campaign statements with the Ethics Commission.

17 (c) ASSUMED NAME CONTRIBUTIONS.

18 (1) No contribution may be made, directly or indirectly, by any person or combination
19 of persons, in a name other than the name by which they are identified for legal purposes, or in the
20 name of another person or combination of persons.

21 (2) No person may make a contribution to a candidate or committee in his, her, or its
22 name when using any payment received from another person on the condition that it be used as a
23 contribution.

24 (d) FORFEITURE OF UNLAWFUL CONTRIBUTIONS. In addition to any other penalty, each
25 committee that receives a contribution which does not comply with the requirements of this Section

1 1.114.5 shall pay promptly the amount received or deposited to the City and County of San Francisco
2 by delivering the payment to the Ethics Commission for deposit in the General Fund of the City and
3 County; provided that the Ethics Commission may provide for the waiver or reduction of the forfeiture.

4
5 **SEC. 1.123. REPORTING OF BEHESTED PAYMENTS.** In addition to the disclosure
6 requirements imposed by the California Political Reform Act, City elective officers required to disclose
7 behested payments of \$5,000 or more from a single source shall file their disclosure statements with the
8 Ethics Commission within 30 days of the date on which the payment(s) total \$5,000 or more.

9
10 **SEC. 1.124. ADDITIONAL DISCLOSURE REQUIREMENTS FOR CONTRIBUTIONS**
11 **MADE BY BUSINESS ENTITIES.**

12 (a) Additional Disclosures. In addition to the campaign disclosure requirements imposed by
13 the California Political Reform Act and other provisions of this Chapter 1, any committee required to
14 file campaign statements with the Ethics Commission must disclose the following information for
15 contribution(s) that total \$5,000 or more that it receives in a single election cycle from a single
16 business entity:

17 (1) the business entity’s directors and principal officers, including, but not limited to, its
18 President, Vice-President, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer,
19 Executive Director, Deputy Director, and Members of Board of Directors; and

20 (2) whether the business entity has received funds through a contract or grant from any
21 City agency within the last 24 months for a project within the jurisdiction of the City and County of San
22 Francisco, and if so, the name of the agency that provided the funding, and the value of the contract or
23 grant.

1 **(b) Filing Requirements.** Committees shall provide this information for contributions received
2 from business entities at the same time that they are required to file semiannual or preelection
3 campaign statements with the Ethics Commission.

4
5 **SEC. 1.125. ADDITIONAL DISCLOSURE REQUIREMENTS FOR BUNDLED**
6 **CONTRIBUTIONS.**

7 **(a) Definition.** For purposes of this Section 1.125, the following words and phrases shall
8 mean:

9 “Bundle” shall mean delivering or transmitting contributions, other than one’s own or one’s
10 spouse’s, except for campaign administrative activities and any actions by the candidate that a
11 candidate committee is supporting.

12 “Campaign administrative activity” shall mean administrative functions performed by paid or
13 volunteer campaign staff, a campaign consultant whose payment is disclosed on the committee’s
14 campaign statements, or such campaign consultant’s paid employees.

15 **(b) Additional Disclosure Requirements.** Any committee controlled by a City elective officer
16 that receives contributions totaling \$5,000 or more that have been bundled by a single person shall
17 disclose the following information:

18 (1) the name, occupation, and mailing address of the person who bundled the
19 contributions;

20 (2) a list of the contributions bundled by that person (including the name of the
21 contributor and the date the contribution was made);

22 (3) if the person who bundled the contributions is a City employee, the employee’s
23 department and job title;

1 (4) if the person who bundled the contributions is a member of a City board or
2 commission, the name of the board or commission on which that person serves, and any City officer
3 who appointed or nominated that person to the board or commission; and

4 (5) whether during the 12 months prior to the date of the final contribution that makes
5 the cumulative amount of contributions bundled by a single individual total \$5,000 or more the person
6 who bundled the contributions attempted to influence the City elective officer who controls the
7 committee in any legislative or administrative action and if so, the legislative or administrative action
8 that the contributor sought to influence and the outcome sought.

9 (c) **Filing Requirements.** Committees shall provide the information for bundled contributions
10 required by subsection (b) at the same time that they are required to file campaign statements with the
11 Ethics Commission. Committees shall be required to provide this information following the receipt of
12 the final contribution that makes the cumulative amount of contributions bundled by a single individual
13 total \$5,000 or more.

14 (d) **Website Posting.** The Ethics Commission shall make all information that is submitted in
15 accordance with subsection (b) publicly available through its website.

16
17 **SEC. 1.126. CONTRIBUTION LIMITS – CONTRACTORS DOING BUSINESS WITH**
18 **THE CITY.**

19 (a) **Definitions.** For purposes of this Section 1.126, the following words and phrases
20 shall mean:

21 "Board on which an individual serves" means the board to which the officer was elected and
22 any other board on which the elected officer serves.

23 "Contract" means any agreement or contract, including any amendment or modification to an
24 agreement or contract, with the City and County of San Francisco, a state agency on whose board an

1 appointee of a City elective officer serves, the San Francisco Unified School District, or the San
2 Francisco Community College District for:

3 (1) the rendition of personal services,

4 (2) the furnishing of any material, supplies or equipment,

5 (3) the sale or lease of any land or building,

6 (4) a grant, loan, or loan guarantee, or

7 (5) a development agreement.

8 "Contract" shall not mean a collective bargaining agreement or memorandum of
9 understanding between the City and a labor union representing City employees regarding the terms
10 and conditions of those employees' City employment.

11 "Person who contracts with" includes any party or prospective party to a contract, as well any
12 member of that party's board of directors or principal officer, including its chairperson, chief executive
13 officer, chief financial officer, chief operating officer, any person with an ownership interest of more
14 than 10% in the party, and any subcontractor listed in a bid or contract.

15 ~~(1) "Person who contracts with" includes any party or prospective party to a contract,~~
16 ~~as well any member of that party's board of directors, its chairperson, chief executive officer, chief~~
17 ~~financial officer, chief operating officer, any person with an ownership interest of more than 20 percent~~
18 ~~in the party, any subcontractor listed in a bid or contract, and any committee, as defined by this~~
19 ~~Chapter that is sponsored or controlled by the party, provided that the provisions of Section 1.114 of~~
20 ~~this Chapter governing aggregation of affiliated entity contributions shall apply only to the party or~~
21 ~~prospective party to the contract.~~

22 ~~(2) "Contract" means any agreement or contract, including any amendment or~~
23 ~~modification to an agreement or contract, with the City and County of San Francisco, a state agency on~~
24 ~~whose board an appointee of a City elective officer serves, the San Francisco Unified School District,~~
25 ~~or the San Francisco Community College District for:~~

- ~~(A) the rendition of personal services,~~
- ~~(B) the furnishing of any material, supplies or equipment,~~
- ~~(C) the sale or lease of any land or building, or~~
- ~~(D) a grant, loan or loan guarantee.~~

~~(3) "Board on which an individual serves" means the board to which the officer was elected and any other board on which the elected officer serves.~~

(b) Prohibition on Behested Payments and Contributions. No person who contracts with the City and County of San Francisco, a state agency on whose board an appointee of a City elective officer serves, the San Francisco Unified School District or the San Francisco Community College District shall do any of the following if the contract has a total anticipated or actual value of \$100,000.00 or more, or a combination or series of such agreements or contracts approved by that same individual or board have a value of \$100,000.00 or more in a fiscal year of the City and County:

(1) Make any contribution to:

(A) An individual holding a City elective office if the contract must be approved by such individual, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves;

(B) A candidate for the office held by such individual; or

(C) A committee controlled by such individual or candidate.

(2) Make any behested payment on behalf of:

(A) An individual holding a City elective office if the contract must be approved by such individual, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves;

(B) A candidate for the office held by such individual; or

(C) A committee controlled by such individual or candidate.

1 (c) **Term of Prohibition on Contribution.** The prohibitions set forth in Subsection (b) shall be
2 effective from the commencement of negotiations for such contract until:

3 (A) The termination of negotiations for such contract; or

4 (B) Twelve (12) months from the date the contract is approved.

5 (c) **Prohibition on ~~Receipt of Contribution~~ Soliciting or Accepting Behested Payments or**
6 **Contributions.** No individual holding City elective office or committee controlled by such an
7 individual shall solicit or accept any behested payment or contribution prohibited by subsection
8 (b) at any time from the formal submission of the contract to the individual until the termination
9 of negotiations for the contract or ~~six~~ 12 months have elapsed from the date the contract is
10 approved. For the purpose of this subsection (c), a contract is formally submitted to the Board
11 of Supervisors at the time of the introduction of a resolution to approve the contract.

12 (d) **Forfeiture of ~~Dontribution~~ Contribution.** In addition to any other penalty, each
13 committee that receives a contribution prohibited by subsection (c) shall pay promptly the
14 amount received or deposited to the City and County of San Francisco and deliver the
15 payment to the Ethics Commission for deposit in the General Fund of the City and County;
16 provided that the Commission may provide for the waiver or reduction of the forfeiture.

17 (e) **Notification.**

18 (1) **Prospective Parties to Contracts.** The agency responsible for the initial
19 review of any contract proposal shall inform ~~Any~~ any prospective party to a contract with the City
20 and County of San Francisco, a state agency on whose board an appointee of a City elective
21 officer serves, the San Francisco Unified School District, or the San Francisco Community
22 College District ~~shall inform each person described in Subsection (a)(1)~~ of the prohibition in
23 Subsection (b) and of the duty to notify the Ethics Commission, as described in subsection (e)(2), by
24 the commencement of negotiations for such contract.

1 (2) Notification of Ethics Commission. Every prospective party to a contract with the
2 City must notify the Ethics Commission, within 30 days of the submission of a proposal, on a form or in
3 a format adopted by the Commission, of the value of the desired contract, the parties to the contract,
4 and any subcontractor listed as part of the proposal.

5 ~~(2)~~ (3) **Individuals Who Hold City Elective Office.** Every individual who holds a
6 City elective office shall, within five business days of the approval of a contract by the officer,
7 a board on which the officer sits, or a board of a state agency on which an appointee of the
8 officer sits, notify the Ethics Commission, on a form adopted by the Commission, of each
9 contract approved by the individual, the board on which the individual serves, or the board of
10 a state agency on which an appointee of the officer sits. An individual who holds a City
11 elective office need not file the form required by this subsection ~~(e)~~(3) if the Clerk or Secretary
12 of a Board on which the individual serves or a Board of a State agency on which an appointee
13 of the officer serves has filed the form on behalf of the board.

14
15 **SEC. 1.127. CONTRIBUTION LIMITS – PERSONS WITH LAND USE MATTERS**
16 **BEFORE A DECISION-MAKING BODY.**

17 (a) Definitions. For purposes of this Section 1.127, the following phrases shall mean:

18 “Affiliated entities” means business entities directed and controlled by a majority of the same
19 persons, or majority-owned by the same person.

20 “Behested payment” is a payment for a legislative, governmental, or charitable purpose made
21 at the behest of (1) a Member of the Board of Supervisors, (2) a candidate for member of the Board of
22 Supervisors, (3) the Mayor, (4) a candidate for Mayor, (5) City Attorney, or (6) a candidate for City
23 Attorney.

24 “Prohibited contribution” is a contribution to (1) a Member of the Board of Supervisors, (2) a
25 candidate for member of the Board of Supervisors, (3) the Mayor, (4) a candidate for Mayor, (5) the

1 City Attorney, (6) a candidate for City Attorney, or (7) a controlled committee of a member of the
2 Board of Supervisors, the Mayor, the City Attorney, or a candidate for any of these offices.

3 (b) **Prohibition on Behested Payments and Contributions.** No person, or the person's
4 affiliated entities, with a financial interest in a land use matter before the Board of Appeals, Board of
5 Supervisors, Building Inspection Commission, Commission on Community Investment and
6 Infrastructure, Department of Building Inspection, Office of Community Investment and Infrastructure,
7 Historic Preservation Commission, Planning Commission, Planning Department, Port Commission, or
8 Port of San Francisco shall make any behested payment or prohibited contribution at any time from a
9 request or application regarding a land use matter until 12 months have elapsed from the date that the
10 board or commission renders a final decision or ruling. If the person is a business entity, such
11 restriction shall also include any member of such person's board of directors, its chairperson, chief
12 executive officer, chief financial officer, and chief operating officer.

13 (c) **Prohibition on Soliciting or Accepting Behested Payments or Contributions.** It shall be
14 unlawful for a Member of the Board of Supervisors, candidate for member of the Board of Supervisors,
15 the Mayor, candidate for Mayor, the City Attorney, candidate for City Attorney, or controlled
16 committees of such officers and candidates, to solicit or accept any behested payment or prohibited
17 contribution.

18 (d) **Exceptions.** The prohibitions set forth in subsections (b) and (c) shall not apply if:
19 (1) the land use matter concerns only the person's primary residence; or
20 (2) the person with a financial interest in the land use matter is an organization with tax
21 exempt status under 26 United States Code Section 501(c)(3), and the land use matter solely concerns
22 the provision of health care services, social welfare services, permanently affordable housing, or other
23 community services funded, in whole or in substantial part, by the City to serve low-income San
24 Francisco residents.

1 **(e) Forfeiture of Prohibited Contributions.** In addition to any other penalty, each member of
2 the Board of Supervisors, candidate for member of the Board of Supervisors, the Mayor, candidate for
3 Mayor, City Attorney, candidate for City Attorney, or controlled committees of such officers and
4 candidates, who solicits or accepts any contribution prohibited by subsection (b) shall pay promptly the
5 amount received or deposited to the City and County of San Francisco by delivering the payment to the
6 Ethics Commission for deposit in the General Fund of the City and County; provided, that the
7 Commission may provide for the waiver or reduction of the forfeiture.

8 **(f) Notification.**

9 **(1) Prospective Parties to Land Use Matters.** The agency responsible for the initial
10 review of any land use matter shall inform any person with a financial interest in a land use matter
11 before the Board of Appeals, Board of Supervisors, Building Inspection Commission, Commission on
12 Community Investment and Infrastructure, Department of Building Inspection, Office of Community
13 Investment and Infrastructure, Historic Preservation Commission, Planning Commission, Planning
14 Department, Port Commission, or Port of San Francisco, of the prohibition in subsection (b) and of the
15 duty to notify the Ethics Commission, described in subsection (f)(2), upon the submission of a request
16 or application regarding a land use matter.

17 **(2) Persons with a Financial Interest in a Land Use Matter.** Any person with a
18 financial interest in a land use matter before the Board of Appeals, Board of Supervisors, Building
19 Inspection Commission, Commission on Community Investment and Infrastructure, Department of
20 Building Inspection, Office of Community Investment and Infrastructure, Historic Preservation
21 Commission, Planning Commission, Planning Department, Port Commission, or Port of San
22 Francisco, within 30 days of submitting a request or application, shall file with the Ethics Commission
23 a report including the following information:

24 (A) the board, commission, or department considering the land use matter;

25 (B) the location of the property that is the subject of the land use matter;

1 (C) if applicable, the file number for the land use matter; and

2 (D) if applicable, the names of the individuals who serve as the person's
3 chairperson, chief executive officer, chief financial officer, and chief operating officer, or as a member
4 of the person's board of directors.

5
6 **SEC. 1.135. SUPPLEMENTAL PRE-ELECTION STATEMENTS.**

7 (a) **Supplemental Preelection Statements.** In addition to the campaign disclosure
8 requirements imposed by the California Political Reform Act and other provisions of this
9 Chapter 1, a San Francisco general purpose committee that makes contributions or
10 expenditures totaling \$500 or more during the period covered by the preelection statement,
11 other than expenditures for the establishment and administration of that committee, shall file a
12 preelection statement before any election held in the City and County of San Francisco at
13 which a candidate for City elective office or City measure is on the ballot.

14 (b) **Time for Filing Supplemental Preelection Statements.**

15 (1) Even-Numbered Years. In even-numbered years, preelection statements
16 required by this Section 1.135 shall be filed pursuant to the preelection statement filing
17 schedule established by the Fair Political Practices Commission for county general purpose
18 recipient committees. In addition to these deadlines, preelection statements shall also be filed, for
19 the period ending six days before the election, no later than four days before the election.

20 (2) Odd-Numbered Years. In odd-numbered years, the filing schedule for
21 preelection statements is as follows:

22 ~~(1)~~ (A) For the period ending 45 days before the election, the statement
23 shall be filed no later than 40 days before the election;

24 ~~(2)~~ (B) For the period ending 17 days before the election, the statement
25 shall be filed no later than 12 days before the election; and

1 (C) For the period ending six days before the election, the statement shall be
2 filed no later than four days before the election.

3 (c) The Ethics Commission may require that these statements be filed electronically.
4

5 ~~**SEC. 1.163.5. DISTRIBUTION OF CAMPAIGN ADVERTISEMENTS CONTAINING**~~
6 ~~**FALSE ENDORSEMENTS.**~~

7 ~~(a) **Prohibition.** No person may sponsor any campaign advertisement that is distributed~~
8 ~~within 90 days prior to an election and that contains a false endorsement, where the person acts with~~
9 ~~knowledge of the falsity of the endorsement or with reckless disregard for the truth or falsity of the~~
10 ~~endorsement. A false endorsement is a statement, signature, photograph, or image representing that a~~
11 ~~person expressly endorses or conveys support for or opposition to a candidate or measure when in fact~~
12 ~~the person does not expressly endorse or convey support for or opposition to the candidate or measure~~
13 ~~as stated or implied in the campaign communication.~~

14 ~~(b) **Definitions.** Whenever in this Section the following words or phrases are used, they shall~~
15 ~~mean:~~

16 ~~(1) "Campaign Advertisement" is any mailing, flyer, door hanger, pamphlet, brochure,~~
17 ~~card, sign, billboard, facsimile, printed advertisement, broadcast, cable, satellite, radio, internet, or~~
18 ~~recorded telephone advertisement that refers to one or more clearly identified candidates or ballot~~
19 ~~measures. The term "campaign advertisement" does not include:~~

20 ~~(A) bumper stickers, pins, stickers, hat bands, badges, ribbons and other similar~~
21 ~~campaign memorabilia;~~

22 ~~(B) news stories, commentaries or editorials distributed through any newspaper,~~
23 ~~radio, station, television station or other recognized news medium unless such news medium is owned~~
24 ~~or controlled by any political party, political committee or candidate; or~~

1 ~~(C) material distributed to all members, employees and shareholders of an~~
2 ~~organization, other than a political party;~~

3 ~~(2) "Internet Advertisement" includes paid internet advertisements such as "banner"~~
4 ~~and "popup" advertisements, paid emails, or emails sent to addresses purchased from another person,~~
5 ~~and similar types of internet advertisements as defined by the Ethics Commission by regulation, but~~
6 ~~shall not include web blogs, listserves sent to persons who have contacted the sender, discussion~~
7 ~~forums, or general postings on web pages.~~

8 ~~(3) "Sponsor" means to pay for, direct, supervise or authorize the production of~~
9 ~~campaign advertisement.~~

10 ~~(c) **Enforcement and Penalties.** The penalties under Section 1.170(a) of this Chapter do not~~
11 ~~apply to violations of this Section. Notwithstanding the 60-day waiting period in Section 1.168 of this~~
12 ~~Chapter, a voter may bring an action to enjoin a violation of this Section immediately upon providing~~
13 ~~written notice to the City Attorney. A court may enjoin a violation of this section only upon a showing~~
14 ~~of clear and convincing evidence of a violation.~~

15
16 **SEC. 1.168. ENFORCEMENT; ADVICE.**

17 (a) ENFORCEMENT – GENERAL PROVISIONS. Any person who believes that a
18 violation of this Chapter 1 has occurred may file a complaint with the Ethics Commission, City
19 Attorney, or District Attorney. The Ethics Commission shall investigate such complaints
20 pursuant to Charter Section C3.699-13 and its implementing regulations. The City Attorney
21 and District Attorney shall investigate, and shall have such investigative powers as are
22 necessary for the performance of their duties under this Chapter.

23 (b) ENFORCEMENT – CIVIL ACTIONS. The City Attorney, or any voter, may bring a
24 civil action to enjoin violations of or compel compliance with the provisions of this Chapter 1.

1 (1) No voter may commence an action under this §subsection (b) without first
2 providing written notice to the City Attorney of intent to commence an action. The notice shall
3 include a statement of the grounds for believing a cause of action exists. The voter shall
4 deliver the notice to the City Attorney at least 60 days in advance of filing an action. No voter
5 may commence an action under this §subsection if the Ethics Commission has issued a
6 finding of probable cause that the defendant violated the provisions of this Chapter, or if the
7 City Attorney or District Attorney has commenced a civil or criminal action against the
8 defendant, or if another voter has filed a civil action against the defendant under this
9 §subsection.

10 (2) If the City Attorney or District Attorney obtains a civil or criminal judgment against
11 the defendant, or if the Ethics Commission determines that the defendant violated the provisions of this
12 Chapter, as a direct result of the voter's notice under this subsection (b), then the voter shall be entitled
13 to recover 25% of any administrative or civil penalties assessed against the defendant. The voter is
14 entitled to recover his or her share of penalties from the government within 90 days of the resolution of
15 the civil, criminal, or administrative proceeding.

16 (3) A Court may award reasonable attorney's fees and costs to any voter who
17 obtains injunctive relief under this §subsection (b). If the Court finds that an action brought by
18 a voter under this §subsection is frivolous, the Court may award the defendant reasonable
19 attorney's fees and costs.

20 * * * *

21 (e) DEBARMENT.

22 The Ethics Commission may, after a hearing on the merits or pursuant to a stipulation among
23 all parties, recommend that a Charging Official authorized to issue Orders of Debarment under
24 Administrative Code Chapter 28 initiate debarment proceedings against any individual person or
25 business entity in conformance with the procedures set forth in that Chapter.

1
2 **SEC. 1.170. PENALTIES.**

3 (a) CRIMINAL. Any person who knowingly or willfully violates any provision of this
4 Chapter I shall be guilty of a misdemeanor and upon conviction thereof shall be punished by
5 a fine of not more than \$5,000 for each violation or by imprisonment in the County jail for a
6 period of not more than six months or by both such fine and imprisonment; provided, however,
7 that any willful or knowing failure to report contributions or expenditures done with intent to
8 mislead or deceive or any willful or knowing violation of the provisions of Sections 1.114, 1.126,
9 or 1.127 of this Chapter shall be punishable by a fine of not less than \$5,000 for each violation
10 or three times the amount not reported or the amount received in excess of the amount
11 allowable pursuant to Sections 1.114, 1.126, and 1.127 of this Chapter, or three times the
12 amount expended in excess of the amount allowable pursuant to Section 1.130 or 1.140-~~5~~,
13 whichever is greater.

14 (b) CIVIL. Any person who intentionally or negligently violates any of the provisions of
15 this Chapter I shall be liable in a civil action brought by the civil prosecutor for an amount up
16 to \$5,000 for each violation or three times the amount not reported or the amount received in
17 excess of the amount allowable pursuant to Sections 1.114, 1.126, and 1.127 or three times the
18 amount expended in excess of the amount allowable pursuant to Section 1.130 or 1.140-~~5~~,
19 whichever is greater.

20 (c) ADMINISTRATIVE. Any person who ~~intentionally or negligently~~ violates any of the
21 provisions of this Chapter I shall be liable in an administrative proceeding before the Ethics
22 Commission held pursuant to the Charter for any penalties authorized therein.

23 * * * *

1 Section 2. The Campaign and Governmental Conduct Code, Article III, Chapter 2, is
2 hereby amended by revising Section 3.203 and adding Sections 3.207, 3.209, and 3.231 to
3 read as follows:

4 **SEC. 3.203. DEFINITIONS.**

5 Whenever in this Chapter 2 the following words or phrases are used, they shall mean:

6 “Anything of value” shall mean any money or property, favor, service, payment, advance,
7 forbearance, loan, or promise of future employment, but does not include compensation and expenses
8 paid by the City, contributions as defined herein,, gifts of travel subject to California Government Code
9 Section 89506(a), or gifts that qualify for gift exceptions established by State or local law.

10 “Associated,” when used in reference to an organization, shall mean any organization in which
11 an individual or a member of his or her immediate family is a director, officer, or trustee, or owns or
12 controls, directly or indirectly, and severally or in the aggregate, at least 10% of the equity, or of which
13 an individual or a member of his or her immediate family is an authorized representative or agent.

14 “City elective officer” shall mean a person who holds the office of Mayor, Member of the Board
15 of Supervisors, City Attorney, District Attorney, Treasurer, Sheriff, Assessor and Public Defender.

16 “Contribution” shall be defined as set forth in the California Political Reform Act, California
17 Government Code section 81000, et seq.

18 “Immediate family” shall mean spouse, registered domestic partner, and dependent children.

19 ~~(a)~~ "Officer" shall mean any person holding City elective office; any member of a board
20 or commission required by Article III, Chapter 1 of this Code to file a statements of economic
21 interests; any person appointed as the chief executive officer under any such board or
22 commission; the head of each City department; the Controller; and the City Administrator.

23 ~~(b) "City elective office" shall mean the offices of Mayor, Member of the Board of Supervisors,~~
24 ~~City Attorney, District Attorney, Treasurer, Sheriff, Assessor and Public Defender.~~

1 “Prohibited fundraising” shall mean requesting that another person make a contribution;
2 inviting a person to a fundraising event; supplying names to be used for invitations to a fundraiser;
3 permitting one’s name or signature to appear on a solicitation for contributions or an invitation to a
4 fundraising event; providing the use of one’s home or business for a fundraiser; paying for at least
5 20% of the costs of a fundraiser; hiring another person to conduct a fundraiser; delivering or
6 otherwise forwarding a contribution, other than one’s own, by whatever means either by mail or in
7 person to a City elective officer, a candidate for City elective office, or a candidate-controlled
8 committee; or acting as an agent or intermediary in connection with the making of a contribution.

9 “Solicit” shall mean personally requesting a contribution from any candidate or committee,
10 either orally or in writing.

11 “Subordinate employee” shall mean an employee of any person whose official City
12 responsibilities include directing or evaluating the performance of the employee or any of the
13 employee’s supervisors.

14
15 **SEC. 3.207. ADDITIONAL CONFLICTS OF INTEREST FOR CITY ELECTIVE**
16 **OFFICERS AND MEMBERS OF BOARDS AND COMMISSIONS.**

17 (a) **Prohibitions.** In addition to the restrictions set forth in Section 3.206 and other provisions
18 of this Chapter 2, the following shall also constitute conflicts of interest for City elective officers and
19 members of boards and commissions:

20 (1) No City elective officer or member of a board or commission may use his or her
21 public position or office to seek or obtain financial gain or anything of substantial value for the private
22 benefit of himself or herself, his or her immediate family, or for an organization with which he or she is
23 associated.

24 (2) No City elective officer or member of a board or commission may use or attempt to
25 use his or her public position to gain or influence the gaining of monetary or non-monetary benefits,

1 advantages, or privileges, for himself or herself, his or her immediate family, or for an organization
2 with which he or she is associated.

3 (3) No City elective officer or candidate for City elective office may, directly or by
4 means of an agent, give, or offer or promise to give, or withhold, or offer or promise to withhold, his or
5 her vote or influence, or promise to take or refrain from taking official action with respect to any
6 proposed or pending matter in consideration of, or upon condition that, any other person make or
7 refrain from making a contribution.

8 (4) No person may offer or give to an officer, directly or indirectly, and no City elective
9 officer or member of a board or commission may solicit or accept from any person, directly or
10 indirectly, anything of value if it could reasonably be expected to influence the officer's vote, official
11 actions, or judgment, or could reasonably be considered as a reward for any official action or inaction
12 on the part of the officer. This subsection (a)(4) does not prohibit a City elective officer or member of a
13 board or commission from engaging in outside employment.

14 (b) **Exception: public generally.** The prohibitions set forth in subsection (a)(1)-(2) shall not
15 apply if the resulting benefit, advantage, or privilege also affects a significant segment of the public
16 and the effect is not unique. For purposes of this subsection (b):

17 (1) A significant segment of the public is at least 25% of:

18 (A) all businesses or non-profit entities within the official's jurisdiction;

19 (B) all real property, commercial real property, or residential real property
20 within the official's jurisdiction; or

21 (C) all individuals within the official's jurisdiction.

22 (2) A unique effect on a public official's financial interest includes a disproportionate
23 effect on:

24 (A) the development potential or use of the official's real property or on the
25 income producing potential of the official's real property or business entity;

1 (B) an official's business entity or real property resulting from the proximity of
2 a project that is the subject of a decision;

3 (C) an official's interests in business entities or real properties resulting from
4 the cumulative effect of the official's multiple interests in similar entities or properties that is
5 substantially greater than the effect on a single interest;

6 (D) an official's interest in a business entity or real property resulting from the
7 official's substantially greater business volume or larger real property size when a decision affects all
8 interests by the same or similar rate or percentage;

9 (E) a person's income, investments, assets or liabilities, or real property if the
10 person is a source of income or gifts to the official; or

11 (F) an official's personal finances or those of his or her immediate family.

12
13 **SEC. 3.209. RECUSALS.**

14 (a) **Recusal Procedures.** Any member of a City board or commission, including a Member of
15 the Board of Supervisors, who has a conflict of interest under Sections 3.206 or 3.207, or who must
16 recuse himself or herself from a proceeding under California Government Code Section 84308, shall,
17 in the public meeting of the board or commission, upon identifying a conflict of interest immediately
18 prior to the consideration of the matter, do all of the following:

19 (1) publicly identify the circumstances that give rise to the conflict of interest in detail
20 sufficient to be understood by the public, provided that disclosure of the exact street address of a
21 residence is not required;

22 (2) recuse himself or herself from discussing or acting on the matter; and

23 (3) leave the room until after the discussion, vote, and any other disposition of the
24 matter is concluded, unless the matter has been placed on and remains on the consent calendar.

1 **(b) Repeated Recusals.** *If a member of a City board or commission, including a Member of the*
2 *Board of Supervisors, recuses himself or herself, as required by the California Political Reform Act,*
3 *California Government Code Section 1090, California Government Code Section 84308, or Section*
4 *3.207 of this Code, in any 12-month period from discussing or acting on:*

5 **(1) three or more separate matters; or**

6 **(2) 1% or more of the matters pending before the officer's board or commission,**
7 *the Commission shall determine whether the officer has a significant and continuing conflict of interest.*
8 *The Commission shall publish its written determination, including any discussion of the officer's*
9 *factual circumstances and applicable law, on its website. Thereafter, if the Commission determines*
10 *that the officer has a significant and continuing conflict of interest, the officer shall provide the*
11 *Commission with written notification of subsequent recusals resulting from the same conflicts of*
12 *interest identified in the written determination. With respect to such officers, the Commission may*
13 *recommend to the official's appointing authority that the official should be removed from office under*
14 *Charter Section 15.105 or by other means.*

15
16 **SEC. 3.231. PROHIBITIONS ON POLITICAL ACTIVITY FOR CITY ELECTIVE**
17 **OFFICERS AND MEMBERS OF BOARDS AND COMMISSIONS.**

18 **(a) Solicitation of Campaign Volunteers.** *No City elective officer or member of a board or*
19 *commission shall solicit uncompensated volunteer services from any subordinate employee for a*
20 *political campaign.*

21 **(b) Fundraising for Appointing Authorities.** *No member of a board or commission may*
22 *engage in prohibited fundraising on behalf of (1) the officer's appointing authority, if the appointing*
23 *authority is a City elective officer; (2) any candidate for the office held by the officer's appointing*
24 *authority; or (3) any committee controlled by the officer's appointing authority.*

1 Section 3. Effective and Operative Dates. This ordinance shall become effective 30
2 days after enactment. This ordinance shall become operative on [TBD]. Enactment occurs
3 when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not
4 sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the
5 Mayor’s veto of the ordinance.

6
7 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
8 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
9 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
10 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
11 additions, and Board amendment deletions in accordance with the “Note” that appears under
12 the official title of the ordinance.

13
14 Section 5. Appropriation. There is hereby appropriated \$230,000 from the General
15 Reserve to fund administrative and enforcement costs required to implement this ordinance,
16 which shall be appropriated to the Ethics Commission and made available on the date the
17 ordinance becomes effective. Any portion of this appropriation that remains unspent at the
18 end of Fiscal Year [TBD] shall be carried forward and spent in subsequent years for the same
19 purpose. Additionally, it shall be City policy in all fiscal years following depletion of this
20 original appropriation that the Board of Supervisors annually appropriate \$10,000 for this
21 purpose, to be adjusted annually to reflect changes in the California Consumer Price Index
22 and rounded off to the nearest \$100.

23
24 Section 6. Severability. If any section, subsection, sentence, clause, phrase, or word
25 of this ordinance, or any application thereof to any person or circumstance, is held to be

1 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
2 shall not affect the validity of the remaining portions or applications of the ordinance. The
3 Board of Supervisors hereby declares that it would have passed this ordinance and each and
4 every section, subsection, sentence, clause, phrase, and word not declared invalid or
5 unconstitutional without regard to whether any other portion of this ordinance or application
6 thereof would be subsequently declared invalid or unconstitutional.

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