



ETHICS COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

PETER KEANE
CHAIRPERSON

October 3, 2017

DAINA CHIU
VICE-CHAIRPERSON

The Honorable Aaron Peskin
Supervisor, District 3
Attention: Lee Hepner, Legislative Aide

PAUL A. RENNE
COMMISSIONER

City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

QUENTIN L. KOPP
COMMISSIONER

Re: Ethics Commission proposed ordinance to amend the Campaign and Governmental Conduct Code to disqualify members of City boards and commissions who have not filed a Form 700 Statement of Economic Interest from participating in or voting on certain matters

YVONNE LEE
COMMISSIONER

LEEANN PELHAM
EXECUTIVE DIRECTOR

Dear Supervisor Peskin:

This transmits for your review and consideration for sponsorship a proposed ordinance that the Ethics Commission adopted at its regular meeting on August 28, 2017, to help strengthen accountability in city decision making.

The Ordinance, which the Commission believes advances the *Findings and Purpose* of the San Francisco Ethics Ordinance, was developed with public review and input from interested persons at the Commission's August meeting, and was approved by 4-0-1 vote (with one member abstaining) with a motion to transmit the proposed ordinance to the Board of Supervisors for its consideration and action.

Current Law

Pursuant to the City's Government Ethics Ordinance (the "Ordinance"), any City officer or employee specified by law, including those specifically designated in California Government Code Section 87200, *et seq.*, must file a Statement of Economic Interest to disclose certain reportable interests that may present a conflict with the officer or employee's governmental duties.¹ State law requires filers to complete the Fair Political Practices Commission Form 700 within thirty days of assuming office and annually thereafter.² If an officer or employee has not filed a Form 700 within thirty days of assuming office, the Ethics Commission may issue a notice to the officer or employee informing him or her of the failure to file. A City officer or employee who fails to file a Form 700 "within 30 days after receiving notice from the Ethics Commission of a failure to file may be subject to disciplinary action by his or her appointing authority, including removal from office or termination of employment," in addition to late fees and penalties.³

¹ Campaign and Gov't Conduct Code § 3.1-102(a).

² Cal. Code of Regs. tit. 2, § 18730(b)(3).

³ Campaign and Gov't Conduct Code § 3.1-102.5(a).

Proposed Changes

The proposed additions to the Ordinance would amend current law to create an additional consequence when certain City officers fail to file a Form 700. Under the Ordinance, if a City board or commission member fails to timely file a Form 700, he or she would be disqualified from making decisions on matters that come before that board or commission until he or she files a Form 700. The ordinance would require the secretary (or equivalent) of the board or commission to make an announcement at the beginning of each meeting stating that the non-filing member has failed to file a Form 700 and is disqualified from making decisions until and unless the required Form 700 is filed.

Enactment of Proposed Amendments

The San Francisco Campaign and Governmental Conduct Code Sec. 3.204, provides the Board of Supervisors (the "Board") with the ability to amend Chapter 2 of the San Francisco Government Ethics Ordinance if all the following conditions are met:

- a) The amendment furthers the purposes of this Chapter;*
- b) The Ethics Commission approves the proposed amendment by at least a four-fifths vote of all its members;*
- c) The proposed amendment is available for public review at least 30 days before the amendment is considered by the Board of Supervisors or any committee of the Board of Supervisors; and*
- d) The Board of Supervisors approves the proposed amendment by at least a two-thirds vote of all its members.*

The Commission seeks sponsorship of the Ordinance before the Board of Supervisors and appreciates your consideration of this request. We welcome and look forward to working with your office to pursue adoption of the Commission's recommended amendments.

If you have any questions about the attached, please feel free to contact me at (415) 252-3100.

Sincerely,

LeeAnn Pelham

LeeAnn Pelham
Executive Director

Attachment