



# ETHICS COMMISSION

## CITY AND COUNTY OF SAN FRANCISCO

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Date: January 16, 2018

To: Members of the Ethics Commission

From: Kyle Kundert, Senior Policy Analyst

Re: **Agenda Item 6 - Proposed regulation of the Ethics Commission to require electronic filing of behested payment reports filed under Campaign and Governmental Conduct Code Section 3.600 et seq.**

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**Summary:** This memorandum outlines and explains a proposed regulation to require electronic filing of behested payment reports outlined in Campaign and Governmental Conduct Code Section 3.600 et seq.

**Action Requested:** That the Commission consider and adopt the regulations proposed in Attachment 1.

San Francisco Charter Section 15.102 allows the Commission to “adopt, amend and rescind rules and regulations consistent with and related to carrying out the purposes and provisions of the Charter and ordinances related to campaign finances, conflicts of interest, lobbying, campaign consultants and governmental ethics.” The draft regulations attached hereto as Attachment 1 fall within the Commission’s rule and regulation making authority.

### Background

Under state law, when a payment of \$5,000 or more from a single source is made at the “behest” of a local elected official for a governmental, legislative, or charitable purpose, that official must file a “behested payment report.” This reporting requirement applies when there has been a single payment of \$5,000 or more or a series of payments over the course of a calendar year from a single source. After reaching the \$5,000 threshold, elected officials subject to this requirement must file a behested payment report with their departments within 30 days. Within another 30 days, such reports must be forwarded from those departments to the Ethics Commission. Under state law, no behested payment reporting requirement applies to members of City boards and commissions, unless they are also elected officials.

In January of 2017, the Board of Supervisors passed and the Mayor approved a City ordinance that would require City board and commission members to file behested payment reports with the Commission. The Ordinance requires members of City boards and commissions listed in Campaign and Governmental Conduct Code Section 3.1-103(a)(1) to file behested payment reports when they solicit “charitable contributions” totaling \$1,000 or more if the person

being solicited is a party or participant to a proceeding pending before the official's board or commission. The ordinance held that the Ethics Commission could, by regulation, require commissioners to electronically submit the information required by the behested payment reports. The proposed regulation attached here as Attachment 2 fulfills that instruction.

The new behested payment disclosure requirement became operational January 1, 2018. The proposed regulation would require that the report be filed in an electronic format developed by the Ethics Commission to promote accurate and timely reporting and ensure that filings are readily available for public review. Ethics Commission Staff have proposed the new regulation to promote compliance with the behested payment reporting required under Campaign and Governmental Conduct Code section 3.600 et seq.

**Recommended Motion**

The Commission should adopt the proposed regulation and instruct Staff to submit the regulation to the Board of Supervisors for their review.

**NEW-Ethics Commission Regulation 3.610-1:**

**NEW 3.610-1.** Any person subject to reporting under the provisions of Article III, Chapter 6 of the Campaign and Governmental Conduct Code must file the report in the manner prescribed by the Ethics Commission.