



**ETHICS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

**Report on
San Francisco's Public Campaign Financing Program
June 5, 2018 and November 6, 2018 Elections**

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I. Introduction

The Campaign and Governmental Conduct Code requires that “[f]ollowing each election at which the Mayor or members of the Board of Supervisors are elected, the Ethics Commission shall submit a report to the Mayor and Board of Supervisors” that provides certain information about the use of the public financing program in that election.¹ In the June 5, 2018 election, voters selected candidates for the offices of Mayor and Supervisor representing District 8. In the November 6, 2018 election, voters selected members of the Board of Supervisors representing Districts 2, 4, 6, 8, and 10. The Ethics Commission prepared this report for the Mayor and Board of Supervisors to provide information about the operation of the public financing program in both of these elections.

The data presented in this report is based on information reported in campaign disclosure statements covering the start of candidates’ campaigns through December 31, 2018, the last date for which information is available at the time of writing. The report also includes information from disclosures filed by independent committees and from Commission records of public funds disbursements to participating candidates.

II. Program Goals and Overview

San Francisco’s voluntary program of limited public campaign financing for City candidates was first established by Proposition O, a ballot measure approved by the voters in November 2000. Prop O established public financing for candidates for the Board of Supervisors, and in 2006 the program was expanded to include Mayoral candidates.

A. Program Goals

The City’s public campaign financing program serves many important public policy goals. The program seeks to ensure that candidates with a demonstrated level of community support can secure sufficient resources to mount a viable campaign. In doing so, public financing reduces candidates’ dependence on private contributions and encourages candidates to spend less on their campaigns, both of which lessen the potential for and appearance of undue influence by contributors and serves to improve the public’s trust in local government. Public financing also seeks to enable candidates to spend less time fundraising and more time interacting with voters and engaging in discussions on important issues. The availability of public matching funds also encourages citizens to be more politically active by incentivizing and empowering small-dollar contributions. By supporting candidates who have community support, public financing can also lead to more competitive races, which is important in ensuring quality representation of constituents.

B. Program Overview

San Francisco’s public financing system is funded through the Election Campaign Fund (“Fund”) established by the City’s Campaign Finance Reform Ordinance (“CFRO”). Under CFRO, the Fund receives a General Fund appropriation of \$2.75 per resident each fiscal year.² When a special election is held to fill a vacancy for the office of Mayor or Supervisor, CFRO may require additional appropriations into the

¹ Campaign & Gov. Conduct Code § 1.156.

² *Id.* at § 1.138(b).

Fund to ensure that sufficient funds are available to allow for the program's effectiveness in that election.³ Additional appropriations may occur before a regularly scheduled election, as well, if the fund's balance does not meet prescribed statutory minimums.⁴ At the outset of 2018, the fund held approximately \$7 million.

To establish eligibility to receive public financing, candidates must demonstrate a base of community support by raising a minimum number and total amount of contributions from City residents. To be certified for public funding in the 2018 election, a non-incumbent supervisorial candidate was required to raise contributions of at least \$10,000 from at least one hundred City residents, while an incumbent candidate was required to raise at least \$15,000 in qualifying contributions from at least 150 residents. A non-incumbent mayoral candidate was required to raise contributions totaling \$50,000 from at least 500 residents, and an incumbent was required to raise \$75,000 from at least 750 residents. Only contributions of \$10 to \$100 counted as qualifying contributions. These qualifying contributions had to be received by the candidate no earlier than eighteen months before the date of the election. Candidates had to abide by a campaign spending limit, could not accept loans from others, could contribute only a limited amount of their own funds to their campaigns, and had to agree to debate their opponents. Finally, in order to qualify, a candidate had to be opposed by a candidate who had received contributions or made expenditures over a certain amount.

Once certified as eligible for the program, candidates received an initial grant. Supervisorial candidates received an initial grant of \$20,000, while mayoral candidates received an initial grant of \$100,000. After receiving the initial grant, a candidate may receive matching funds distributed at either a two-to-one or one-to-one ratio for every dollar of contributions received. For example, for each dollar of privately raised contributions up to \$50,000, a non-incumbent supervisorial candidate may receive two dollars from the fund, up to a maximum of \$100,000. For each additional dollar of contributions raised thereafter, the candidate may receive public funds on a one-to-one match until reaching the maximum amount, which is \$155,000 for non-incumbent supervisorial candidates. The maximum amount of public funds that a supervisorial candidate may receive is \$155,000 (non-incumbents) or \$152,500 (incumbents), and the maximum amount that a mayoral candidate may receive is \$975,000 (non-incumbents) or \$962,500 (incumbents).

Based on spending activity in the race, a candidate's spending limit (the Individual Expenditure Ceiling or "IEC") must be raised by the Ethics Commission. This provision intends for candidates who are bound by a spending limit to have the ability to respond when independent expenditures and opponent fundraising exceed the candidate's initial IEC. Three factors may necessitate an increase to a candidate's spending limit: (1) contributions received by the candidate's best funded opponent, (2) independent expenditures in support of the candidate's best funded opponent, and (3) independent expenditures in opposition of the candidate. If these three factors, together, exceed the candidate's current spending limit by a certain amount, then the candidate's spending limit must be increased. Spending limits are adjusted daily on a candidate-by-candidate basis. The spending limits of supervisorial candidates are adjusted in increments of \$10,000, and the spending limits of mayoral candidates are adjusted in increments of at least \$100,000. In the 2018 elections, each supervisorial candidate's IEC started at \$250,000, and each mayoral candidate's IEC started at \$1,475,000.

³ *Id.* at § 1.138(b)(3)–(4).

⁴ Campaign & Gov. Conduct Code § 1.154(b)(1)–(2). CFRO sets \$7.50 per resident, plus fifteen percent for administrative costs, as the minimum for a regularly scheduled mayoral election and \$1.50 per resident plus fifteen percent as the minimum for a regular supervisorial election.

III. Information Regarding the June 2018 Election

Because of the death of Mayor Ed Lee in December 2017 and the election of District Eight Supervisor Scott Weiner to the California Senate in November 2017, a special election to fill both vacancies was held on June 5, 2018.

A. Candidates

In the mayoral race, eight candidates appeared on the June ballot. Of those candidates, four applied for public financing, and three candidates were certified as eligible to participate in the program. In the race to represent District 8 on the Board of Supervisors, two candidates applied for public financing, and both were certified as eligible.

Table 1 – Candidates in June 2018 Election

Seat	Candidates on the Ballot	Candidates Applied for Public Financing	Candidates Received Public Financing
Mayor	8	4	3
District 8	3	2	2
Total	11	6	5

B. Candidate Fundraising, Public Financing, and Spending

Of the eight mayoral candidates appearing on the ballot, three qualified to receive public financing. Together, those candidates received \$2,657,759 under the program; Table 1 shows how much each candidate received. Two of the candidates, London Breed and Mark Leno, received the maximum amount available for non-incumbent mayoral candidates.

Table 1 also indicates how much each candidate in the race received through private fundraising efforts. Adding together all candidates in the race, the candidates raised \$3,169,959 from contributors. The candidates' "Total Funds," as shown in Table 1, represents privately raised contributions plus public financing received through the program. Aggregating all candidates, this totaled \$5,827,718. Additionally, for candidates that received public financing, Table 2 indicates what percentage of a candidate's total funds were constituted of public funds. This ranged from 43.7 to 52.6 percent. Lastly, the table provides each candidate's total expenditures made in the race, which includes cash payments made, loans received, and unpaid debts incurred by the candidate's committee. In the aggregate, candidates spent \$6,064,045 in the 2018 Mayor's race.

Table 2 – Public Funds, Contributions, and Spending by Mayoral Candidates in the June 2018 Election

Candidate Name	Public Funds	Contributions	Total Funds	Public Funds as % of Total Funds	Total Expenditures
Alioto, Angela**	-	\$228,222	\$228,222	-	\$435,980
Bravo, Michelle	-	\$4,882	\$4,882	-	\$4,857
Breed, London*	\$975,000	\$1,254,197	\$2,229,197	44%	\$2,284,082
Greenberg, Richie	-	\$11,476	\$11,476	-	\$12,255
Kim, Jane	\$707,759	\$637,329	\$1,345,088	53%	\$1,312,961
Leno, Mark	\$975,000	\$963,636	\$1,938,636	50%	\$1,942,886
Weiss, Amy	-	\$12,506	\$12,506	-	\$12,581
Zhou, Ellen	-	\$57,711	\$57,711	-	\$58,443
Total	\$2,657,759	\$3,169,959	\$5,827,718		\$6,064,045

* Indicates candidate elected

** Candidate applied for public funds but did not qualify to receive funds

Table 3 provides the same data for supervisorial candidates who appeared on the ballot for the District 8 race. In total, two candidates received \$307,500 in public financing, which represented 44.5 to 46.9 percent of their respective total funds. Both candidates received the maximum amount of public funds available to them, which differed depending on the candidate’s status as an incumbent or non-incumbent. Aggregating all three candidates in the race, and including public funds, the candidates raised \$673,250 in total funds and spent \$662,873.

Table 3 – Public Funds, Contributions, and Spending by D8 Candidates in the June 2018 Election

Candidate Name	Public Funds	Contributions	Total Funds	Public Funds as % of Total Funds	Total Expenditures
Dagesse, Lawrence	-	\$600	\$600	-	\$294
Mandelman, Rafael*	\$155,000	\$175,321	\$330,321	47%	\$322,288
Sheehy, Jeff	\$152,500	\$189,829	\$342,329	45%	\$340,291
Total	\$307,500	\$365,750	\$673,250		\$662,873

* Indicates candidate elected

C. Candidate Spending Limits

Although candidates who receive public financing must agree to abide to a limit on their campaign’s expenditures, each candidate’s spending limit, or IEC, must be increased by the Ethics Commission if financial activity in the race reaches a certain level. Tables 4a and 4b indicate the number of spending

limit increases for each publicly financed candidate and the final level of each candidate’s spending limit. The tables also indicate each candidate’s level of total funds at the time when the candidate’s spending limit was increased for the final time. Spending limits were raised forty-three times during the June election.

Table 4a – Spending Limits of Mayoral Candidates in the June 2018 Election

Candidate	Date of First IEC Increase	Number of IEC Increases	Highest Adjusted IEC	Candidate Total Funds on Date IEC Last Raised
Breed, London	5/10/2018	5	\$2,175,000	\$2,075,000
Kim, Jane	4/26/2018	12	\$3,575,000	\$1,156,296
Leno, Mark	4/26/2018	13	\$3,375,000	\$1,915,376
Total		30		

Table 4b – Spending Limits of D8 Candidates in the June 2018 Election

Candidate	Date of First IEC Increase	Number of IEC Increases	Highest Adjusted IEC	Candidate Total Funds on Date IEC Last Raised
Mandelman, Rafael	5/14/2018	6	\$410,000	\$299,436
Sheehy, Jeff	5/15/2018	7	\$360,000	\$343,052
Total		13		

D. Third-Party Spending

During the ninety days immediately preceding an election, third-parties (i.e. individuals or groups that are not candidate committees) are required to file a report any time they make independent expenditures totaling \$1,000 or more or spend \$1,000 or more to distribute member communications or electioneering communications. Independent expenditures fund activity that expressly advocates for or against the election of a particular candidate. These expenditures are intended to affect the outcome of the election, so making information about them public serves an important transparency purpose. A member communication is a communication that is distributed exclusively to “members, employees, shareholders, or families of members, employees, or shareholders of an organization, including a communication by a political party.”⁵ A group that makes a member communication has to file a report if the communication advocates for or against a candidate for City office. Like the disclosure of independent expenditures, disclosing member communications serves to inform voters about the origins of communications that seek to affect the outcome of a local election.

An electioneering communication is a communication that refers to a clearly identified candidate and is distributed within ninety days before an election. Electioneering communications, however, do not expressly advocate for the election or defeat of the candidate.⁶ Although electioneering communications do not contain express advocacy, they still have the potential to affect the outcome of

⁵ Cal. Gov. Code § 85703(c), as incorporated by Campaign & Gov. Conduct Code § 1.104.

⁶ Campaign & Gov. Conduct Code § 1.104.

an election by publicizing an identified candidate shortly before the election. Even without expressly advocating for the candidate’s election or defeat, electioneering communications can portray the candidate in a positive or negative light or simply build name recognition. Disclosing information about these communications therefore serves the same transparency interest as with independent expenditures and member communications.

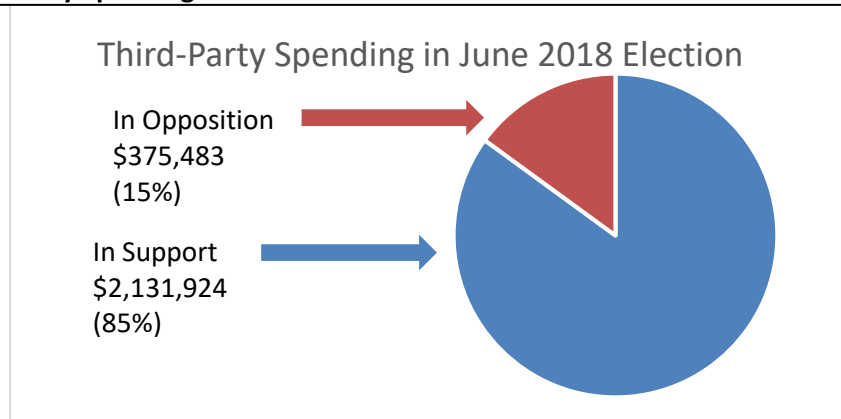
Third party spending reports serve multiple purposes. They inform the public about the amount and the source of money that is being spent to influence the outcome of an election. Additionally, spending limit increases are based in part on third party activity, and the reports are the source of the necessary data for the Commission to increase candidates’ spending limits. Each of these three types of reports must be filed within twenty-four hours of the communication being distributed to give voters information about the communications shortly after they are distributed. During the June election, 298 third-party reports were filed in connection with the mayoral election, and forty-two were filed in connection with the District 8 election.

Using the data disclosed on the third-party spending reports, the public can determine how much third parties spend in each race and which candidates are affected by that spending. Table 5 and Chart 5a show the total amount of third-party spending to support or oppose candidates in the June election. Third parties spent \$2,370,428 in the race for Mayor and \$136,979 in the race for District 8 Supervisor, for a total of \$2,507,407. Of this third-party spending, \$2,131,924 was spent in support of a candidate, while \$375,483 was in opposition to a candidate.

Table 5 – Third-Party Spending in June 2018 Election

Affected Candidate	Race	Supportive Spending	Opposition Spending	Total 3rd Party Spending
Mandelman, Rafael	D8	\$60,109	\$0	\$60,109
Sheehy, Jeff	D8	\$75,473	\$1,397	\$76,870
Total (D8)		\$135,582	\$1,397	\$136,979
Breed, London	Mayor	\$1,248,098	\$0	\$1,248,098
Kim, Jane	Mayor	\$487,488	\$265,195	\$752,683
Leno, Mark	Mayor	\$260,756	\$108,891	\$369,647
Total (Mayor)		\$1,996,341	\$374,087	\$2,370,428
Total in June Election		\$2,131,924	\$375,483	\$2,507,407

Chart 5a – Third-Party Spending in June 2018 Election



IV. Information Regarding the November 2018 Election

In the November 2018 general election, all even-numbered supervisorial districts appeared on the ballot. Candidates for supervisor may apply to receive funds under the public financing program.

A. Candidates

The following table indicates how many candidates appeared on the ballot as candidates for each seat. The table also indicates how many of those candidates applied for public financing and how many were ultimately certified as eligible to receive public financing. In the June 2018 election, fifty percent of Supervisorial candidates appearing on the ballot applied to participate in the program.

Table 6 – Candidates in Nov. 2018 Election

Seat	Candidates Appeared on the Ballot	Candidates Applied for Public Financing ⁷	Candidates Received Public Financing
District 2	3	2	2
District 4	8	3*	2 [†]
District 6	3	3	2
District 8	2	0	0
District 10	6	3 [‡]	3
Total	22	11	9

⁷ Candidates apply for public financing by submitting a Qualifying Request, also known as a Declaration. In this filing, a candidate must agree to all program rules and must demonstrate having met all requirements, including the minimum fundraising threshold.

* Two additional candidates indicated that they would have applied for public financing had they not failed to submit the Statement of Participation or Non-Participation by the statutory deadline. Failure to timely file the Statement of Participation prevents a candidate from qualifying for the program.

[†] A third candidate was certified as eligible to receive public financing, but the candidate declined to accept funds under the program.

[‡] A fourth candidate indicated that the candidate would have applied for public financing had the candidate not failed to submit the Statement of Participation or Non-Participation by the statutory deadline.

B. Candidate Fundraising, Public Financing, and Spending

As discussed above, of the twenty-two supervisorial candidates appearing on the November ballot, nine (eighty-one percent) qualified to receive public financing. Together, those candidates received \$1,205,965 under the program. Tables 7a through 7e show how much each candidate in the five separate races received. The tables also indicate how much each candidate raised in private funds, what level of “Total Funds” each candidate attained, what percentage of a candidate’s total funds consisted of public funds received through the program, and what each candidate’s total expenditures were. Candidates elected to office are indicated with an asterisk.

Table 7a – Public Funds, Contributions, and Spending by D2 Candidates in the November 2018 Election

Candidate Name	Public Funds	Contributions	Total Funds	Public Funds as % of Total Funds	Total Expenditures
Dennis, John	-	\$39,104	\$39,104	-	\$36,830
Hudak, Schuyler	\$101,432	\$100,011	\$201,443	50%	\$202,862
Josefowitz, Nick	-	\$1,086,618	\$1,086,618	-	\$1,092,260
Stefani, Catherine*	\$155,000	\$340,439	\$495,439	31%	\$539,643
Total	\$256,432	\$1,566,172	\$1,822,604		\$1,871,595

* Indicates candidate elected

Table 7b – Public Funds, Contributions, and Spending by D4 Candidates in the November 2018 Election

Candidate Name	Public Funds	Contributions	Total Funds	Public Funds as % of Total Funds	Total Expenditures
Bassan, Lou Ann	-	\$22,331	\$22,331	-	\$25,079
Ho, Jessica	\$129,287	\$139,409	\$268,697	48%	\$268,697
Kim, Adam	-	\$1,056	\$1,056	-	\$985
Mar, Gordon*	\$149,226	\$145,862	\$295,088	51%	\$299,251
McNeil, Trevor	-	\$48,597	\$48,597	-	\$47,847
Murphy, Mike	-	\$2,315	\$2,315	-	\$2,093
Nguyen, Tuan	-	\$6,196	\$6,196	-	\$3,059
Tom, Art	-	\$13,493	\$13,493	-	\$26,003
Total	\$278,513	\$379,260	\$657,773		\$673,014

* Indicates candidate elected

Table 7c – Public Funds, Contributions, and Spending by D6 Candidates in the November 2018 Election

Candidate Name	Public Funds	Contributions	Total Funds	Public Funds as % of Total Funds	Total Expenditures
Haney, Matt*	\$155,000	\$407,932	\$562,932	28%	\$558,085
Johnson, Christine	\$125,646	\$129,432	\$255,077	49%	\$256,478
Trauss, Sonja	-	\$239,506	\$239,506	-	\$255,660
Total	\$280,646	\$776,870	\$1,057,515		\$1,070,222

* Indicates candidate elected

Table 7d – Public Funds, Contributions, and Spending by D8 Candidates in the November 2018 Election

Candidate Name	Public Funds	Contributions	Total Funds	Public Funds as % of Total Funds	Total Expenditures
Dagesse, Lawrence	-	-	-	-	n/a
Mandelman, Rafael*	-	\$238,460	\$238,460	-	\$232,104
Total		\$238,460	\$238,460		\$232,104

* Indicates candidate elected

Table 7e – Public Funds, Contributions, and Spending by D10 Candidates in the November 2018 Election

Candidate Name	Public Funds	Contributions	Total Funds	Public Funds as % of Total Funds	Total Expenditures
Berry, Gloria	-	\$435	\$435	-	\$595
Chandler, Asale-Haquekyah	-	\$0	\$0	-	\$0
Ellington, Theo	\$139,750	\$180,932	\$320,682	44%	\$320,664
Kelly, Tony	\$135,925	\$107,845	\$243,770	56%	\$237,231
Pease-Greene, Uzuri	-	\$5,755	\$5,755	-	\$7,775
Walton, Shamann*	\$114,698	\$195,602	\$310,300	37%	\$298,069
Total	\$390,374	\$490,569	\$880,942		\$864,335

* Indicates candidate elected

C. Candidate Spending Limits

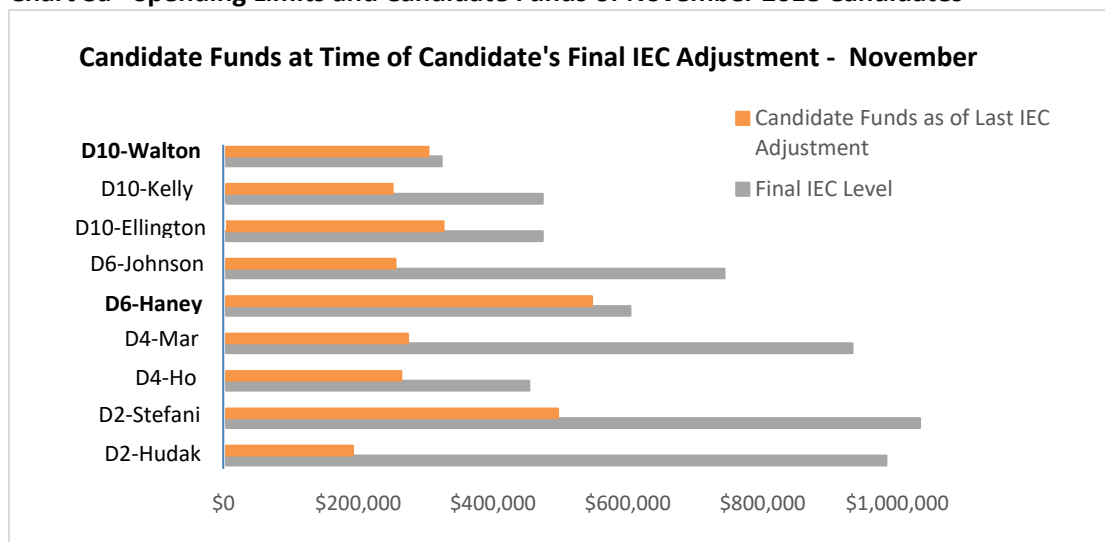
Because of the campaign fundraising of candidates and the spending activities of third parties in the November races reached certain levels defined in the law, the Commission was required to increase the spending limits for individual candidates. Table 8 indicates the number of spending limit increases experienced by each publicly financed candidate and the final level to which each candidate’s spending limit was adjusted. The table also indicates each candidate’s level of total funds at the time when the candidate’s spending limit was increased for the final time. For these candidates, spending limits were raised 122 times during the November election.

Table 8 - Spending Limits of November 2018 Candidates

Candidate	Race	Date of First IEC Increase	Number of IEC Increases	Highest Adjusted IEC	Candidate Total Funds on Date IEC Last Raised
Hudak, Schuyler	D2	6/26/2018	11	\$980,000	\$188,438
Stefani, Catherine	D2	8/17/2018	10	\$1,030,000	\$493,058
Ho, Jessica	D4	10/16/2018	12	\$450,000	\$260,132
Mar, Gordon	D4	9/28/2018	17	\$930,000	\$270,053
Haney, Matt	D6	9/21/2018	17	\$600,000	\$543,286
Johnson, Christine	D6	9/21/2018	22	\$740,000	\$251,625
Ellington, Theo	D10	9/28/2018	15	\$470,000	\$322,763
Kelly, Tony	D10	9/28/2018	15	\$470,000	\$247,267
Walton, Shamann	D10	10/4/2018	3	\$320,000	\$300,322
Total			122		

This same data is represented visually in Chart 8a below. Two candidates, Shamann Walton and Matt Haney, had total funds that came close to their respective final IEC levels at the time that their IECs were raised for the final time. Nearly all other candidates, however, had total funds that were significantly below their final adjusted IEC levels.

Chart 8a - Spending Limits and Candidate Funds of November 2018 Candidates



D. Third-Party Spending

A total of 456 third party spending forms were filed in connection with the supervisorial races in the November 2018 election. Using the data disclosed on the third-party spending reports, Table 9 provides the total amount of third-party spending to support or oppose supervisorial candidates in the November election. Such spending totaled \$2,135,765 in connection with these races. Of this third-party spending, \$1,956,835 was spent in support of a candidate, while \$178,930 was in opposition to a candidate. Chart 9a represents this data visually, and Chart 9b provides a breakdown of third-party spending done in support of a candidate versus third-party spending done in opposition to a candidate.

Table 9 – Third-Party Spending in November 2018 Supervisorial Races

Affected Candidate	Race	Supportive Spending	Opposition Spending	Total 3rd Party Spending
Stefani, Catherine	D2	\$21,659	\$44,500	\$66,159
Hudak, Schuyler	D2	\$8,250	\$0	\$8,250
Josefowitz, Nick	D2	\$30,083	\$75,478	\$105,561
Ho, Jessica	D4	\$664,945	\$21,003	\$685,949
Mar, Gordon	D4	\$168,912	\$11,630	\$180,542
Haney, Matt	D6	\$171,515	\$0	\$171,515
Johnson, Christine	D6	\$353,682	\$26,319	\$380,001
Trauss, Sonja	D6	\$353,682	\$0	\$353,682
Ellington, Theo	D10	\$0	\$0	\$0
Kelly, Tony	D10	\$4,924	\$0	\$4,924
Walton, Shamann	D10	\$179,182	\$0	\$179,182
Total		\$1,956,835	\$178,930	\$2,135,765

Chart 9a - Third-Party Spending in November 2018 Supervisorial Races

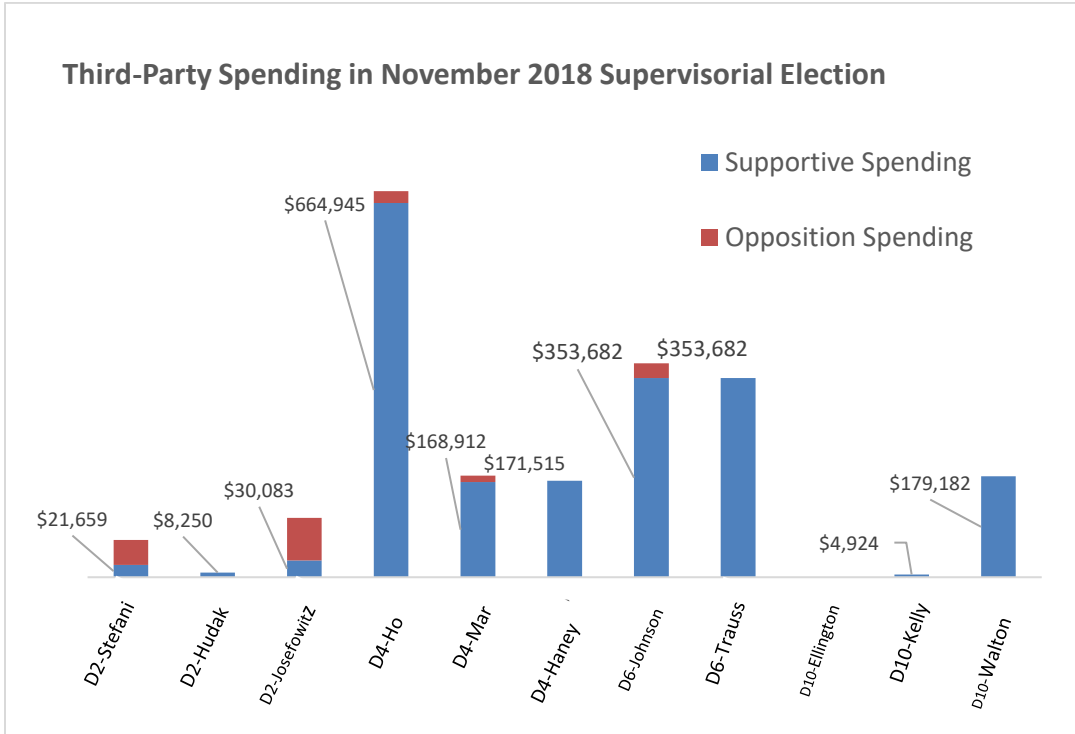
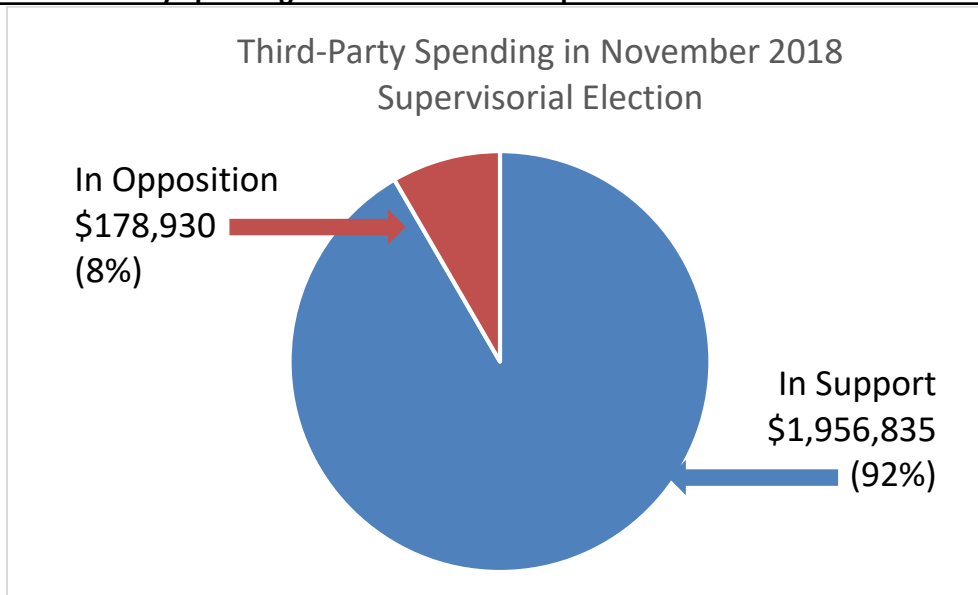


Chart 9b - Third-Party Spending in November 2018 Supervisorial Races



V. Ethics Commission's Review of the Public Financing Project

Since July 2018, the Ethics Commission has been engaged in a comprehensive review of the City's public campaign finance program, and the review is currently the Commission's top policy priority. The review has been undertaken in two phases. The first phase, which began in June 2018 and concluded in early 2019, sought to deepen the program's impact without making significant changes to the program's basic features. The narrow and targeted nature of this phase was designed to enable quick implementation of those changes in order to be completed in time for the November 2019 election. The second phase, which is currently ongoing, examines the more fundamental features of the program to strengthen the program's impact in future elections. Both phases of the review project are discussed below.

A. Phase I

Phase I sought to identify features of the Program that created undue complexity, confusion, or requirements on participating candidates while not yielding a corresponding policy benefit. The goal was to identify ways in which the Program's effectiveness and workability can be improved to support broad candidate participation in the program and strengthen the program's impact on participating candidates.

The features of the Program addressed in Phase I were those that candidates and the Commission observed to be problematic for candidates during the June and November elections in 2018. Through formal appeals, public comment, questions, concerns and feedback, there was a clear indication that candidates, treasurers, and members of the public were experiencing some frustration with these aspects of the Program. Phase I responded to these concerns by analyzing these Program features and identifying ways to improve them while still maintaining the current structure and parameters of the Program. Staff endeavored to complete the Phase I improvements in time for them to be in place for the November 2019 election.

The improvements created through Phase I took multiple forms:

- (1) a set of revised regulations to provide greater clarity about various program rules and requirements, which the Commission approved at its regularly scheduled November 2018 meeting and which became operative in January 2019;
- (2) reexamination of administrative aspects of the program to ensure that the program continues to perform in a predictable, efficient, and fair manner;
- (3) improvements to the written resources that are available to Program participants to provide more detailed information about how to qualify for the program and comply with its rules; and
- (4) an ordinance that would change certain procedural features of the program that are established by statute.

B. Phase II

The Commission is currently engaged in Phase II of the review project. Phase II will build on the key workability improvements advanced in Phase I and will broaden the scope of Program features reviewed. Phase II will analyze, among other things, the basic parameters of the Program, including the total amount of public funding that candidates can qualify to receive, the requirements for qualifying for the Program, the ratio at which private contributions are matched with public money (both via an initial grant and subsequent contribution matching), the initial spending limit that applies to participants, and

whether any alternative model of public financing, such as democracy vouchers, is feasible and advisable at this time.

The process for the second phase of review will mirror that of the first phase, with significant opportunity for community input and collaboration, analysis of potential changes, consideration of changes by the Commission at its public meetings, and the potential approval by the Commission of an ordinance. Because of the broader scope and more fundamental nature of these potential changes to the program, the likely timeline of this project would not allow for the changes to affect the November 2019 election. The targeted timeline for this phase of changes is the November 2020 election.