



ETHICS COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

DAINA CHIU
CHAIR

Date: February 14, 2020

NOREEN AMBROSE
VICE-CHAIR

To: Members of the Ethics Commission

YVONNE LEE
COMMISSIONER

From: Pat Ford, Senior Policy and Legislative Affairs Counsel

FERN M. SMITH
COMMISSIONER

Re: **AGENDA ITEM 5 – Discussion of Monthly Staff Policy Report including presentation on new laws and resources in place for 2020 elections following Public Financing Review Project**

LATEEF H. GRAY
COMMISSIONER

Summary: This memorandum provides updates on ongoing policy projects, pending local legislation, and other operational projects involving the Policy Division to assist the Commission, the public, and Staff in engaging with the Commission's policy work. In conjunction with this report, Staff will also deliver a presentation about the outcomes of the public financing review project.

LEEANN PELHAM
EXECUTIVE DIRECTOR

Action Requested: That the Commission review the updates provided in this report.

Section I of this memorandum provides status reports about ongoing policy projects that the Commission has identified as policy priorities as part of its Policy Prioritization Plan. Section II provides information about ongoing operations and projects that, while not a part of the Commission's Policy Prioritization Plan, regularly require ongoing attention and resources of the Policy Division.

I. Policy Prioritization Plan – Status of Ongoing Initiatives

This section describes the status of the Commission's current policy priorities.

A. Electronic Filing of the Form 700

At its January meeting, the Commission approved regulations to require electronic filing by all designated employees who are required to file the Form 700 Statement of Economic Interests to publicly disclose their personal financial interests. I have transmitted the regulations to the Board of Supervisors, and, barring any action by the Board, the regulations will become effective on March 17th. Under the regulations, employees will begin to file electronically beginning on January 1, 2021.

B. Public Financing Review Project

Beginning in June 2018, Staff undertook a comprehensive review of the City's public campaign financing program. This project resulted in the enactment of two ordinances, three sets of regulation amendments, new and improved compliance materials, and refined administrative

processes. Staff has now completed the process of fully implementing the new laws that resulted from this project and has made the new compliance materials available. Staff will deliver a brief presentation that summarizes the implementation process and shows the new compliance resources that are available.

II. Miscellaneous Policy Administrative Projects

This Section describes some of the ongoing work by the Policy division that does not fall within the policy projects identified under the Policy Prioritization Plan. This work includes: advice to Staff and the regulated community regarding the laws administered by the Commission; legislative affairs; and media relations. Some of the larger ongoing initiatives are described below.

A. Biennial Review of Form 700 Filer Lists

State law requires that every two years local jurisdictions review which of their officials and employees are required to file the Form 700 and make any necessary updates based on changes in the duties associated with the positions.¹ Policy is currently collaborating with the City Attorney's office, the Clerk of the Board, and the Department of Human Resources to prepare for this biennial review process, which will take place over the course of calendar year 2020. Staff plans to serve as a resource to departments as they analyze their lists of designated filers, providing subject matter expertise on Form 700 filing requirements.

At this stage in the process, the Clerk of the Board is preparing to distribute a memo to all City departments notifying them of the beginning of the review process. The notice, which will likely be distributed in the coming weeks, will ask departments to submit any changes to their filer lists by May 1st. The notice will also include a guide prepared by Ethics Staff that explains how a department should review its filer list. Next, the Department of Human Resources will begin engaging with employee bargaining units to ensure that they have the opportunity to provide their feedback on current filing requirements prior to departments submitting their changes on May 1st.

B. Proposition F Litigation

As discussed more fully under the separate litigation agenda item, a San Francisco political committee recently sued to enjoin the City and County from enforcing the disclaimer provisions of Proposition F, the ballot measure that was approved in the November 2019 election, as well as certain disclaimer provisions of the Anti-Corruption and Accountability Ordinance. During the litigation, I have been assisting the City Attorney's office in fully understanding the requirements of the disclaimer rules at issue. Depending on the outcome of the litigation, I will work with other staff members as needed to ensure full compliance with any court order that may be issued.

C. Policy Prioritization Plan

The Policy Prioritization Plan (PPP) is a mechanism for planning and structuring the Commission's policy priorities and planning for the work that underlies those priorities. Policy anticipates proposing an updated PPP at the Commission's March meeting because the priorities discussed in Section I above are

¹ Cal. Gov. Code § 87306(b). *See also* Campaign & Gov. Conduct Code § 3.1-100 et seq. (containing lists of designated City positions that must file the Form 700).

nearing completion and additional priorities can be explored.² One project that will likely require Policy's attention in the next quarter, and that will therefore appear as a proposed PPP priority, is the biennial review of the list of Form 700 filers contained in Article III, Chapter 1 of the Campaign and Governmental Conduct Code (discussed in Section II.A above). Policy will likely propose one additional project to be started during the next quarter.

² The January policy report discussed the PPP appearing on the agenda for the February meeting. Because of the planned absence of the chair-elect Noreen Ambrose from this month's meeting, the PPP will appear on the March agenda to allow for fuller involvement of Commission leadership in the PPP discussion.