STATEMENT OF ECONOMIC INTERESTS – FORM 700

Filer Information Session (FI-1)
February 17, 2021

For Elected Officials, Department Heads, Board Members and Commissioners (E-Filers)
AGENDA

- Overview - Statement of Economic Interests
- Form 700 and Schedules
- Additional Filing Requirements for City Officials
- Filer Support and Resources
OVERVIEW
STATEMENT OF ECONOMIC INTERESTS
STATEMENT OF ECONOMIC INTERESTS - FORM 700

- Political Reform Act
- Why Statement of Economic Interests Form 700s are filed
- How Form 700 disclosure supports Transparency and Accountability
WHO FILES FORM 700?

- Elected Officials, Departments Heads, Board Members and Commissioners
- Designated Employees

Learn more online:
San Francisco Campaign & Governmental Conduct Code
FORM 700 FILING REQUIREMENTS AND DUE DATES

- Assuming Office – Within 30 days
- Annual – April 1 2021
- Leaving Office – Within 30 days

*Exception: If you assumed office between Oct 1 2020 and April 1 2021, and filed an assuming office Form 700, you do not need to file annual Form 700 until April 1 2022.

Learn more online: Form 700 Filing Deadlines page
Elected Officials, Departments Heads, Board Members and Commissioners

- Login to the Ethics Commission E-filing system (NetFile)
- Complete and submit the form online by due date

Learn more online: 2021 Annual Form 700 Filing Requirements Page
FYI -- Designated Employees only!

- Complete and sign Form 700 on paper
- Electronic filing on the horizon
PUBLIC ACCESS TO FILED FORMS

- Form 700 statements filed electronically
  - Available at Form 700 Online Disclosure (with limited redactions)
  - Un-redacted forms are accessible to the public on request at the Ethics Commission
LATE FILING AND ENFORCEMENT

- No provision in the law to extend Form 700 due dates
- Late fees of $10/day up to a $100 for each required filing
- Non-filers may be subject to disciplinary and/or enforcement actions with potential fines of up to $5,000 per violation

Learn more online:
Late Filing and Enforcement page
FAILURE TO FILE

- **Potential Discipline** -- Failure to file within 30 days after receiving notice from the Ethics Commission may result in disciplinary action by the Appointing Authority, including removal from office.

- **Required Disqualification** – Non-Filers are disqualified from all participation in and voting on matters listed on their boards’ and commissions’ meeting agenda.

- **Public Announcement** – required at each meeting of the board or commission.

- **Reinstatement** – automatic upon filing of the delinquent statement(s).
AMENDMENTS TO ELECTRONICALLY FILED FORM 700

- Important -- Amend the original filing
- Only the amended page(s) will be visible (not the entire original filing)
- Amendments can be made to current or prior years’ filings
- Contact department’s filing officer or the Ethics Commission for questions

Learn more online:
How to File Form 700
FORM 700 AND SCHEDULES
ABOUT THE DISCLOSURE CATEGORY – WHY IT MATTERS

- Your Disclosure Category may only require disclosure of specific investments

- These departments have specific, limited disclosure requirements:
  - Asian Art Commission
  - Arts Commission
  - Civil Service
  - Department of Elections
  - Fine Arts
  - Health Authority
  - Human Rights Commission
  - Juvenile Probation Commission
  - Law Library
  - Residential Rent Stabilization and Arbitration Board
  - War Memorial And Performing Arts Center
  - Status of Women, Department on the
  - Workforce Investment Board
CONFLICT OF INTEREST CODE REVIEW

- Biennial (every two year) review process
- Conducted by the Clerk of the Board of Supervisors, Ethics Commission, and City Attorney’s Office
- Subject to approval by the Board of Supervisors
- Current amendment becomes operative 2/21/2021
HOW TO FIND YOUR DISCLOSURE CATEGORY

- Visit San Francisco Campaign & Governmental Conduct Code
- Click on the section for your department
HOW TO FIND YOUR DISCLOSURE CATEGORY

- View the disclosure category and description for the position (Note: description for disclosure category 1 is under 3.1-107)
- Filing Officers/Department Heads are the points of contact for questions
Reporting period for 2021 annual filing: 1/1/2020 to 12/31/2020

Filer’s position and disclosure category will determine reportable financial interests

Reportable financial interests include filer’s own and those of filer’s spouse/partner. They also include interests of dependent children.
Inform the Ethics Commission of contact information
- Redacted online
- Available upon request

NetFile will indicate which schedules contain disclosures

The form will be signed electronically once submitted
FORM 700 SCHEDULES

- Schedules
  - A-1: Investments - Stocks, Bonds, and Other Interests (Ownership <10%)
  - A-2: Investments, Income, and Assets of Business Entities/Trusts (Ownership >10%)
  - B: Interests in Real Property
  - C: Income, Loans, and Business Positions
  - D: Income - Gifts
  - E: Income - Gifts of Travel Payments, Advances, and Reimbursements
Investments - Stocks, Bonds, and Other Interests (Ownership <10%)

- Investments worth $2,000 or more
- Stocks/bonds chosen by the individual
- Mutual funds are not required to be disclosed
Investments, Income, and Assets of Business Entities/Trusts (Ownership >10%)

- Business ownership
- Must report any client that was a source of more than $10k of income
- Trust funds
Interests in Real Property

- Report interests (worth $2,000 or more) in real property owned within the city (personal home is generally excluded)
- Report rental income from properties owned within the city (including personal home, if a portion of it is rented out)
- Tenants’ names are also reported and not redacted on paper filings
- Personal mortgages are not reportable if they are at rates available to the general public
Income, Loans, and Business Positions

- Sources of income of $500 or more
- Need not report governmental salary
- Income from businesses and non-profits
- Income from sale of property (home, car etc.)
- Source of income consideration: Entity conducts business within the city
- Do not double report business ownership as employment
FORM 700  SCHEDULE D REMINDERS

Income – Gifts

- Report gift(s) with cumulative value of $50 or more
- Gift limit – Not more than $500* in 2020 from a single source
- Common exceptions
  - Gifts from family members
  - Gifts of informational material (example: conference admission)

*Gift limit is $520 beginning January 1, 2021

Learn more online: Gifts and Travel page
**FORM 700 SCHEDULE E REMINDERS**

**Income - Gifts of Travel Payments, Advances, and Reimbursements**

- Need not report gifts from family members
- Need not report travel paid for by the City to carry out your official duties

Learn more online: Gifts and Travel page
ADDITIONAL FILING REQUIREMENTS FOR CITY OFFICIALS
BEHEADED PAYMENTS

- Elected Officials
  - Per State law, elected officials must file FPPC Form 803 with their agency for payments of $5,000 or more made at the official’s behest, and forward a copy to the Ethics Commission.
  - Per City law, elected officials must e-file SFEC Form 3610b with the Ethics Commission for certain behested payments of $1,000 or more.

- Members of City Boards and Commissions and Department Heads (eff. 9/24/2020)
  - Per City law, officials must e-file SFEC Form 3610b with the Ethics Commission for certain payments of $1,000 or more.
  - Additional filing requirements for Donors and Recipients of behested payments.

For details visit Behested Payments and SF Campaign & Governmental Conduct Code Sec. 3.600 et seq.
Any member of a City board or commission who has a conflict of interest or who must recuse himself or herself from a proceeding shall in the public meeting of the board or commission prior to the consideration of the matter:

- Publicly identify the circumstances, recuse himself or herself, and leave the room until after the consideration of the matter.

Recusal Notification

- Electronically file Form SFEC-3.209 with the Ethics Commission for each recusal along with a copy of the meeting agenda.
- File within 15 calendar days after the date of the meeting at which the recusal occurred.
- For more details visit SF Campaign & Governmental Conduct Code Sec. 3.209.
GIFT RULES

- **Annual gift limit** for City officials and employees
  - $500 for 2020 annual Form 700 reporting period
  - Increased to $520 for 2021 and 2022

- **Other gift laws**
  - Restricted source rule ($25 gift limit)
  - Gifts from subordinates (generally prohibited)
For more information regarding gifts and conflict of interest rules, refer to:

- Conflict-of-Interest Rules for Elective Officers and Members of City Boards and Commissions
- City Attorney’s Good Government Guide
- Your department’s Statement of Incompatible Activities (SIA)
### SUPPORT & RESOURCES

#### Filer Assistance
- Filing Liaison for the department
- Ethics Commission – [ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) or (415) 252-3100
- Fair Political Practices Commission (FPPC) - (866) 275-3772 (866-ASK-FPPC)
- Deputy City Attorney assigned to your department

#### Online Resources
- Ethics Commission website - [www.sfethics.org](http://www.sfethics.org)
- Fair Political Practices Commission website - [www.fppc.ca.gov/Form700.html](http://www.fppc.ca.gov/Form700.html)
Statement of Economic Interests (Form 700)

City officers and designated employees are required to disclose reportable financial interests by filing Statement of Economic Interests (501), also known as Fair Political Practices Commission (FPPC) Form 700. These public officials help officials and employees monitor their financial interests, identify when those interests might conflict with their government actions, and take steps to avoid conflicts of interests. The Political Reform Act of 1974 prohibits public officials from using their official position to influence a governmental decision in which they have reason to know they have a financial interest (Gov Code § 87100).

2019 Annual Form 700 due Tuesday, April 2, 2019, and Ethics and Sunshine Training Declaration Form due Monday, April 1, 2019. Learn More.

File SEI – FPPC Form 700

Designated Employees: File hard copy Form 700 with your filing officer. Learn more about how to file Form 700.

Elected Officials, Department Heads, Board Members and Commissioners: File your Form 700 online. Learn more about how to file Form 700.

Ethics & Sunshine Training

- Elected Officials, Department Heads, Board Members and Commissioners need to fulfill Ethics and Sunshine training requirements.
- Watch Ethics and Sunshine Online Training.
- E-File Ethics and Sunshine Training Declaration Form.
**QUESTIONS?**

**Raise Hand** to indicate that you have a question. Select the icon next to your name in the participant list. Wait for the host to call your name and unmute your mic.

To **Raise Hand**, find your name on the **participant** list, and hover over your name. A **Raise Hand** icon will appear.

If you don’t see participants list, click on the **Participants button** on the lower right in the WebEx window.

To **Lower Hand**, select raise hand icon again.

If calling in by phone, **Dial *3** to raise your hand if you have a question. You will hear, “You have raised your hand to ask a question, please wait until the host calls on you.”

The line will be silent as you wait for your turn to speak.

When the system message says **“Your line has been unmuted”** this is your turn to speak.

To **Lower Hand**, Dial *3 again.
Thank you

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