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LEEANN PELHAM
EXECUTIVE DIRECTOR

Date: May 10, 2021
To: Members of the Ethics Commission
From: Pat Ford, Senior Policy and Legislative Affairs Counsel
Re: **AGENDA ITEM 6 – Discussion of Staff Policy Report**

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.

Action Requested: That the Commission review the updates provided in this report. No action is required as this report is provided for informational purposes only.

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 (PPP). 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 – Summary of Current Projects

This section describes policy projects that the Commission identified as priorities in the Policy Prioritization Plan.

A. Review of Conflict-of-Interest Code and Regulations

At its September 9, 2020 meeting, the Commission identified a review of the City's conflict-of-interest rules as a policy priority. This project addresses the serious issues raised by the ongoing investigations into alleged corrupt activity by City officials and contractors. The project involves the review of various ethics rules, such as those regarding gifts, behested payments, recusals, incompatible activities, and post-employment restrictions.

As discussed in prior Policy Reports, Staff is undertaking this project in at least two phases. The first phase focuses on behested payments, which are payments made by someone at the request of a public official or employee, usually to a nonprofit organization. The second phase focuses on gift rules and closely related laws.

Phase I: Behested Payments

At its November 2020 meeting, the Commission unanimously approved staff's recommendation to amend the Campaign and Governmental Conduct Code to prohibit all City officers and designated employees (those who file the Form 700) from soliciting behested payments from interested parties. Supervisor Haney introduced a substitute version of File 201132 in March that mirrors the majority of the Commission's legislative proposal. The ordinance is co-sponsored by Supervisors Peskin and Chan.

Since the Commission's April meeting, Staff worked with the Department of Human Resources and Supervisor Haney's office to meet and confer with employee bargaining units about the impacts of the ordinance. Once the meet-and-confer process concludes, the ordinance can be heard by the Rules Committee of the Board of Supervisors, whose members are Supervisor Peskin (Chair), Supervisor Mandelman (Vice-Chair), and Supervisor Chan.

Phase II: Gifts

Staff has initiated Phase II of the project, which focuses on gift rules. State and local laws restrict gifts made to City officials and employees.

Policy held interested persons meetings on April 27th and 29th to seek guidance and feedback from stakeholders. Attendees included representatives of national and statewide good government groups, representatives of the regulated community, and aides to Supervisors Chan and Preston. Staff is reviewing the input provided by the stakeholders and will continue to engage with them throughout the project. Anyone who wishes to provide written input may do so by emailing Michael.A.Canning@sfgov.org.

Policy will continue to conduct research into ethical issues involved with gifts, including analysis of available public disclosure data, reviews of laws in other jurisdictions, and analysis of the practical implications of implementing and enforcing any revised rules. Policy will submit a report containing findings and recommendations following this review.

II. Miscellaneous Policy Administrative Projects

Policy has been engaged on a number of items during the last month that do not fall within the policy projects identified under the Policy Prioritization Plan. This work includes: research and advice to Staff and the regulated community regarding the laws administered by the Commission, legislative affairs, media relations, and general program administration.

A. Public Financing Report

Following any election featuring a Mayoral or Supervisorial contest, the Ethics Commission must submit a report to the Mayor and the Board of Supervisors that contains certain data about the use of the City's public campaign financing program during the election. The report provides consistent, standardized reporting on the program that serves to inform the public and policymakers about the program's important role in local elections. The report also helps enable period reviews of the program by providing longitudinal data.

Policy collaborated with Lead Auditor Robb Hodge to prepare the report for the November 2020 election based on campaign disclosures reported on January 31, 2021 for the period ending December 31, 2020. The report is presented under Agenda Item 5.

B. Campaign Finance Forum

On April 28th, I had the opportunity to participate in a panel discussion on campaign finance hosted by the League of Women Voters. The League is exploring possible campaign finance reforms in the City of Alameda and invited me to speak about the Ethics Commission and the campaign finance laws that we administer. Austin Graham, legal counsel with the Campaign Legal Center, was the other panelist. A recording of the event is available on the League's website.¹

¹ Available at <https://www.lwvalameda.org/community-events.html/#cfr>.