



San Francisco Ethics Commission

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August 9, 2021

To: Members of the Ethics Commission

From: Eric Willett, Senior Investigator and Streamlined Program Administrator

Subject: **AGENDA ITEM 8: Proposed SARP Stipulation, Decision and Order**

- ***In the Matter of Yes on Proposition V and Rebecca Olson (SFEC Complaint No. 1920-048).***

Summary

This memorandum provides information regarding the Proposed SARP Stipulation appearing in this agenda item and what the Commission may do next regarding this Proposed SARP Stipulation.

Action Requested

The Commission may approve the Proposed SARP Stipulation by majority vote, or it may provide guidance to Commission Staff regarding the Proposed SARP Stipulation.

Regulatory Background

Pursuant to the Commission's Enforcement Regulations, the Executive Director may enter negotiations with a respondent at any time to resolve the factual and legal allegations in a complaint by way of a stipulated order (*i.e.* a negotiated settlement). Enf. Reg. § 12(A). The Regulations require that the stipulated order set forth the pertinent facts and may include an agreement as to anything that could be ordered by the Commission under its authority pursuant to Charter section C3.699-13. *Id.*

Immediately after the Executive Director enters a stipulated order with a respondent, the Executive Director must inform the Commission of the proposed stipulation. Enf. Reg. § 12(E). Thereafter, any member of the Commission may request that the stipulated order be reviewed in public session by the full panel of the Commission during its next meeting. *Id.*

This proposed stipulation was reached pursuant to the Commission's [Streamlined Administrative Resolution Program](#). As of today, no Commissioner had requested review of the attached streamlined stipulated order in public session by the full panel of the Commission. It therefore appears on the Consent Calendar. The Commission may approve the stipulation by majority vote, or it may provide guidance to Commission Staff regarding the Proposed SARP Stipulation. Enf. Reg. § 12(F).

Members of the public may comment on the Proposed SARP Stipulation, noting that the Commission receives public comment once for all consent items collectively.

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3 Eric Willett
4 Senior Investigative Analyst
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10 BEFORE THE SAN FRANCISCO
11 ETHICS COMMISSION

12) SFEC Complaint No. 1920-048
13 In the Matter of)
14 YES ON PROPOSITION V, SAN FRANCISCANS)
15 UNITED TO REDUCE DIABETES IN CHILDREN BY)
16 IMPOSING A 1 CENT PER OUNCE TAX ON THE) **Streamlined Administrative Resolution Program**
17 DISTRIBUTION OF SUGARY DRINKS & ACTION) **STIPULATION, DECISION, AND ORDER**
18 NOW AND REBECCA J. OLSON.)
19 Respondents.)
20)
21)
22)

23 THE PARTIES STIPULATE AS FOLLOWS:

24 1. This Streamlined Administrative Resolution Program Stipulation, Decision, and Order
25 (Stipulation) is made and entered into by and between Yes on Proposition V, San Franciscans United to
26 Reduce Diabetes in Children by Imposing a 1 Cent Per Ounce Tax on the Distribution of Sugary Drinks &
27 Action Now and Rebecca J. Olson (“Respondents” collectively) and the San Francisco Ethics Commission
28 (the Commission).

1. Respondents and the Commission agree to settle and resolve all factual and legal issues
in this matter and to reach a final disposition through the Commission’s Streamlined Administrative
Resolution Program and without an administrative hearing. Upon approval of this Stipulation and full
performance of the terms outlined in this Stipulation, the Commission will take no future action against

1 Respondents, and this Streamlined Stipulation shall constitute the complete resolution of all claims by
2 the Commission against Respondents related to the violations of law described in Exhibit A.

3 Respondents understand and knowingly and voluntarily waive all rights to judicial review of this
4 Streamlined Stipulation and any action taken by the Commission or its staff on this matter.

5 3. Respondents acknowledge responsibility for and agree to pay an administrative penalty
6 as set forth in Exhibit A. Respondents agree that the administrative penalty set forth in Exhibit A is a
7 reasonable administrative penalty.

8 4. Within ten business days of the Commission’s approval of this Stipulation, Respondents
9 shall either pay the penalty through the City’s online payment portal or otherwise deliver to the
10 following address the sum as set forth in Exhibit A in the form of a check or money order made payable
11 to the “City and County of San Francisco”:
12

13 San Francisco Ethics Commission
14 Attn: Enforcement & Legal Affairs Division
15 25 Van Ness Avenue, Suite 220
16 San Francisco, CA 94102

17 5. If Respondents fail to comply with the terms of this Stipulation, then the Commission
18 may reopen this matter and prosecute Respondents under Section C3.699-13 of the San Francisco
19 Charter for any available relief.

20 6. Respondents understand, and hereby knowingly and voluntarily waive, any and all
21 procedural rights under Section C3.699-13 of the San Francisco Charter and the Commission’s
22 Enforcement Regulations with respect to this matter. These include, but are not limited to, the right to
23 appear personally at any administrative hearing held in this matter, to be represented by an attorney at
24 Respondents’ expense, to confront and cross-examine all witnesses testifying at the hearing and to
25 subpoena witnesses to testify at the hearing.

26 7. Respondents understand and acknowledge that this Stipulation is not binding on any
27 other government agency with the authority to enforce the San Francisco Campaign & Governmental

1 Conduct Code section 1.100 *et seq.*, and does not preclude the Commission or its staff from cooperating
2 with or assisting any other government agency in its prosecution of Respondent for any allegations set
3 forth in Exhibit A, or any other matters related to those violations of law set forth in Exhibit A.

4 8. This Stipulation is subject to the Commission’s approval. In the event the Commission
5 declines to approve this Stipulation, the Stipulation shall become null and void, except Paragraph 9,
6 which shall survive.

7 9. In the event the Commission rejects this Stipulation, and further administrative
8 proceedings before the Commission are necessary, Respondents agree that the Stipulation and all
9 references to it are inadmissible. Respondents moreover agree not to challenge, dispute, or object to
10 the participation of any member of the Commission or its staff in any necessary administrative
11 proceeding for reasons stemming from his or her prior consideration of this Stipulation.

12 10. This Stipulation, along with the attached Exhibit A, reflects the entire agreement
13 between the parties hereto and supersedes any and all prior negotiations, understandings, and
14 agreements with respect to the transactions contemplated herein. This Stipulation may not be amended
15 orally. Any amendment or modification to this Stipulation must be in writing duly executed by all parties
16 and approved by the Commission at a regular or special meeting.

17 11. This Stipulation shall be construed under, and interpreted in accordance with, the laws
18 of the State of California. If any provision of the Stipulation is found to be unenforceable, the remaining
19 provisions shall remain valid and enforceable.

20 12. The parties hereto may sign different copies of this Stipulation, which will be deemed to
21 have the same effect as though all parties had signed the same document.
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Dated: 08-03-2021 | 15:59:28 PDT

DocuSigned by:
Gayathri Thaikkendiyil
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GAYATHRI THAIKKENDIYIL, DEPUTY DIRECTOR
SAN FRANCISCO ETHICS COMMISSION

Dated: 08-03-2021 | 13:27:22 PDT

DocuSigned by:
Rebecca J. Olson
6EBFB22B04954BB...

REBECCA J. OLSON, INDIVIDUALLY AND ON BEHALF OF YES ON
PROPOSITION V, SAN FRANCISCANS UNITED TO REDUCE DIABETES
IN CHILDREN BY IMPOSING A 1 CENT PER OUNCE TAX ON THE
DISTRIBUTION OF SUGARY DRINKS & ACTION NOW

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DECISION AND ORDER

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The foregoing Stipulation of the parties in the matter of "Yes on Proposition V, San Franciscans United to Reduce Diabetes in Children by Imposing a 1 Cent Per Ounce Tax on the Distribution of Sugary Drinks & Action Now and Rebecca J. Olson, SFEC Complaint No. 1920-048," including the attached Exhibit A, is hereby accepted as the final Decision and Order of the San Francisco Ethics Commission, effective upon execution below by the Chairperson.

IT IS SO ORDERED.

Dated: _____

YVONNE LEE, ACTING CHAIRPERSON
SAN FRANCISCO ETHICS COMMISSION

1 **Exhibit A**

2 **Description of Respondent:** Yes on Proposition V, San Franciscans United to Reduce Diabetes in Children
3 by Imposing a 1 Cent Per Ounce Tax on the Distribution of Sugary Drinks and Action Now, FPPC
4 Identification Number 1377697 (“the Committee”) was a primarily-formed committee to support
5 Proposition V in the City and County of San Francisco in connection with the November 8, 2016 election.

6 **Description of Violation:** Based on the Commission’s audit of the Committee and an assessment of
7 additional records provided by the Committee to the Enforcement Division, Investigators concluded
8 there were three findings with respect to the Committee:

9 1) The Committee failed to maintain supporting documentation for monetary contributions totaling
10 \$163,250 or 6% of total monetary contributions reported on the campaign statements. SF C&GCC §
11 1.106; Gov’t Code § 84104.

12 2) & 3) The Committee failed to include required language in disclaimer notices included in two postcard
13 mailing committee communications. SF C&GCC §§ 1.161, 1.162.

14 **Specific Eligibility Requirements:** Respondents must sign and return this stipulated agreement within 90
15 days of contact by the Commission’s Enforcement Division.

16
17 **Specific Financial Penalty Modifiers:**

- 18 \$10,163 if the stipulation is signed and returned by July 26, 2021.*
19 \$18,885 if the stipulation is signed and returned by August 23, 2021.
20 \$28,578 if the stipulation is signed and returned by September 22, 2021.

21
22 * Respondents met the July 26, 2021 deadline by providing a hard copy
23 signature at that time; the August 3, 2021 date of electronic signature
24 reflected above was purely for administrative convenience and at the
25 request of the Commission.