

25 Van Ness Avenue, STE 220 San Francisco, CA 94102-6053 ethics.commission@sfgov.org 415-252-3100 | sfethics.org

NEWS

June 12, 2023

For information: Patrick Ford (415) 252-3100.

Ethics Commission Fines Political Committee Progress San Francisco \$29,300 for Failing To Accurately Report \$1.1 Million in Campaign Contributions

At its monthly public meeting on Friday June 9th, the San Francisco Ethics Commission unanimously approved a <u>stipulated agreement</u> fining the general purpose committee Progress San Francisco, its principal officer Vince Courtney, Jr., and its treasurer Shawnda Deane \$29,300 for twenty-five counts of violating City and State campaign finance laws.

In the Stipulation, Decision, and Order adopted by the Commission, the Committee acknowledged responsibility and agreed to pay a monetary penalty for failing to properly report certain campaign contributions to the San Francisco Ethics Commission as required by law. The law requires that certain campaign contributions be reported within 24 hours if they are made within 90 days prior to an election. The purpose of these reports is to allow the public to know about political spending during the final weeks before voting takes place. A committee must file the reports with the Ethics Commission if 70% or more of the committee's activity concerns San Francisco elections (as opposed to state elections or other local elections). A Committee that meets this threshold is considered a "city committee." Committees are required to regularly reevaluate whether they meet this threshold and to file their reports in the correct jurisdiction based on their activity.

The violations by Progress San Francisco occurred when the Committee acted to change its own designation from city committee to state committee during three consecutive elections from June 2018 to November 2019 despite qualifying as a city committee at all times. Based on this erroneous designation, the Committee then reported \$1.1 million in campaign contributions to the State of California instead of the Ethics Commission. These actions deprived San Francisco residents of having the reports available in the proper place, which decreased the transparency of election spending. The Committee additionally failed to report a \$6,500 contribution to another San Francisco political committee on its semiannual campaign statement filed on January 31, 2019.

The violations in this case were first identified in an audit report issued by the Ethics Commission on February 22, 2021. The Commission's Audit Division conducts detailed audits of San Francisco political committees to ensure that committees are following applicable laws. Any violations that are discovered through an audit are referred to the Commission's Enforcement Division for enforcement action.

As authorized by the City Charter, the resolution of violations through a public stipulated agreement enables Respondents and the Ethics Commission to resolve enforcement matters without the need of a full hearing. The Commission is authorized to assess a monetary penalty of up to \$5,000 for each

violation or three times the amount which the respondent failed to report properly or unlawfully contributed, expended, gave or received, whichever is greater.

#

The San Francisco Ethics Commission was created directly by the City's voters with the passage of Proposition K in November 1993 and is responsible for the independent and impartial administration and enforcement of laws related to campaign finance, public financing of candidates, governmental ethics, conflicts of interests, and registration and reporting by lobbyists, campaign consultants, permit consultants, and major developers. Our mission is to practice and promote the highest standards of integrity in government. We achieve that by delivering impactful programs that promote fair, transparent, and accountable governmental decision making for the benefit of all San Franciscans. Public service is a public trust, and our aim is to ensure that San Franciscans can have confidence that the operations of the City and County and the decisions made by its officials and employees are fair, just, and made without any regard to private or personal gain.