

ETHICS COMMISSION CITY AND COUNTY OF SAN FRANCISCO

SUSAN HARRIMAN CHAIRPERSON

EMI GUSUKUMA VICE CHAIRPERSON

> EILEEN HANSEN COMMISSIONER

JAMIENNE S. STUDLEY
COMMISSIONER

CHARLES L.WARD
COMMISSIONER

JOHN ST. CROIX EXECUTIVE DIRECTOR Date: January 7, 2009

To: Members, Ethics Commission

From: John St. Croix, Executive Director

Re: Feedback from persons involved in the November 4, 2008 election

The public financing program as it was implemented in the November 4, 2008 election involved substantive changes that were approved last year with complex requirements and aspects, such as individual expenditure ceilings, with which the Commission had no prior experience. Following the election, the Commission invited comments from candidates, treasurers, representatives and other interested persons involved in the election about the public financing program and other provisions of the S.F. Campaign Finance Reform Ordinance ("CFRO").

Staff distributed a questionnaire to candidates, treasurers and other persons to obtain feedback about their experience with the public financing program and other provisions of CFRO. This memo summarizes the feedback that the Commission received. The feedback will also be summarized in the report on the public financing program and taken into consideration when considering possible amendments to CFRO.

Staff received questionnaire responses from 12 persons: one political action committee, three candidates, and eight treasurers and/or consultants for candidate committees. Respondents did not always answer all questions.

Summary of Feedback

Listed below are some of the questions for which respondents were asked to provide feedback. Responses are summarized below each question.

General questions

1. Did the availability of public financing encourage candidates to run for office?

Nine respondents believed that the availability of public financing encouraged candidates to run for office. One respondent believed it did not.

2. Is \$5,000 in qualifying contributions an appropriate threshold?

Four respondents believe the \$5,000 qualification threshold is appropriate, two believe it is too high and four believe it is too low. One respondent who considers the threshold to be too high recommended that the threshold be \$2,500. Those who consider the threshold to be too low recommended that it be: "higher," \$10,000, \$25,000 or \$50,000.

3. Was the formula used to award public grants under the public financing program (initial \$10,000 grant, a 4-to-1 match for up to \$40,000, and a 1-to-1 match thereafter) appropriate?

Seven respondents stated that the formula was appropriate. Four respondents stated that the formula was not appropriate; in general, these respondents disagreed with the 4-to-1 match, with two commenting that the formula should be a one-to-one match.

4. Should eligible candidates receive more than \$87,500 in public funds if the Per Candidate Available Disbursement Limit is greater than \$87,500 (provided that disbursement of funds would not cause the candidate to exceed his or her Individual Expenditure Ceiling)?

Eight respondents believe that eligible candidates should not receive more than \$87,500 in public funds and three respondents believe that they should receive greater than \$87,500.

5. Do you support changing San Francisco's public financing program from partial to full?

Ten respondents do not support changing the public financing program from partial to full and one respondent supports full public financing.

6. Were the reporting requirements clear?

Eight respondents believe that the reporting requirements were clear, four do not.

7. Please provide suggestions on improving the filing requirements for candidates (e.g., combining forms, changing thresholds and/or changing requirements):

The political action committee ("PAC") stated that there are "too many forms due at unreasonable deadlines" and that the forms are a "trap for the unwary." The PAC also stated that the City should base public funding on FPPC deadlines.

The following are responses made by candidates or candidate treasurers and/or consultants: "The thresholds seem to be appropriate." "Some forms could be combined." "Forms were not all that burdensome." "Forms can be simpler." "There should be fewer requirements for reporting and only monthly reports should be required." "There should be clear guidance on when forms are due and why in a chart format." "Several forms could be combined into a single form."

8. Did the public financing program have an effect on third party spending (spending by non-candidate committees) in the November 2008 election?

The PAC believed that the public financing program had an effect on third party spending because "third parties had to spend because unqualified candidates got public funds."

One respondent answered "no" and two others answered "yes," one of whom said that public funding caused independent spending to be lowered.

Questions related to service and resources

Respondents were asked to rate the usefulness (on a scale of 1 to 5) of various resources such as, manuals, checklists and outreach.¹ Seven respondents rated contacts initiated by them with staff as "very useful," thus making this the highest rated resource. The second highest rated resource is outreach from staff, which received five ratings of "very useful." The resource that received the most votes for "never used" was CFRO and its regulations; four respondents stated that they never used CFRO and its regulations. As a resource, CFRO also received the highest number of votes (two) for "not useful." ("CFRO and its regulations" here mean whether the respondents referred to the actual ordinance or regulations themselves.)

Respondents who were satisfied with staff's administration of the rules and requirements were very gracious with their feedback. They believed that interaction with staff was pleasant, professional and helpful, that staff was patient, considerate, informed and quick to respond to questions, and that the reporting software/program was very easy to use and understand. One respondent said that the Commission staff is the "very best of San Francisco City employees." Another commented that the process of reviewing claims for public funds was very well run, "surprisingly efficient" for a City department where matching funds were available generally within 48-72 hours of submission.

Although overall feedback from respondents about staff operations was positive, a couple of respondents expressed serious concerns. One respondent believes that staff is biased; the respondent did not explain how or provide specifics. This respondent also commented that staff did not address difficult questions at workshops. Another respondent stated that he/she would not attend an interested persons' meeting because "Why bother-it's all controlled by the so-called progressives. Very skewed system for one side." This respondent also stated: "When our group placed an ad in the newspaper, we had to file 5 forms: 460, 496, 465, 161 and 152. Ridiculous."

In general, these comments suggest that the process be simplified and streamlined. Staff experience also suggests the same; staff will be preparing recommended changes during the upcoming year.

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¹ On a scale of 1 to 5, 1= never used; 2= not useful; 3= somewhat useful; 4= useful; and 5= very useful.