

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

Date: July 7, 2025

To: Members of the Ethics Commission

From: Patrick Ford, Executive Director

Subject: Agenda Item 3 – Executive Director's Report

Summary and Action Requested

This report provides various programmatic and operational highlights since the last report.

No action is required by the Commission, as this item is for informational purposes only.

Budget Update

The Budget and Appropriations Committee of the Board of Supervisors began its budget hearings on Wednesday, June 11. I appeared before the Committee that day to present the Commission's budget. Over the following two weeks, Deputy Director Zach D'Amico and I engaged extensively with members of the Board of Supervisors, the Mayor's Budget Office, and the Controller's Office. Our primary objectives were to underscore the critical need for adequate funding for the Ethics Commission and to identify practical solutions to avoid staff reductions.

At its meeting on June 25, the Budget and Appropriations Committee unanimously approved a Citywide budget for FY26-FY27. This budget included the restoration of all three filled positions that would have been eliminated under the Mayor's proposed budget. The Mayor's <u>original proposal</u> included the elimination of four funded positions within the Ethics Commission, three of which are currently filled. The budget passed by the Budget and Appropriations Committee restores the filled positions but eliminates the vacant 1823 Senior Program Administrator position within the Engagement and Compliance Division. Additionally, two vacant and unfunded positions were formally removed from the Department's organizational chart. These positions had been held open to meet attrition savings targets.

As part of the Board's process, the Budget and Legislative Analyst (BLA) issued a report recommending a further one-time reduction of \$19,000 from the Commission's budget. This cut affects the Commission's materials, supplies, and subscriptions accounts. We did not oppose these reductions because they are one-time and there are sufficient balances in the accounts to meet current operational needs. It appears that the \$19,000 reduction was included in the budget approved by the Budget and Appropriations Committee.

Recruitment Update – Senior Investigators

Recruitment is underway for two positions on the Enforcement Division. Both positions are Senior Investigators (1823). These are the only vacancies on the Commission's staff at this time. Interviews

began the week of June 23rd and are scheduled to conclude soon. I will update the Commission once hiring is completed.

<u>State Legislation – Behested Payment Reporting</u>

As part of the Commission's ongoing legislative monitoring and engagement efforts, Staff have been monitoring AB 775 in the State legislature. This bill would require the State's behested payment disclosure reports (the Form 803) to be filed electronically with the Fair Political Practices Commission (FPPC), unless the appropriate local government agency, which in this case would be the Ethics Commission, is willing to accept the forms and post them online. The bill also modifies the deadlines for elected officials reporting behested payments.

This bill would modernize and streamline this reporting requirement and use a flexible filing model, which could serve as a template for how other filings could be handled between the State and localities in the future.

Staff have been monitoring this legislation throughout the year. In May, Staff provided a <u>public</u> comment on this legislation to the <u>FPPC</u>. And two weeks ago, Staff <u>presented on this matter</u> before the City's <u>State Legislation Committee</u>, which is the body responsible for making recommendations to the State regarding legislation that would impact the City. At the meeting, the Committee voted to have the City support AB 775. Ethics Commission Staff then drafted <u>a letter of support for AB 775</u> that was sent to the Senate Committee on Elections and Constitutional Amendments on behalf of the City (see <u>Attachment A</u>).

On July 1, the Senate Committee on Elections and Constitutional Amendments approved AB 775 and rereferred it to the Committee on Appropriations for future action. Staff will continue to monitor this legislation as it moves through the legislative process and prepare for any changes to Commission processes that may be required should the legislation be enacted.

Ethics Commission Regulation Updates

The Policy Division has recently completed a review of all the Commission's regulations to identify and correct typos and formatting issues and identify both substantive and non-substantive changes that may need to be made in the future.

This process included updates to how the Commission's regulations are presented on the website. Across the twelve sets of regulations, their respective webpages have been reformatted for consistency, easier navigation and understanding, and to meet accessibility standards. In particular:

- All regulation webpage titles now contain plain language references to their respective program areas, as well as direct references to the relevant Campaign and Governmental Conduct Code Section.
- All regulation webpages now have an expandable table of contents at the top of the webpage that is linked to a corresponding page anchor for each specific regulation.
- All regulation webpages also have "Print Copy" PDF versions that can be downloaded/printed.

• All regulation webpages now contain a clearly listed "Date of Last Change" to reflect when the most recent changes to that set of regulations went into effect.

The regulations can be accessed via the <u>Laws</u> page on the Ethics Commission website.

Any future substantive changs will be brought before the Commission as part of future policy projects for the Commission's consideration before they are made. Per the authority granted to the Executive Director during the Commission's November 8, 2024 meeting, Staff may make non-substantive amendments in the future and then notify the Commission during a subsequent meeting.