

[Campaign and Governmental Conduct Code - Campaign Public Financing Expenditure Ceilings and Reporting Requirements, and Campaign Contribution Limits]

**Ordinance amending the Campaign and Governmental Conduct Code to modify the public financing program for candidates for Mayor and Board of Supervisors by replacing the current process of continuous adjustments of individual expenditure ceilings to a “one-and-done” approach in which the ceiling is removed for all candidates within the race once certain spending reaches a specified amount, and adjusting reporting requirements; raise the campaign contribution limit from \$500 to \$1,000 and authorize the Ethics Commission to adjust the contribution limit going forward for changes in the Consumer Price Index; and allow the Ethics Commission to designate the website to be used in campaign advertisement disclaimers.**

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
**Additions to Codes** are in *single-underline italics Times New Roman font*.  
**Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
**Board amendment additions** are in double-underlined Arial font.  
**Board amendment deletions** are in ~~strikethrough Arial font~~.  
**Asterisks (\* \* \* \*)** indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Article I, Chapter 1 of the Campaign and Governmental Conduct Code is hereby amended by revising Sections 1.104, 1.114, 1.116, 1.140, 1.142, 1.161, 1.162, and 1.170, adding Sections 1.129, 1.131, and 1.133, deleting Sections 1.128, 1.130, 1.134, 1.143, and 1.152, to read as follows:

**SEC. 1.104. DEFINITIONS.**

Whenever in this Chapter 1 the following words or phrases are used, they shall mean:

1           \* \* \* \*

2           ~~“Individual Expenditure Ceiling” shall mean the expenditure ceiling established for each~~  
3 ~~individual candidate for Mayor or the Board of Supervisors whom the Ethics Commission has certified~~  
4 ~~as eligible to receive public funds under this Chapter.~~

5           \* \* \* \*

6           ~~“Total Opposition Spending” shall mean the sum of any expenditures made or expenses~~  
7 ~~incurred by any person or persons for the purpose of making independent expenditures, electioneering~~  
8 ~~communications or member communications in opposition to a specific candidate for Mayor or the~~  
9 ~~Board of Supervisors.~~

10          ~~“Total Supportive Funds” shall mean the sum of all contributions received by a candidate~~  
11 ~~committee supporting a candidate for Mayor or the Board of Supervisors, other than any funds that~~  
12 ~~exceed the candidate’s Individual Expenditure Ceiling, plus the expenditures made or expenses~~  
13 ~~incurred by any person or persons for the purpose of making independent expenditures, electioneering~~  
14 ~~communications or member communications in support of that same candidate.~~

15          \* \* \* \*

16  
17       **SEC. 1.114. CONTRIBUTIONS – LIMITS AND PROHIBITIONS.**

18       (a) LIMITS ON CONTRIBUTIONS TO CANDIDATES. No person other than a  
19 candidate shall make, and no campaign treasurer for a candidate committee shall solicit or  
20 accept, any contribution which will cause the total amount contributed by such person to such  
21 candidate committee in an election to exceed ~~\$500~~\$1,000. The Ethics Commission is authorized  
22 to adjust this figure to reflect changes in the California Consumer Price Index, provided that such  
23 adjustments shall be rounded off to the nearest \$100.

24          \* \* \* \*

25       (d) PROHIBITION ON CONTRIBUTIONS FOR OFFICIAL ACTION. No candidate

1 may, directly or by means of an agent, give, offer, promise to give, withhold, or offer or  
2 promise to withhold ~~his or her~~ their vote or influence, or promise to take or refrain from taking  
3 official action with respect to any proposed or pending matter in consideration of, or upon  
4 condition that, any other person make or refrain from making a contribution.

5 \* \* \* \*

6 **SEC. 1.116. LIMITS ON LOANS TO CANDIDATES.**

7 (a) A candidate's loan of personal funds to the candidate's campaign may not exceed  
8 at any time more than:

9 (1) ~~\$15,000.00~~ 27,000 for a candidate for the Board of Supervisors, Board of  
10 Education of the San Francisco Unified School District or the Governing Board of the San  
11 Francisco Community College District,

12 (2) ~~\$120,000.00~~ 213,000 for a candidate for Mayor, or

13 (3) ~~\$35,000.00~~ 62,000 for a candidate for Assessor or Public Defender, City  
14 Attorney, Treasurer, District Attorney or Sheriff.

15 (b) A candidate may not charge interest on any loan the candidate has made to the  
16 candidate's campaign.

17 (c) In addition to any other penalty, loans made by a candidate to the candidate's  
18 campaign in excess of the amounts in Subsection (a) shall be deemed a contribution to the  
19 campaign and may not be repaid to the candidate.

20 (d) Whenever the Ethics Commission adjusts the ~~voluntary~~ expenditure ceilings to  
21 reflect changes in the California Consumer Price Index, as authorized under Section ~~1.130~~  
22 1.131, the Commission is authorized to adjust the loan amounts in this Section 1.116 to reflect  
23 changes in the Consumer Price Index, provided that such adjustments shall be rounded off to the  
24 nearest \$1,000.

1           **SEC. 1.128. ACCEPTANCE OR REJECTION OF VOLUNTARY EXPENDITURE**

2           **CEILINGS.**

3           ~~(a) Candidates for Assessor, City Attorney, District Attorney, Public Defender, Sheriff,~~  
4           ~~Treasurer, the Board of Education of the San Francisco Unified School District or the Governing~~  
5           ~~Board of the San Francisco Community College District may accept the applicable voluntary~~  
6           ~~expenditure ceiling. Candidates for the Board of Supervisors or Mayor may not accept a voluntary~~  
7           ~~expenditure ceiling.~~

8           ~~(b) To accept the applicable voluntary expenditure ceiling, a candidate must file a statement~~  
9           ~~with the Ethics Commission accepting the applicable voluntary expenditure ceiling. The candidate~~  
10           ~~shall file this statement no later than the deadline for filing nomination papers with the Department of~~  
11           ~~Elections. A candidate may not withdraw the statement accepting the voluntary expenditure ceiling~~  
12           ~~after filing the statement. A candidate may not file the statement accepting the applicable voluntary~~  
13           ~~expenditure ceiling if the Ethics Commission has lifted the voluntary expenditure ceiling under Section~~  
14           ~~1.134 of this Chapter.~~

15           ~~(c) The Ethics Commission shall maintain, on its website, a list of the candidates who have~~  
16           ~~accepted the voluntary expenditure ceiling. If the Ethics Commission has lifted a voluntary expenditure~~  
17           ~~ceiling for a particular race under Section 1.134 of this Chapter, the Ethics Commission shall instead~~  
18           ~~maintain a list of the candidates who have accepted, but are no longer subject to the voluntary~~  
19           ~~expenditure ceiling in that race.~~

20           ~~(d) A candidate who has accepted the applicable voluntary expenditure ceiling and makes~~  
21           ~~qualified campaign expenditures in excess of the voluntary expenditure ceiling, at a time when the~~  
22           ~~Ethics Commission has not lifted the applicable voluntary expenditure ceiling, is subject to the~~  
23           ~~penalties in Section 1.170 for violation of this Chapter.~~

24  
25           **SEC. 1.129. EXPENDITURE CEILINGS.**

1                   **(a) Required Expenditure Ceilings for Public Financing.**

2                   (1) To be eligible to receive public financing of campaign expenses under this Chapter,  
3 candidates for the Board of Supervisors or Mayor must agree that their candidate committee will not  
4 make qualified campaign expenditures that total more than the applicable expenditure ceiling specified  
5 in Section 1.131, unless the expenditure ceiling has been lifted as specified in Section 1.133.

6                   (2) A candidate shall indicate their tentative acceptance of the expenditure ceiling by  
7 filing their statement of participation with the Ethics Commission as required by Section 1.140.

8                   (3) The expenditure ceiling shall apply to a candidate if the Executive Director has  
9 certified the candidate is eligible to receive public financing under Section 1.142.

10                  (4) The Ethics Commission shall maintain, on its website, a list of the candidates who  
11 are subject to the expenditure ceiling. If the Ethics Commission has lifted the expenditure ceiling for a  
12 particular race under Section 1.133, the Ethics Commission shall instead maintain a list of the  
13 candidates who have accepted public financing, but are no longer subject to the expenditure ceiling in  
14 that race.

15                  (5) A candidate who is subject to the expenditure ceiling and makes qualified campaign  
16 expenditures in excess of the applicable expenditure ceiling, at a time when the Ethics Commission has  
17 not lifted the expenditure ceiling, is subject to the penalties in Section 1.170 for violation of this  
18 Chapter.

19                   **(b) Voluntary Expenditure Ceilings.**

20                  (1) Candidates for Assessor-Recorder, City Attorney, District Attorney, Public  
21 Defender, Sheriff, Treasurer, the Board of Education of the San Francisco Unified School District, or  
22 the Governing Board of the San Francisco Community College District may accept the applicable  
23 voluntary expenditure ceiling specified in Section 1.131, unless the expenditure ceiling has been lifted  
24 as specified in Section 1.133. Candidates for the Board of Supervisors or Mayor may not accept a  
25 voluntary expenditure ceiling.

1                   (2) To accept the applicable voluntary expenditure ceiling, a candidate must file a  
2 statement with the Ethics Commission accepting the applicable voluntary expenditure ceiling. The  
3 candidate shall file this statement no later than the deadline for filing nomination papers with the  
4 Department of Elections. A candidate may not withdraw the statement accepting the voluntary  
5 expenditure ceiling after filing the statement. A candidate may not file the statement accepting the  
6 applicable voluntary expenditure ceiling if the Ethics Commission has lifted the voluntary expenditure  
7 ceiling under Section 1.333.

8                   (3) The Ethics Commission shall maintain, on its website, a list of the candidates who  
9 have accepted the voluntary expenditure ceiling. If the Ethics Commission has lifted a voluntary  
10 expenditure ceiling for a particular race under Section 1.133, the Ethics Commission shall instead  
11 maintain a list of the candidates who have accepted, but are no longer subject to, the voluntary  
12 expenditure ceiling in that race.

13                   (4) A candidate who has accepted the applicable voluntary expenditure ceiling and  
14 makes qualified campaign expenditures in excess of the voluntary expenditure ceiling, at a time when  
15 the Ethics Commission has not lifted the applicable voluntary expenditure ceiling, is subject to the  
16 penalties in Section 1.170 for violation of this Chapter.

17  
18                   **~~SEC. 1.130. AMOUNT OF VOLUNTARY EXPENDITURE CEILINGS.~~**

19                   ~~(a) Any candidate for Assessor, Public Defender, City Attorney, District Attorney, Treasurer,~~  
20 ~~or Sheriff who agrees to accept voluntary expenditure ceilings shall not make total qualified campaign~~  
21 ~~expenditures exceeding \$243,000, unless the Ethics Commission has lifted the voluntary expenditure~~  
22 ~~ceiling pursuant to Section 1.134 of this Chapter.~~

23                   ~~(b) Any candidate for the Board of Education of the San Francisco Unified School District or~~  
24 ~~the Governing Board of the San Francisco Community College District who agrees to accept voluntary~~  
25 ~~expenditure ceilings shall not make total qualified campaign expenditures exceeding \$104,000, unless~~

1 ~~the Ethics Commission has lifted the voluntary expenditure ceiling pursuant to Section 1.134 of this~~  
2 ~~Chapter.~~

3 ~~(e) The Ethics Commission is authorized to adjust annually by regulation the voluntary~~  
4 ~~expenditure ceilings imposed by this Section to reflect the change in the California Consumer Price~~  
5 ~~Index for that year, provided that such adjustments shall be rounded off to the nearest \$1,000.~~

7 **SEC. 1.131. AMOUNT OF EXPENDITURE CEILINGS.**

8 (a) Any candidate for the Board of Supervisors subject to an expenditure ceiling under Section  
9 1.129(a) shall not make total qualified campaign expenditures exceeding \$412,000, unless the Ethics  
10 Commission has lifted the expenditure ceiling pursuant to Section 1.133.

11 (b) Any candidate for Mayor subject to an expenditure ceiling under Section 1.129(a) shall not  
12 make total qualified campaign expenditures exceeding \$2,005,000, unless the Ethics Commission has  
13 lifted the expenditure ceiling pursuant to Section 1.133.

14 (c) Any candidate for Assessor-Recorder, Public Defender, City Attorney, District Attorney,  
15 Treasurer, or Sheriff who agrees to accept a voluntary expenditure ceiling under Section 1.129(b) shall  
16 not make total qualified campaign expenditures exceeding \$374,000, unless the Ethics Commission has  
17 lifted the voluntary expenditure ceiling pursuant to Section 1.133.

18 (d) Any candidate for the Board of Education of the San Francisco Unified School District or  
19 the Governing Board of the San Francisco Community College District who agrees to accept a  
20 voluntary expenditure ceiling under Section 1.129(b) shall not make total qualified campaign  
21 expenditures exceeding \$160,000, unless the Ethics Commission has lifted the voluntary expenditure  
22 ceiling pursuant to Section 1.133.

23 (e) The Ethics Commission is authorized to adjust the expenditure ceilings imposed by this  
24 Section 1.131 to reflect changes in the California Consumer Price Index, provided that such  
25 adjustments shall be rounded off to the nearest \$1,000.

1                   **SEC. 1.133. LIFTING OF EXPENDITURE CEILINGS AND SUPPLEMENTAL**  
2 **REPORTING REQUIREMENTS.**

3                   **(a) Lifting of Expenditure Ceilings.**

4                   *(1) An expenditure ceiling shall no longer be binding on a candidate:*

5                   *(A) if a candidate seeking election to the same office who is not subject to an*  
6 *expenditure ceiling under Section 1.129(a), or who has not accepted a voluntary expenditure ceiling*  
7 *under Section 1.129(b), receives contributions or makes qualified campaign expenditures in excess of*  
8 *75% of the applicable expenditure ceiling;*

9                   *(B) if a candidate seeking election to the same office, who is subject to the*  
10 *expenditure ceiling or makes qualified campaign expenditures in excess of 100% of the applicable*  
11 *expenditure ceiling; or*

12                   *(C) if a person or persons makes expenditures or payments, or incurs expenses*  
13 *for the purpose of making independent expenditures, electioneering communications, or member*  
14 *communications, and those expenditures, payments, and expenses clearly identify a candidate seeking*  
15 *election to the same City elective office and total more than 75% of the applicable expenditure ceiling.*

16                   **(b) Additional Reporting Requirements.**

17                   *(1) In addition to the campaign disclosure requirements imposed by the California*  
18 *Political Reform Act and other provisions of this Chapter:*

19                   *(A) Each candidate committee supporting a candidate in a race with an active*  
20 *expenditure ceiling that receives contributions or makes qualified campaign expenditures that total*  
21 *more than 75% of the applicable expenditure ceiling shall, within 24 hours of exceeding 75% of the*  
22 *applicable expenditure ceiling, file a statement with the Ethics Commission, on forms to be provided by*  
23 *the Ethics Commission, stating that fact and any additional information required by the Ethics*  
24 *Commission.*

25                   *(B) Each candidate committee supporting a candidate for the Board of*



1 Supervisors shall file a statement with the Ethics Commission indicating when the committee has  
2 received contributions to be deposited into its Campaign Contribution Trust Account or made qualified  
3 campaign expenditures that equal or exceed the amount stated in Section 1.140(b)(3) within 24 hours  
4 of reaching or exceeding that amount.

5 (C) Each candidate committee supporting a candidate for Mayor shall file a  
6 statement with the Ethics Commission indicating when the candidate committee has received  
7 contributions to be deposited into its Campaign Contribution Trust Account or made qualified  
8 campaign expenditures, that equal or exceed the amount stated in Section 1.140(c)(3) within 24 hours  
9 of reaching or exceeding that amount.

10 (2) The Executive Director shall post the information disclosed on statements required  
11 by this subsection on the website of the Ethics Commission within two business days of the statement's  
12 filing.

13 **(c) Process for Lifting Expenditure Ceilings.**

14 (1) The Executive Director shall promptly review statements filed pursuant to state and  
15 local law, including the statement required by subsection (b)(1)(A) of this Section 1.133, and any other  
16 materials the Executive Director deems relevant, to determine if an expenditure ceiling must be lifted  
17 pursuant to subsection (a)(1)(A).

18 (2) The Executive Director shall promptly review statements filed pursuant to state and  
19 local law, and any other materials the Executive Director deems relevant, to determine if an  
20 expenditure ceiling must be lifted pursuant to subsection (a)(1)(B) of this Section 1.133.

21 (3) The Executive Director shall promptly review statements filed pursuant to state and  
22 local law, including California Government Code section 84204 and Sections 1.161, 1.162, and 1.163,  
23 and any other materials the Executive Director deems relevant, to determine whether a communication  
24 supports or opposes one or more candidates in a race and if an expenditure ceiling must be lifted  
25 pursuant to subsection (a)(1)(C) of this Section 1.133.

1           The Executive Director shall use the following factors to determine whether the communication  
2 supports or opposes one or more candidates include the following:

3                     (A) whether the communication clearly identifies one or more candidates;

4                     (B) the timing of the communication;

5                     (C) the voters targeted by the communication;

6                     (D) whether the communication identifies any candidate's position on a public  
7 policy issue and urges the reader or viewer to take action, including calling the candidate to support or  
8 oppose the candidate's position;

9                     (E) whether the position of one or more candidates on a public policy issue has  
10 been raised as distinguishing these candidates from others in the campaign, either in the  
11 communication itself or in other public communications;

12                    (F) whether the communication is part of an ongoing series of substantially  
13 similar advocacy communications by the organization on the same issue; and

14                    (G) any other factors the Executive Director deems relevant.

15                    (4) Within one business day of determining that an expenditure ceiling must be lifted  
16 pursuant to this Section 1.133, the Executive Director shall inform every candidate for that office that  
17 the Ethics Commission has lifted the applicable expenditure ceiling. The Executive Director shall also  
18 post a notice on the Ethics Commission's website. If an objection made pursuant to subsection (c)(5) of  
19 this Section 1.133 delays or prevents a determination from becoming final, the Executive Director shall  
20 send subsequent notices regarding the objection and final determination.

21                    **(5) Objections.**

22                    (A) Within one business day of the date that the Executive Director makes a  
23 determination under this subsection (c), any candidate in the race may object to the Executive  
24 Director's determination. The Executive Director shall respond to any objection within one business  
25 day of receiving the objection.

1 (B) Within one business day of the Executive Director's response, the candidate  
2 who objected to the determination may submit to the Executive Director a request that the Ethics  
3 Commission review the Executive Director's determination. Within one business day of receiving the  
4 request, the Executive Director shall notify the Chair of the Commission of the request.

5 If, within one business day of the Executive Director's notice, the Chair informs  
6 the Executive Director that they are requesting the Commission review the determination, the Executive  
7 Director shall schedule a meeting of the Commission on a date that occurs within two weeks of the  
8 Chair's request. If the Commission overrules the Executive Director's determination, the Commission  
9 shall make a final determination based on the factors set forth above.

10 (C) The Executive Director's determination shall become final if:

- 11 (i) no candidate objects to the Executive Director's determination;  
12 (ii) an objection is made, and the candidate does not request a review of  
13 the Executive Director's determination by the Commission;  
14 (iii) a request is made, and the Chair does not request the Commission  
15 review the determination; or  
16 (iv) the Commission does not overrule the Executive Director's  
17 determination.

18  
19 **~~SEC. 1.134. LIFTING OF VOLUNTARY EXPENDITURE CEILINGS; SUPPLEMENTAL~~**  
20 **~~REPORTING IN ELECTIONS FOR ASSESSOR, PUBLIC DEFENDER, CITY ATTORNEY,~~**  
21 **~~DISTRICT ATTORNEY, TREASURER, SHERIFF, THE BOARD OF EDUCATION OF THE SAN~~**  
22 **~~FRANCISCO UNIFIED SCHOOL DISTRICT, OR THE GOVERNING BOARD OF THE SAN~~**  
23 **~~FRANCISCO COMMUNITY COLLEGE DISTRICT.~~**

24 ~~This Section shall apply only if at least one candidate for the City elective office has accepted~~  
25 ~~the applicable voluntary expenditure ceiling, and the Ethics Commission has not lifted that voluntary~~

~~expenditure ceiling. This Section applies only to candidates for Assessor, Public Defender, City Attorney, District Attorney, Treasurer, Sheriff, the Board of Education of the San Francisco Unified School District, or the Governing Board of the San Francisco Community College District.~~

~~(a) The voluntary expenditure ceiling shall no longer be binding on a candidate:~~

~~(1) If a candidate seeking election to the same City elective office, who has declined to accept the voluntary expenditure ceiling, receives contributions or makes qualified campaign expenditures in excess of 100 percent of the applicable voluntary expenditure ceiling;~~

~~(2) If a person or persons make expenditures or payments, or incur expenses for the purpose of making independent expenditures, electioneering communications or member communications that total more than 100 percent of the applicable voluntary expenditure ceiling, and those expenditures or communications clearly identify a candidate seeking election to the same City elective office, or~~

~~(3) If a candidate seeking election to the same City elective office, who has accepted the voluntary expenditure ceiling, makes qualified campaign expenditures in excess of 100 percent of the voluntary expenditure ceiling.~~

~~(b) Any candidate committee that receives contributions, makes qualified campaign expenditures, incurs expenses or has funds in its Campaign Contribution Trust Account that total more than 100 percent of the applicable voluntary expenditure ceiling shall, within 24 hours of exceeding 100 percent of the applicable voluntary expenditure ceiling, file a statement with the Ethics Commission, on forms to be provided by the Ethics Commission, stating that fact and any additional information required by the Ethics Commission.~~

~~(c) The Executive Director shall promptly review statements filed pursuant to state and local law, including California Government Code section 84204 and Sections 1.161, 1.162, and 1.163 of this Chapter, to determine whether a communication supports or opposes one or more candidates.~~

~~(d) Within one business day after determining that the threshold listed in subsection (a) has~~

1 ~~been met with respect to an office appearing on the ballot, the Executive Director shall inform every~~  
2 ~~candidate for that office that the Ethics Commission has lifted the applicable voluntary expenditure~~  
3 ~~ceiling. The Executive Director shall also post a notice on the Ethics Commission's website and send~~  
4 ~~written notice by e-mail to any other person who has requested such notice.~~

5  
6 **SEC. 1.140. ELIGIBILITY TO RECEIVE PUBLIC FINANCING.**

7 (a) REQUIREMENTS FOR ALL CANDIDATES. To be eligible to receive public  
8 financing of campaign expenses under this Chapter, a candidate must:

9 (1) Have filed a statement indicating that ~~he or she intends~~ they intend to  
10 participate in the public financing program under Section 1.142 ~~of this Chapter.~~

11 (2) Agree to the following conditions:

12 (A) The candidate bears the burden of providing that each contribution  
13 the candidate relies upon to establish eligibility is a qualifying contribution;

14 (B) The candidate bears the burden of proving that expenditures made  
15 with public funds provided under this Chapter comply with Section 1.148 ~~of this Chapter;~~

16 (C) The candidate will not make any payments to a contractor or vendor  
17 in return for the contractor or vendor making a campaign contribution to the candidate or  
18 make more than a total of 50 payments, other than the return of a contribution, to contractors  
19 or vendor that have made contributions to the candidate;

20 (D) Notwithstanding Sections 1.114 and 1.116, the candidate shall not  
21 loan or donate, in total, more than \$5,000 of ~~his or her~~ their own money to the campaign;

22 (E) The candidate shall not accept any loans to ~~his or her~~ their campaign  
23 with the exception of a candidate's loan to ~~his or her~~ their own campaign as permitted by this  
24 Section; and

25 (F) The candidate shall agree to participate in at least three debates with

1 the candidate's opponents.

2 (3) Have paid any outstanding late fines or penalties, owed to the City by the  
3 candidate or any of the candidate's previous campaign committees, which were imposed for  
4 violations of this Code or the campaign finance provisions of the California Political Reform  
5 Act (Government Code Sections 84100-85704), provided that the Ethics Commission had  
6 notified the candidate of such fines or penalties by the time of certification.

7 (4) Have filed any outstanding forms, owed to the City by the candidate or any  
8 of the candidate's previous campaign committees, which were required to be filed pursuant to  
9 this Code or the campaign finance provisions of the Political Reform Act (Government Code  
10 Sections 84100-85704), provided that the Ethics Commission had notified the candidate of  
11 such outstanding forms by the time of certification.

12 (5) Have no finding by a court or by the Ethics Commission after a hearing on  
13 the merits, within the prior five years, that the candidate knowingly, willfully, or intentionally  
14 violated any Section of this Code or the campaign finance provisions of this California Political  
15 Reform Act (Government Code Sections 84100-85704). For purposes of this Section, a plea  
16 of *nolo contendere* constitutes a finding by a court of a willful violation.

17 (b) ADDITIONAL REQUIREMENTS FOR CANDIDATES FOR THE BOARD OF  
18 SUPERVISORS. To be eligible to receive public financing of campaign expenses under this  
19 Chapter, a candidate for the Board of Supervisors must:

20 (1) Be seeking election to the Board of Supervisors and be eligible to hold the  
21 office sought;

22 (2) Have a candidate committee that has received at least \$10,000 in qualifying  
23 contributions from at least 100 contributors by the 70th day before the election; or, if the  
24 candidate is an incumbent member of the Board of Supervisors, have a candidate committee  
25 that has received at least \$15,000 in qualifying contributions from at least 150 contributors by

1 the 70th day before the election;

2 (3) Be opposed by another candidate who has either established eligibility to  
3 receive public financing, or whose candidate committee has received contributions or made  
4 expenditures which in the aggregate equal or exceed \$10,000; and

5 (4) Agree that ~~his or her~~ their candidate committee will not make qualified  
6 campaign expenditures that total more than the ~~candidate's Individual Expenditure Ceiling of~~  
7 ~~\$350,000, or as adjusted under Section 1.143 of this Chapter~~ applicable expenditure ceiling specified  
8 in Section 1.131, unless the expenditure ceiling has been lifted as specified in Section 1.133.

9 (c) ADDITIONAL REQUIREMENTS FOR CANDIDATES FOR MAYOR. To be eligible  
10 to receive public financing of campaign expenses under this Chapter, a candidate for Mayor  
11 must:

12 (1) Be seeking election to the office of Mayor and be eligible to hold the office  
13 sought;

14 (2) Have a candidate committee that has received at least \$50,000 in qualifying  
15 contributions from at least 500 contributors by the 70th day before the election; or, if the  
16 candidate is the incumbent Mayor, have a candidate committee that has received at least  
17 \$75,000 in qualifying contributions from at least 750 contributors by the 70th day before the  
18 election;

19 (3) Be opposed by another candidate who has either established eligibility to  
20 receive public financing, or whose candidate committee has received contributions or made  
21 expenditures that in the aggregate equal or exceed \$50,000; and

22 (4) Agree that ~~his or her~~ their candidate committee will not make qualified  
23 campaign expenditures that total more than the ~~candidate's Individual Expenditure Ceiling of~~  
24 ~~\$1,700,000, or as adjusted under Section 1.143 of this Chapter~~ applicable expenditure ceiling specified  
25 in Section 1.131, unless the expenditure ceiling has been lifted as specified in Section 1.133.

(d) ADJUSTMENT OF EXPENDITURE LIMITS AND THRESHOLDS. The Ethics Commission is authorized to adjust:

~~———(1) The figures in Subsections (b)(4) and (c)(4) to reflect changes in the California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$1,000 for candidates for the Board of Supervisors and the nearest \$5,000 for candidates for Mayor;~~

(21) The figure in Subsection (a)(2)(D) of this Section 1.140 to reflect changes in the California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$1,000;

(32) The figures in Subsections (b)(2) and (b)(3) of this Section 1.140 to reflect changes in the California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$500;

(43) The figures in Subsections (c)(2) and (c)(3) of this Section 1.140 to reflect changes in the California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$5,000; and

(54) The maximum amount of a contribution that constitutes a qualifying contribution pursuant to Section 1.104 to reflect changes in the California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$10.

**SEC. 1.142. PROCESS FOR ESTABLISHING ELIGIBILITY; CERTIFICATION BY THE ETHICS COMMISSION.**

\* \* \* \*

(d) DETERMINATION OF OPPOSITION. To determine whether a candidate for the Board of Supervisors is opposed as required under Section 1.140(b)(3) ~~of this Chapter~~ or a candidate for Mayor is opposed as required under Section 1.140(c)(3) ~~of this Chapter~~, the Executive Director shall review the material filed pursuant to Section ~~1.152~~ 1.133 ~~of this~~



Chapter, and may review any other material.

(e) CERTIFICATION. If the Executive Director determines that a candidate for Mayor or the Board of Supervisors has satisfied the requirements of Section 1.140, the Executive Director shall notify the candidate and certify to the Controller that the candidate is eligible to receive public financing under this Chapter ~~1~~. The Executive Director shall not certify that a candidate is eligible to receive public financing if the candidate's declaration or supporting material is incomplete or otherwise inadequate to establish eligibility. The Executive Director shall determine whether to certify a candidate no later than 30 days after the date the candidate submits ~~his or her~~ their declaration and supporting material, provided that the Executive Director shall make all determinations regarding whether to certify a candidate no later than the 55th day before the election.

\* \* \* \*

**~~SEC. 1.143. ADJUSTING INDIVIDUAL EXPENDITURE CEILINGS.~~**

~~This Section 1.143 shall apply only if the Ethics Commission has certified that at least one candidate for Mayor or the Board of Supervisors is eligible to receive public funds under this Chapter 1.~~

~~(a) The Executive Director shall adjust the Individual Expenditure Ceiling of a candidate for Mayor by \$250,000 when the sum of the Total Opposition Spending against that candidate and the highest level of the Total Supportive Funds of any other candidate for Mayor is greater than \$1,700,000 by any amount. Thereafter, the Executive Director shall further adjust a candidate's Individual Expenditure Ceiling in increments of \$250,000, whenever the sum of the Total Opposition Spending against that candidate and the highest level of the Total Supportive Funds of any other candidate for Mayor is greater than the candidate's current Individual Expenditure Ceiling by any amount.~~

1           ~~(b) The Executive Director shall adjust the Individual Expenditure Ceiling of a candidate for~~  
2 ~~the Board of Supervisors by \$50,000 when the sum of the Total Opposition Spending against that~~  
3 ~~candidate and the highest level of the Total Supportive Funds of any other candidate for the same office~~  
4 ~~on the Board of Supervisors is greater than \$350,000 by any amount. Thereafter, the Executive~~  
5 ~~Director shall further adjust a candidate's Individual Expenditure Ceiling in increments of \$50,000,~~  
6 ~~whenever the sum of the Total Opposition Spending against that candidate and the highest level of the~~  
7 ~~Total Supportive Funds of any other candidate for the same office is greater than the candidate's~~  
8 ~~current Individual Expenditure Ceiling by any amount.~~

9           ~~(c) The Executive Director shall promptly review statements filed pursuant to state and local~~  
10 ~~law, including Government Code section 84204 and Sections 1.161, 1.162, and 1.163 of this Chapter 1,~~  
11 ~~to determine whether a communication supports or opposes one or more candidates.~~

12           ~~Factors the Executive Director shall use to determine whether the communication supports or~~  
13 ~~opposes one or more candidates include the following:~~

- 14                     ~~(1) whether the communication clearly identifies one or more candidates;~~  
15                     ~~(2) the timing of the communication;~~  
16                     ~~(3) the voters targeted by the communication;~~  
17                     ~~(4) whether the communication identifies any candidate's position on a public policy~~  
18 ~~issue and urges the reader or viewer to take action, including calling the candidate to support or~~  
19 ~~oppose the candidate's position;~~  
20                     ~~(5) whether the position of one or more candidates on a public policy issue has been~~  
21 ~~raised as distinguishing these candidates from others in the campaign, either in the communication~~  
22 ~~itself or in other public communications;~~  
23                     ~~(6) whether the communication is part of an ongoing series of substantially similar~~  
24 ~~advocacy communications by the organization on the same issue; and~~  
25                     ~~(7) any other factors the Executive Director deems relevant.~~

1 ~~(d) Within one business day of the date that the Executive Director makes a determination~~  
2 ~~under subsection (c), either the candidate(s) identified in the communication or any candidate seeking~~  
3 ~~the same City elective office as the candidate identified in the communication may object to the~~  
4 ~~Executive Director's determination. The Executive Director shall respond to any objection within one~~  
5 ~~business day of receiving the objection.~~

6 ~~(e) Within one business day of the Executive Director's response, either the candidate(s)~~  
7 ~~identified in the communication or any candidate seeking the same City elective office as the candidate~~  
8 ~~identified in the communication may submit to the Executive Director a request that the Ethics~~  
9 ~~Commission review the Executive Director's determination. Within one business day of receiving the~~  
10 ~~request, the Executive Director shall notify each Commissioner of the candidate's request.~~

11 ~~If within one business day of the Executive Director's notice, two or more members of the~~  
12 ~~Commission inform the Executive Director that they would like to review the determination, the~~  
13 ~~Executive Director shall schedule a meeting of the Commission on a date that occurs within one week~~  
14 ~~of the Commissioners' requests. If three members of the Commission vote to overrule the Executive~~  
15 ~~Director's determination, the Commission shall make a final determination based on the factors set~~  
16 ~~forth above.~~

17 ~~(f) If no candidate objects to the Executive Director's determination, if no candidate requests~~  
18 ~~review by the Commission of the Executive Director's determination, if a request is made and two or~~  
19 ~~more members of the Commission do not request to review the determination, or within one week of~~  
20 ~~two members of the Commission requesting to review the Executive Director's determination, at least~~  
21 ~~three members of the Commission do not vote to overrule the Executive Director's determination, the~~  
22 ~~Executive Director's determination shall become final.~~

23 ~~The Executive Director shall determine whether to adjust the Individual Expenditure Ceilings of~~  
24 ~~each candidate for Mayor or the Board of Supervisors pursuant to either subsection (a) or (b) within~~  
25 ~~one business day of a final determination.~~

1           **~~SEC. 1.152. SUPPLEMENTAL REPORTING IN ELECTIONS FOR BOARD OF~~**  
2           **~~SUPERVISORS AND MAYOR.~~**

3           ~~(a) ELECTIONS FOR THE BOARD OF SUPERVISORS.~~

4                     ~~(1) In addition to the campaign disclosure requirements imposed by the California~~  
5           ~~Political Reform Act and other provisions of this Chapter, each candidate committee supporting a~~  
6           ~~candidate for the Board of Supervisors shall file a statement with the Ethics Commission indicating~~  
7           ~~when the committee has received contributions to be deposited into its Campaign Contribution Trust~~  
8           ~~Account or made expenditures that equal or exceed \$10,000 within 24 hours of reaching or exceeding~~  
9           ~~that amount.~~

10                    ~~(2) In addition to the supplemental report in subsection (a)(1) of this Section, each~~  
11           ~~candidate committee supporting a candidate for the Board of Supervisors shall file a statement with the~~  
12           ~~Ethics Commission disclosing when the committee has received contributions to be deposited into its~~  
13           ~~Campaign Contribution Trust Account or made expenditures that in the aggregate equal or exceed~~  
14           ~~\$100,000. The candidate committee shall file this report within 24 hours of reaching or exceeding the~~  
15           ~~threshold. Thereafter, the candidate committee shall file an additional supplemental report within 24~~  
16           ~~hours of every time the candidate committee receives additional contributions to be deposited into its~~  
17           ~~Campaign Contribution Trust Account or makes additional expenditures that in the aggregate equal or~~  
18           ~~exceed \$10,000.~~

19                    ~~(3) The Executive Director shall post the information disclosed on statements required~~  
20           ~~by this subsection on the website of the Ethics Commission within two business days of the statement's~~  
21           ~~filing.~~

22           ~~(b) ELECTIONS FOR MAYOR.~~

23                    ~~(1) In addition to the campaign disclosure requirements imposed by the California~~  
24           ~~Political Reform Act and other provisions of this Chapter, each candidate committee supporting a~~  
25           ~~candidate for Mayor shall file a statement with the Ethics Commission indicating when the candidate~~

1 ~~committee has received contributions to be deposited into its Campaign Contribution Trust Account or~~  
2 ~~made expenditures that equal or exceed \$50,000 within 24 hours of reaching or exceeding that amount.~~

3 ~~(2) In addition to the supplemental report in Subsection (b)(1) of this Section, each~~  
4 ~~candidate committee supporting a candidate for Mayor shall file a statement with the Ethics~~  
5 ~~Commission disclosing when the candidate committee has received contributions to be deposited into~~  
6 ~~its Campaign Contribution Trust Account or made expenditures that in the aggregate equal or exceed~~  
7 ~~\$1,000,000. The candidate committee shall file this report within 24 hours of reaching or exceeding~~  
8 ~~the threshold. Thereafter, the candidate committee shall file an additional supplemental report within~~  
9 ~~24 hours of every time the candidate committee receives additional contributions or makes additional~~  
10 ~~expenditures that in the aggregate equal or exceed \$50,000.~~

11 ~~(3) The Executive Director shall post the information disclosed on statements required~~  
12 ~~by this subsection on the website of the Ethics Commission within two business days of the statement's~~  
13 ~~filing.~~

14 ~~(c) The supplemental statements required by Subsections (a)(2) and (b)(2) are not required~~  
15 ~~until the Ethics Commission has certified that at least one candidate is eligible to receive public funds~~  
16 ~~under this Chapter, provided that within two business days of the date that the Ethics Commission~~  
17 ~~provides notice under this subsection that it has certified that a candidate is eligible to receive public~~  
18 ~~funds under this Chapter, any report that previously would have been required under (a)(2) and (b)(2)~~  
19 ~~must be filed. Within two business days of certifying that at least one candidate is eligible to receive~~  
20 ~~public financing under this Chapter, the Ethics Commission shall post a notice on its website, send out~~  
21 ~~a press release and send written notice by regular or electronic mail to all other candidates running for~~  
22 ~~the same City elective office and to any other person who has requested such notice.~~

## 24 **SEC. 1.161. CAMPAIGN ADVERTISEMENTS.**

25 (a) DISCLAIMERS. In addition to complying with the disclaimer requirements set forth

1 in Chapter 4 of the California Political Reform Act, California Government Code sections  
2 84100 et seq., and its enabling regulations, all committees making expenditures which  
3 support or oppose any candidate for City elective office or any City measure shall also comply  
4 with the following additional requirements:

5 \* \* \* \*

6 (2) WEBSITE REFERRAL. Each disclaimer required by the Political Reform  
7 Act or its enabling regulations and by this Section 1.161 shall be followed in the same  
8 required format, size, and speed by the following phrase: "Financial disclosures are available  
9 at ~~sfethics.org~~[website address designated by the Ethics Commission]." A substantially similar  
10 statement that specifies the web site may be used as an alternative in audio communications.

11 \* \* \* \*

12 (4) CANDIDATE ADVERTISEMENTS. Advertisements by candidate  
13 committees shall include the following disclaimer statements: "Paid for by \_\_\_\_\_ (insert  
14 the name of the candidate committee)." and "Financial disclosures are available at  
15 ~~sfethics.org~~[website address designated by the Ethics Commission]." Except as provided in  
16 subsections (a)(3) and (a)(5), the statements' format, size, and speed shall comply with the  
17 disclaimer requirements for independent expenditures for or against a candidate set forth in  
18 the Political Reform Act and its enabling regulations.

19 \* \* \* \*

## 20 21 **SEC. 1.162. ELECTIONEERING COMMUNICATIONS.**

### 22 (a) DISCLAIMERS.

23 (1) Every electioneering communication for which a statement is filed pursuant  
24 to subsection (b) shall include the following disclaimer: "Paid for by \_\_\_\_\_ (insert the  
25 name of the person who paid for the communication)." and "Financial disclosures are

1 available at ~~sfethics.org~~ [website address designated by the Ethics Commission]."

2 \* \* \* \*

3  
4 **SEC. 1.170. PENALTIES.**

5 (a) CRIMINAL. Any person who knowingly or willfully violates any provision of this  
6 Chapter ~~1~~ shall be guilty of a misdemeanor and upon conviction thereof shall be punished by  
7 a fine of not more than \$5,000 for each violation or by imprisonment in the County jail for a  
8 period of not more than six months or by both such fine and imprisonment; provided, however,  
9 that any willful or knowing failure to report contributions or expenditures done with intent to  
10 mislead or deceive or any willful or knowing violation of the provisions of Sections 1.114,  
11 1.126, or 1.127 ~~of this Chapter 1~~ shall be punishable by a fine of not less than \$5,000 for each  
12 violation or three times the amount not reported or the amount received in excess of the  
13 amount allowable pursuant to Sections 1.114, 1.126, or 1.127 ~~of this Chapter 1~~, or three times  
14 the amount expended in excess of the amount allowable pursuant to Section ~~1.130~~ 1.131 or  
15 1.140, whichever is greater.

16 (b) CIVIL. Any person who intentionally or negligently violates any of the provisions of  
17 this Chapter ~~1~~ shall be liable in a civil action brought by the City Attorney for an amount up to  
18 \$5,000 for each violation or three times the amount not reported or the amount received in  
19 excess of the amount allowable pursuant to Sections 1.114, 1.126, or 1.127 or three times the  
20 amount expended in excess of the amount allowable pursuant to Section ~~1.130~~ 1.131 or 1.140,  
21 whichever is greater. In determining the amount of liability, the court may take into account  
22 the seriousness of the violation, the degree of culpability of the defendant, and the ability of  
23 the defendant to pay.

24 \* \* \* \*

25 (i) EFFECT OF VIOLATION ON CANDIDACY.

1 (1) If a candidate is convicted, in a court of law, of a violation of this Chapter at  
2 any time prior to his or her election, his or her candidacy shall be terminated immediately and  
3 he or she shall be no longer eligible for election, unless the court at the time of sentencing  
4 specifically determines that this provision shall not be applicable. No person convicted of a  
5 misdemeanor under this Chapter after his or her election shall be a candidate for any other  
6 City elective office for a period of five years following the date of the conviction unless the  
7 court shall at the time of sentencing specifically determine that this provision shall not be  
8 applicable.

9 (2) If a candidate for the Board of Supervisors certified as eligible for public  
10 financing is found by a court to have exceeded the Individual Expenditure Ceiling in this  
11 Chapter by ~~ten percent~~ 10% or more at any time prior to his or her election, such violation shall  
12 constitute official misconduct. The Mayor may suspend any member of the Board of  
13 Supervisors for such a violation, and seek removal of the candidate from office following the  
14 procedures set forth in Charter Section 15.105(a).

15 (3) A plea of nolo contendere, in a court of law, shall be deemed a conviction for  
16 purposes of this Section 1.170.

17  
18 Section 2. Prerequisites for Enactment; Super-Majority Vote Requirement. The  
19 enactment of Section 1 of this ordinance is subject to provisions of the Campaign and  
20 Governmental Conduct Code that require the amendments to be approved by the Ethics  
21 Commission by a supermajority vote of at least four members of the Commission, and  
22 approved by a supermajority vote of at least eight members of the Board of Supervisors.

23  
24 Section 3. Effective Date. This ordinance shall become effective 30 days after  
25 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the



1 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
2 of Supervisors overrides the Mayor's veto of the ordinance.

3  
4 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
5 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
6 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
7 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
8 additions, and Board amendment deletions in accordance with the "Note" that appears under  
9 the official title of the ordinance.

10  
11 Section 5. Severability. If any section, subsection, sentence, clause, phrase, or word  
12 of this ordinance, or any application thereof to any person or circumstance, is held to be  
13 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
14 shall not affect the validity of the remaining portions or applications of the ordinance. The  
15 Board of Supervisors hereby declares that it would have passed this ordinance and each and  
16 every section, subsection, sentence, clause, phrase, and word not declared invalid or  
17 unconstitutional without regard to whether any other portion of this ordinance or application  
18 thereof would be subsequently declared invalid or unconstitutional.

19  
20 APPROVED AS TO FORM:  
21 DAVID CHIU, City Attorney

22 By: \_\_\_\_\_  
23 Kathleen Vermazen Radez  
24 Deputy City Attorney

25  
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