



San Francisco Ethics Commission

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Date: July 6, 2026

To: Members of the Ethics Commission

From: Michael Canning, Policy & Legislative Affairs Manager
Ryan Abusaa, Senior Policy Research Specialist

Re: **AGENDA ITEM 13 – Discussion and Possible Action Regarding Behested Payment Waiver Legislation.**

Summary and Action Requested

This memo reviews background and provides information on amendments made to an ordinance that would change the waiver provision of the City's behested payment rules ([File #250947](#)). Staff recommend the Commission discuss the proposed legislative amendment and vote to approve the legislation. The legislation, which has been amended since last approved by the Commission in January, is included as **Attachment 1** and the Legislative Digest for the amended ordinance is provided as **Attachment 2**.

Background

This legislation was introduced by President Mandelman in September of last year and was then referred to the Ethics Commission for consideration. The legislation would make changes to the Board's ability to grant waivers for the City's behested payment prohibition. This legislation was discussed at the Commission's October and November meetings last year. During the Commission's January meeting, the Commission voted to approve the attached legislation, pending the inclusion of a sunset provision.

Amendments to Legislation

Following the Commission's vote during the January meeting, language was developed to create a sunset provision, specifically for the ability of the Board of Supervisors to grant waivers for officers and employees of the Board. During the January meeting, the Commission requested a sunset provision be added so that after a period of time, the Commission and the Board of Supervisors would be required to review the waivers the Board gave itself and determine if this process should be allowed to continue. The language creating this sunset provision is in subsection 3.620(h) and reads as follows:

***"SUNSET.** The Board's authority under subsection (f) to waive the requirements of this Section 3.260 by resolution for officers or designated employees of the Board shall expire on June 30, 2029, unless this subsection (h) is amended as provided in Section 3.600."*

Language was also added to subsection 3.620(f) to reference the applicability of the sunset provision. President Mandelman is supportive of the inclusion of this sunset provision.

To review, the amended legislation does the following:

- Allows the Board of Supervisors to grant waivers for officers and employees of the Board,
- Specifies that waiver resolutions shall “identify the positions of the City employees and officers to whom the waiver will apply,”
- Requires that waiver recipients must report back to the Board of Supervisors about the donations solicited under the waiver, within 60 days of the expiration of the waiver, and
- Establishes a sunset provision for the Board’s ability to grant waivers for itself, which would expire after three years, unless amended legislatively.

Recommended Action

Staff recommend the Commission review the attached ordinance with the language and vote to approve the ordinance as amended.

The ordinance requires majority approval by the Ethics Commission and two-thirds vote from the Board of Supervisors to be enacted. If the Ethics Commission approves, the legislation will return to the Board of Supervisors for consideration and approval. In the event there are further substantive amendments from the Board of Supervisors, the legislation would again be referred to the Ethics Commission for additional approval.

Attachments

Attachment 1: [Behested Payments Waivers Ordinance – File No. 250947](#)

Attachment 2: [Legislative Digest for File No. 250947](#)

ATTACHMENT 1

1 [Campaign and Governmental Conduct Code - Behested Payments]

2

3 **Ordinance amending the Campaign and Governmental Conduct Code to permit the**
4 **Board of Supervisors to waive by resolution the requirements of the behested payment**
5 **ordinance for the Board itself, and to require any party that receives a waiver to report**
6 **certain information to the Board of Supervisors no later than 60 days after expiration of**
7 **the waiver.**

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

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

16 Section 1. Chapter 6 of the Campaign and Governmental Conduct Code is hereby
17 amended by revising the Chapter title and Section 3.620, to read as follows:

18 **CHAPTER 6: BEHESTED PAYMENTS ~~REPORTING~~**

19 * * * *

20 **SEC. 3.620. PROHIBITING ELECTED OFFICIALS, DEPARTMENT HEADS,**
21 **COMMISSIONERS, AND DESIGNATED EMPLOYEES FROM SOLICITING BEHESTED**
22 **PAYMENTS FROM INTERESTED PARTIES.**

23 * * * *

24 (f) **EXCEPTION – WAIVER.** *Upon request by a City department, t*The Board of
25 Supervisors may waive the requirements of this Section 3.620 by resolution. Waivers that

1 apply to officers or designated employees of the Board of Supervisors are subject to the
2 limitation set forth below in subsection (h), ~~but may not waive it for itself.~~ A proposed resolution
3 that seeks a waiver shall identify the positions of the City employees and officers to whom the waiver
4 will apply, summarize the purpose of the solicitation(s), ~~and shall~~ identify the type of interested
5 parties or the specific interested parties, when the identity is known, to whom the
6 solicitation(s) would be directed, and include a statement as to why the ~~department parties that~~
7 would be solicited ~~believes the parties~~ are interested parties. The resolution must include a
8 finding that the waiver would not create an appearance of impropriety and would be in the
9 public interest. Waivers granted under this subsection (f) shall apply prospectively for six
10 months, unless the approving resolution specifies a shorter duration, and shall have no effect
11 as to past solicitations and may not be approved retroactively after the solicitations have
12 occurred. Within 30 days of the enactment of such a resolution, the Clerk of the Board shall
13 publish information regarding the resolution to a dataset of all approved waiver resolutions on
14 DataSF.

15 (g) REPORTING. Any party that receives a waiver under subsection (f) must provide
16 a written report to the Board of Supervisors within 60 days of the expiration of the waiver of
17 any donations to the City or any third party that were solicited under that waiver. Such report
18 shall identify the donor, the amount of the donation made, the party that received the
19 donation, and the interested relationship between the donor and the department of the
20 employee or officer who solicited the donation.

21 (h) SUNSET. The Board of Supervisors' authority under subsection (f) to waive the
22 requirements of this Section 3.620 by resolution for officers or designated employees of the
23 Board of Supervisors shall expire on June 30, 2029.

24
25

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

6
7 Section 3. Effective Date. This ordinance shall become effective ~~30 days~~ on the 31st
8 day after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor
9 returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it,
10 or the Board of Supervisors overrides the Mayor’s veto of the ordinance.

11
12 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
13 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
14 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
15 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
16 additions, and Board amendment deletions in accordance with the “Note” that appears under
17 the official title of the ordinance.

18
19 APPROVED AS TO FORM:
20 DAVID CHIU, City Attorney

21 By: /s/ Michael Gerchow
22 MICHAEL GERCHOW
23 Deputy City Attorney

24
25
4897-2787-0394

ATTACHMENT 2

LEGISLATIVE DIGEST

[Campaign and Governmental Conduct Code - Behested Payments]

Ordinance amending the Campaign and Governmental Conduct Code to permit the Board of Supervisors to waive by resolution the requirements of the behested payment ordinance for the Board itself and to require any party that receives a waiver to report certain information to the Board of Supervisors no later than 60 days after expiration of the waiver.

Existing Law

Local law prohibits elected officials, department heads, commissioners, and designated employees from soliciting behested payments from “interested parties,” as defined in the Campaign and Governmental Conduct Code. Current law permits the Board of Supervisors to waive the rule by resolution upon request by a City department, but prohibits the Board of Supervisors from waiving the rule for itself. A proposed resolution must summarize the purpose of the solicitation(s), identify the type of interested parties or the specific interested parties, when the identity is known, to whom the solicitation(s) would be directed, and state why the department believes the parties are interested parties.

Amendments to Current Law

The amendments will allow the Board of Supervisors to waive the behested payments prohibition for itself or for any of its members. The authority of the Board of Supervisors to waive the behested payments prohibition for itself or for any of its members shall expire on June 30, 2029 unless the Board and the Ethics Commission approve extending that authority.

In addition, this ordinance will modify the required elements of any waiver resolution to require that the proposed resolution identify the City employees and officers to whom the waiver will apply and state why the parties that would be solicited are interested parties. It will also require any party that receives a waiver to provide a written report to the Board of Supervisors within 60 days of the expiration of the waiver of any donations to the City or any third party that were solicited under that waiver. Such report shall identify the donor, the amount of the donation made, the party that received the donation, and the interested relationship between the donor and the department that solicited the donation.

This ordinance also amends the chapter title to reflect prior amendments to the chapter, which replaced the former reporting requirement with the current rules governing the solicitation of behested payments by local officials.

Background Information

This most recent amendment to the ordinance adds the reporting requirement as well as a three-year sunset for the Board of Supervisors' authority to waive the behested payments prohibition for itself or for any of its members.

The proposed amendments to the Campaign and Governmental Conduct Code must be approved by a majority vote of the Ethics Commission, and approved by a supermajority vote of at least eight members of the Board of Supervisors.