

1 [Campaign and Governmental Conduct Code - Public Campaign Financing]

2

3 **Ordinance amending the Campaign and Governmental Conduct Code to modify the**  
4 **deadline for participation in the City’s public financing program and the operation of**  
5 **individual expenditure ceilings for participating candidates.**

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

10

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

12

13 Section 1. Chapter 1 of the Campaign and Governmental Conduct Code is hereby  
14 amended by revising Sections 1.104, 1.108, 1.142, and 1.143, to read as follows:

15 **SEC. 1.104. DEFINITIONS.**

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

17 \* \* \* \*

18 "Total Supportive Funds" shall mean the sum of all contributions received by a  
19 candidate committee supporting a candidate for Mayor or the Board of Supervisors, other than  
20 any funds *that exceed the candidate’s Individual Expenditure Ceiling in the candidate’s Campaign*  
21 *Contingency Account exceeding the candidate committee’s Trust Account Limit*, plus the  
22 expenditures made or expenses incurred by any person or persons for the purpose of making  
23 independent expenditures, electioneering communications or member communications in  
24 support of that same candidate.

25

1           ~~"Trust Account Limit" shall mean the amount of funds in the Campaign Contribution Trust~~  
2 ~~Account of a candidate committee supporting a candidate for Mayor or the Board of Supervisors whom~~  
3 ~~the Ethics Commission has certified as eligible to receive public funds under this Chapter such that the~~  
4 ~~expenditure of this amount would cause the candidate to reach, but not exceed, the candidate's~~  
5 ~~Individual Expenditure Ceiling. The Trust Account Limit shall be reduced as the candidate spends~~  
6 ~~money and shall be increased when his or her Individual Expenditure Ceiling increases.~~

7           \* \* \* \*

8  
9           **SEC. 1.108. CANDIDATE COMMITTEE CAMPAIGN CONTRIBUTION TRUST**  
10 **~~ACCOUNTS AND CAMPAIGN CONTINGENCY ACCOUNTS.~~**

11           ~~(a) CANDIDATE COMMITTEE CAMPAIGN CONTRIBUTION TRUST ACCOUNTS.~~

12           ~~(1) (a) Establishment of Account.~~ Each treasurer for a candidate committee shall  
13 establish a Campaign Contribution Trust Account for the candidate committee at an office of a  
14 bank located in the City and County of San Francisco. All expenditures by the candidate  
15 committee for the City elective office sought shall be made from that account.

16           ~~(2) (b) Prohibition on Multiple Officeholder Accounts.~~ All funds, services, or in-kind  
17 contributions received by a candidate committee for expenses incurred directly in connection  
18 with carrying out the candidate's usual and necessary duties of holding office shall be  
19 deposited, credited, or otherwise reported to the candidate committee's Campaign  
20 Contribution Trust Account. Such contributions shall be subject to the contribution limits in  
21 Section 1.114 of this Chapter 1. An elected officeholder may not establish or control any other  
22 committees or accounts for the purpose of making officeholder expenses. Nothing in this  
23 Section 1.108 shall prohibit an officer from spending personal funds on official activities.

24           ~~(3) Account Limits. A candidate committee controlled by a candidate for Mayor or the~~  
25 ~~Board of Supervisors whom the Ethics Commission has certified as eligible to receive public funds~~

1 *under this Chapter shall not, at any time before the date of the election for which the candidate has*  
2 *been certified, have an amount of funds greater than the candidate committee's Trust Account Limit in*  
3 *its Campaign Contribution Trust Account, unless those contributions are immediately transferred into*  
4 *the candidate committee's Campaign Contingency Account.*

5 ~~(b) CAMPAIGN CONTINGENCY ACCOUNTS FOR CANDIDATE COMMITTEES FOR~~  
6 ~~MAYOR AND THE BOARD OF SUPERVISORS.~~

7 ~~(1) Notwithstanding any other section of this Code, including Subsection (a)(2), a~~  
8 ~~candidate committee controlled by a candidate for Mayor or the Board of Supervisors whom the Ethics~~  
9 ~~Commission has certified as eligible to receive public funds under this Chapter may maintain a~~  
10 ~~Campaign Contingency Account separate from its Campaign Contribution Trust Account into which it~~  
11 ~~may deposit money contributions in anticipation that the Ethics Commission will raise the candidate's~~  
12 ~~Individual Expenditure Ceiling. All money contributions deposited into this account shall be reported~~  
13 ~~as if it were deposited into the candidate committee's Campaign Contribution Trust Account.~~

14 ~~(2) No candidate committee may deposit any funds into its Campaign Contingency~~  
15 ~~Account if the amount of funds in the candidate committee's Campaign Contribution Trust Account is~~  
16 ~~less than the candidate committee's Trust Account Limit.~~

17 ~~(3) No expenditures shall be made from a Campaign Contingency Account established~~  
18 ~~pursuant to this section. Funds may be transferred from the candidate committee's Campaign~~  
19 ~~Contingency Account to the candidate committee's Campaign Contribution Trust Account, provided~~  
20 ~~that the amount of funds in the Campaign Contribution Trust Account does not exceed the candidate~~  
21 ~~committee's Trust Account Limit. All funds that qualify as matching contributions and are transferred~~  
22 ~~from the Campaign Contingency Account to the Campaign Contribution Trust Account shall be eligible~~  
23 ~~to be matched with public funds in accordance with the procedures set forth in this Chapter. Within ten~~  
24 ~~days after the date of the election, the candidate committee shall turn over all funds in the Campaign~~  
25 ~~Contingency Account to the Election Campaign Fund.~~

1  
2           **SEC. 1.142. PROCESS FOR ESTABLISHING ELIGIBILITY; CERTIFICATION BY**  
3 **THE ETHICS COMMISSION.**

4           (a) STATEMENT OF PARTICIPATION OR NON-PARTICIPATION. Each candidate  
5 for the Board of Supervisors or Mayor must sign and file a Statement of Participation or Non-  
6 Participation in the public financing program. The statement must be filed by the candidate  
7 with the Ethics Commission no later than *the third day following* the deadline for filing  
8 nomination papers. On the statement, each candidate shall indicate whether ~~he or she~~ *the*  
9 *candidate* intends to participate in the public financing program. A statement of participation or  
10 non-participation may not be amended after the deadline ~~for filing nomination papers set forth in~~  
11 *this subsection (a).*

12           *If any deadline imposed by this subsection (a) falls on a Saturday, Sunday, or legal holiday, the*  
13 *deadline shall be the next business day.*

14           (b) DECLARATION BY CANDIDATE. To become eligible to receive public financing  
15 of campaign expenses under this Chapter 1, a candidate shall declare, under penalty of  
16 perjury, that the candidate satisfies the requirements specified in Section 1.140. Candidates  
17 shall be permitted to submit the declaration and any supporting material required by the Ethics  
18 Commission to the Ethics Commission no earlier than nine months before the date of the  
19 election, but no later than the 70th day before the election. Once the declaration and  
20 supporting material are submitted, they may not be amended. The declaration and supporting  
21 material may be withdrawn and refiled, provided that the refiling is made no later than the 70th  
22 day before the election.

23           If any deadline imposed by this ~~S~~ subsection *(b)* falls on a Saturday, Sunday, or legal  
24 holiday, the deadline shall be the next business day.

1 (c) DETERMINATION OF ELIGIBILITY. The Executive Director of the Ethics  
2 Commission shall review the candidate's declaration and supporting material to determine  
3 whether the candidate is eligible to receive public funds under this Chapter 1. The Executive  
4 Director may audit the candidate's records, interview contributors, and take whatever steps  
5 the Executive Director deems necessary to determine eligibility. At the request of the  
6 Executive Director, the Controller shall assist in this review process.

7 (d) DETERMINATION OF OPPOSITION. To determine whether a candidate for the  
8 Board of Supervisors is opposed as required under Section 1.140(b)(3) of this Chapter 1 or a  
9 candidate for Mayor is opposed as required under Section 1.140(c)(3) of this Chapter, the  
10 Executive Director shall review the material filed pursuant to Section 1.152 of this Chapter,  
11 and may review any other material.

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

22 (f) RESUBMISSION. If the Executive Director declines to certify that a candidate is  
23 eligible to receive public financing under this Chapter 1, the Executive Director shall notify the  
24 candidate. Notwithstanding Section 1.142(b) of this Chapter, the candidate may, within five  
25

1 business days of the date of notification, resubmit the declaration and supporting material. If  
2 the candidate does not timely resubmit, the Executive Director's determination is final.

3 If, after viewing resubmitted material, the Executive Director declines to certify that a  
4 candidate is eligible to receive public financing under this Chapter, the Executive Director  
5 shall notify the candidate of this fact. Additional resubmissions may be permitted in the  
6 Executive Director's discretion. If the candidate fails to resubmit in the time specified by the  
7 Executive Director, or if no further resubmissions are permitted, the Executive Director's  
8 determination is final.

9 (g) APPEAL TO THE ETHICS COMMISSION. If the Executive Director declines to  
10 certify that a candidate is eligible to receive public financing under this Chapter 1, the  
11 candidate may appeal the Executive Director's final determination to the Ethics Commission.  
12 The candidate must deliver the written appeal to the Ethics Commission within five days of the  
13 date of notification of the Executive Director's determination.

14  
15 **SEC. 1.143. ADJUSTING INDIVIDUAL EXPENDITURE CEILINGS.**

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

19 (a) The Executive Director shall adjust the Individual Expenditure Ceiling of a  
20 candidate for Mayor ~~to an amount equal to~~ by \$250,000 when the sum of the Total Opposition  
21 Spending against that candidate and the highest level of the Total Supportive Funds of any  
22 other candidate for Mayor ~~if such amount~~ is greater than \$1,475,000 ~~by any amount, provided that~~  
23 ~~the Executive Director may adjust a candidate's Individual Expenditure Ceilings only in increments of~~  
24 \$100,000. Thereafter, the Executive Director shall further adjust a candidate's Individual Expenditure  
25 Ceiling in increments of \$250,000, whenever the sum of the Total Opposition Spending against that

1 candidate and the highest level of the Total Supportive Funds of any other candidate for Mayor is  
2 greater than the candidate's current Individual Expenditure Ceiling by any amount.

3 (b) The Executive Director shall adjust the Individual Expenditure Ceiling of a  
4 candidate for the Board of Supervisors ~~to an amount equal to~~ by \$50,000 when the sum of the  
5 Total Opposition Spending against that candidate and the highest level of the Total Supportive  
6 Funds of any other candidate for the same office on the Board of Supervisors ~~if such amount~~ is  
7 greater than \$250,000 ~~by any amount, provided the Executive Director may adjust a candidate's~~  
8 ~~Individual Expenditure Ceiling only in increments of \$10,000.~~ Thereafter, the Executive Director shall  
9 further adjust a candidate's Individual Expenditure Ceiling in increments of \$50,000, whenever the sum  
10 of the Total Opposition Spending against that candidate and the highest level of the Total Supportive  
11 Funds of any other candidate for the same office is greater than the candidate's current Individual  
12 Expenditure Ceiling by any amount.

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

17 Factors the Executive Director shall use to determine whether the communication  
18 supports or opposes one or more candidates include the following:

- 19 (1) whether the communication clearly identifies one or more candidates;
- 20 (2) the timing of the communication;
- 21 (3) the voters targeted by the communication;
- 22 (4) whether the communication identifies any candidate's position on a public  
23 policy issue and urges the reader or viewer to take action, including calling the candidate to  
24 support or oppose the candidate's position;
- 25

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

4 (6) whether the communication is part of an ongoing series of substantially  
5 similar advocacy communications by the organization on the same issue; and

6 (7) any other factors the Executive Director deems relevant.

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

12 (e) Within one business day of the Executive Director's response, either the  
13 candidate(s) identified in the communication or any candidate seeking the same City elective  
14 office as the candidate identified in the communication may submit to the Executive Director a  
15 request that the Ethics Commission review the Executive Director's determination. Within one  
16 business day of receiving the request, the Executive Director shall notify each Commissioner  
17 of the candidate's request.

18 If within one business day of the Executive Director's notice, two or more members of  
19 the Commission inform the Executive Director that they would like to review the determination,  
20 the Executive Director shall schedule a meeting of the Commission on a date that occurs  
21 within one week of the Commissioners' requests. If three members of the Commission vote to  
22 overrule the Executive Director's determination, the Commission shall make a final  
23 determination based on the factors set forth above.

24 (f) If no candidate objects to the Executive Director's determination, if no candidate  
25 requests review by the Commission of the Executive Director's determination, if a request is



1 made and two or more members of the Commission do not request to review the  
2 determination, or within one week of two members of the Commission requesting to review  
3 the Executive Director's determination, at least three members of the Commission do not vote  
4 to overrule the Executive Director's determination, the Executive Director's determination shall  
5 become final.

6 The Executive Director shall determine whether to adjust the Individual Expenditure  
7 Ceilings of each candidate for Mayor or the Board of Supervisors pursuant to either  
8 ~~Subsection (a) or (b) of this Section~~ within one business day of a final determination.  
9

10 Section 2. Effective Date. This ordinance shall become effective 30 days after  
11 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
12 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
13 of Supervisors overrides the Mayor's veto of the ordinance.  
14

15 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
16 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
17 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
18 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
19 additions, and Board amendment deletions in accordance with the "Note" that appears under  
20 the official title of the ordinance.  
21


22 Section 4. Severability. If any section, subsection, sentence, clause, phrase, or word  
23 of this ordinance, or any application thereof to any person or circumstance, is held to be  
24 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
25 shall not affect the validity of the remaining portions or applications of the ordinance. The

1 Board of Supervisors hereby declares that it would have passed this ordinance and each and  
2 every section, subsection, sentence, clause, phrase, and word not declared invalid or  
3 unconstitutional without regard to whether any other portion of this ordinance or application  
4 thereof would be subsequently declared invalid or unconstitutional.

5  
6 Section 5. Under Campaign and Governmental Conduct Code Section 1.103, the City  
7 may enact this ordinance without voter approval only if (a) the ordinance furthers the purposes  
8 of Campaign and Governmental Conduct Code Article I, Chapter 1; (b) the Ethics  
9 Commission approves the ordinance in advance by at least a four-fifths vote of all its  
10 members; (c) the ordinance has been available for public review at least 30 days before the  
11 ordinance is considered by the Board of Supervisors or any committee of the Board of  
12 Supervisors; and (d) the Board of Supervisors approves the proposed amendment by at least  
13 a two-thirds vote of all its members.

14  
15 APPROVED AS TO FORM:  
16 DENNIS J. HERRERA, City Attorney

17 By:

  
\_\_\_\_\_  
18 ANDREW SHEN  
19 Deputy City Attorney

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City and County of San Francisco

Tails  
Ordinance

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

File Number: 190287

Date Passed: May 07, 2019

Ordinance amending the Campaign and Governmental Conduct Code to modify the deadline for participation in the City's public financing program and the operation of individual expenditure ceilings for participating candidates.

April 22, 2019 Rules Committee - RECOMMENDED

April 30, 2019 Board of Supervisors - PASSED ON FIRST READING

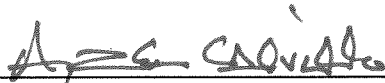
Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee


May 07, 2019 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

File No. 190287

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 5/7/2019 by the Board of Supervisors of the City and County of San Francisco.

  
Angela Calvillo  
Clerk of the Board

  
London N. Breed  
Mayor

5/10/19  
Date Approved