

FILE NO. 071003

ORDINANCE NO.

268-07

1 [Consolidating the Public Campaign Financing Programs for Mayor and Board of
2 Supervisors.]

3 Ordinance amending sections 1.104, 1.108, 1.130, 1.134, 1.134.5, 1.136, 1.138, 1.140,
4 1.142, 1.144, 1.146, 1.148, 1.150, 1.152, 1.154, 1.156 and 1.170 and repealing sections
5 1.138.5, 1.140.5 and 1.144.5 of the Campaign and Governmental Conduct Code to
6 combine the separate partial public financing programs for candidates for the Board of
7 Supervisors and candidates for Mayor into one partial public financing program and
8 raising the expenditure ceiling for candidates for the Board of Supervisors to \$140,000.
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10 Note: Additions are single-underline italics Times New Roman;
11 deletions are ~~strikethrough italics Times New Roman~~.
12 Board amendment additions are double underlined.
13 Board amendment deletions are ~~strikethrough-normal~~.

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

15 Section 1. The San Francisco Campaign and Governmental Conduct Code is hereby
16 amended by amending Sections 1.104, 1.108, 1.130, 1.134, 1.134.5, 1.136, 1.138, 1.140,
17 1.142, 1.144, 1.146, 1.148, 1.150, 1.152, 1.154, 1.156 and 1.170 to read as follows:

18 SEC. 1.104. DEFINITIONS.

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

20 (a) "Candidate" shall mean any individual listed on the ballot for election to any City
21 elective office or who otherwise has taken affirmative action to seek nomination or election to
22 such office. The term "candidate" shall also mean the candidate's campaign committee.

23 (b) "Charitable organization" shall mean an entity exempt from taxation pursuant to
24 Title 26, Section 501 of the United State Code.

25 (c) "City elective office" shall mean the offices of Mayor, Member of the Board of
Supervisors, City Attorney, District Attorney, Treasurer, Sheriff, Assessor, Public Defender,

1 Member of the Board of Education of the San Francisco Unified School District and Member
2 of the Governing Board of the San Francisco Community College District. The Board of
3 Supervisors shall be deemed to consist of eleven separate City elective offices, the San
4 Francisco Community College District shall be deemed to consist of seven separate City
5 elective offices, and the Board of Education of the San Francisco Unified School District shall
6 be deemed to consist of seven separate City elective offices.

7 (d) "Committee" shall be defined as set forth in the Government Code of the State of
8 California (commencing at Section 81000).

9 (e) "Contribution" shall be defined as set forth in Government Code of the State of
10 California (commencing at Section 81000); provided, however, that "contribution" shall include
11 loans of any kind or nature.

12 (f) "Election" shall mean any primary, general, or special municipal election held in the
13 City and County of San Francisco for City elective office, regardless of whether the election is
14 conducted by district or Citywide.

15 (g) "Enforcement authority" shall mean the District Attorney of the City and County of
16 San Francisco for criminal enforcement, the City Attorney for civil enforcement, and the Ethics
17 Commission for administrative enforcement. Nothing in this Chapter shall be construed as
18 limiting the authority of any law enforcement agency or prosecuting attorney to enforce the
19 provisions of this Chapter under any circumstances where such law enforcement agency or
20 prosecuting attorney otherwise has lawful authority to do so.

21 (h) "Ethics Commission" shall mean the San Francisco Ethics Commission.

22 (i) "Executive Director" shall mean the Executive Director of the Ethics Commission, or
23 the Executive Director's designee.
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1 (j) "Individual Expenditure Ceiling" shall mean the expenditure ceiling established for
2 each individual candidate for Mayor or the Board of Supervisors who has been certified by the
3 Ethics Commission as eligible to receive public funds under this Chapter.

4 (k) "Matching contribution" shall mean a contribution up to \$500.00, that is made by an
5 individual, other than the candidate, who is a resident of San Francisco. Matching
6 contributions shall not include loans, contributions that are received more than 18 months
7 before the date of the election, contributions made by the candidate's immediate family or
8 qualifying contributions, and must comply with all requirements of this Chapter. Matching
9 contributions under \$100.00 that are not made by written instrument must be accompanied by
10 written documentation of the contributor's name and address.

11 (l) "Measure" shall mean any City, San Francisco Unified School District or San
12 Francisco Community College District referendum, recall or ballot proposition, whether or not
13 it qualifies for the ballot.

14 (m) "Person" shall mean any individual, partnership, corporation, association, firm,
15 committee, club or other organization or group of persons, however organized.

16 (n) "Qualified campaign expenditure" for candidates includes all of the following:

17 (1) Any expenditure made by a candidate, or by a committee controlled by the
18 candidate, for the purpose of influencing or attempting to influence the actions of the voters for
19 the election of the candidate to City elective office.

20 (2) A nonmonetary contribution provided to the candidate, officeholder or committee
21 controlled by the candidate.

22 (3) The total cost actually paid or incurred by the candidate or controlled committee of
23 the candidate for a slate mailing or other campaign literature produced or authorized by more
24 than one candidate.
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1 (4) Expenses incurred, but for which payment has not yet been made.

2 (5) Expenses associated with complying with applicable laws, including but not limited
3 to the California Political Reform Act, Government Code Section 81000, et seq., and the
4 provisions of this Chapter.

5 (6) "Qualified campaign expenditure" shall not include filing fees, expenses incurred in
6 connection with an administrative or judicial proceeding, payments for administrative, civil or
7 criminal fines, including late filing fines, costs incurred after the election that do not directly
8 affect the outcome of the election, including but not limited to utility bills, expenses associated
9 with an audit, and expenses related to preparing post-election campaign finance disclosure
10 reports as required by the California Political Reform Act, Government Code Section 81000,
11 et seq., and the provisions of this Chapter, or for inaugural activities or officeholder expenses.

12 (o) "Qualifying contribution" shall mean a contribution of not less than \$10.00 and not
13 more than \$100.00 that is made by an individual who is a resident of San Francisco and that
14 complies with all requirements of this Chapter. Qualifying contributions shall not include
15 loans, contributions that are received more than 18 months before the date of the election or
16 contributions made by the candidate or the candidate's immediate family. Qualifying
17 contributions under \$100.00 that are not made by written instrument must be accompanied by
18 written documentation of the contributor's name and address.

19 (p) "Recorded telephone message" shall mean a recorded audio message that
20 expressly supports or opposes a candidate for City elective office that is distributed by
21 telephone.

22 (q) "Surplus funds" shall mean funds remaining in a candidate's campaign account at
23 the time the candidate leaves City elective office, or at the end of the post-election reporting
24 period following the defeat of the candidate for City elective office, whichever occurs last, and
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1 funds remaining in the campaign account of a committee primarily formed to support or
2 oppose a measure at the end of the post-election reporting period following the election at
3 which the measure appeared on the ballot.

4 (r) "Total Opposition Spending" shall mean the sum of any expenditures made or
5 expenses incurred by any person or persons for the purpose of making independent
6 expenditures, electioneering communications or member communications in opposition to a
7 specific candidate for Mayor or the Board of Supervisors.

8 (s) "Total Supportive Funds" shall mean the sum of all contributions received by a
9 candidate for Mayor or the Board of Supervisors other than any funds in the candidate's
10 Campaign Contingency Account, plus the expenditures made or expenses incurred by any
11 person or persons for the purpose of making independent expenditures, electioneering
12 communications or member communications in support of that same candidate.

13 (t) "Trust Account Limit," shall mean the amount of funds in the Campaign Contribution
14 Trust Account of a candidate for Mayor or the Board of Supervisors who has been certified by
15 the Ethics Commission as eligible to receive public funds under this Chapter such that the
16 expenditure of this amount would cause the candidate to reach, but not exceed, the
17 candidate's Individual Expenditure Ceiling. The Trust Account Limit shall be reduced as the
18 candidate spends money and shall be increased when his or her Individual Expenditure
19 Ceiling increases.

20 (u) "Voter" means an individual registered to vote in San Francisco.

21 (v) "Written instrument" means a check, credit card receipt, or record of electronic
22 transfer of funds.

1 SEC. 1.108. CANDIDATE CAMPAIGN CONTRIBUTION TRUST ACCOUNTS AND
2 CAMPAIGN CONTINGENCY ACCOUNTS.

3 (a) CANDIDATE CAMPAIGN CONTRIBUTION TRUST ACCOUNTS.

4 (1) Establishment of Account. Each treasurer for a candidate shall establish a
5 Campaign Contribution Trust Account for the candidate at an office of a bank located in the
6 City and County of San Francisco, the account number and branch identification of which
7 shall be filed with the Ethics Commission within ten days of the establishment of the account.
8 All of the expenditures by the candidate for the City elective office sought shall be made from
9 that account.

10 (2) Prohibition on Multiple Accounts. All funds, services or in-kind contributions
11 received by a City elective officer, or by any person or committee on behalf of a City elective
12 officer, for expenses incurred directly in connection with carrying out the usual and necessary
13 duties of holding office shall be deposited, credited or otherwise reported to the officer's
14 campaign contribution trust account and shall be subject to the contribution limits in Section
15 1.114 of this Chapter. Nothing in this Section shall prohibit an officer from spending personal
16 funds on official or related business activities.

17 (3) Account Limits. A candidate for Mayor or the Board of Supervisors who has been
18 certified by the Ethics Commission as eligible to receive public funds under this Chapter shall
19 not, at any time, have an amount of funds greater than the candidate's Trust Account Limit in
20 his or her Campaign Contribution Trust Account.

21 (b) CAMPAIGN CONTINGENCY ACCOUNTS FOR CANDIDATES FOR MAYOR AND
22 THE BOARD OF SUPERVISORS.

23 (1) Notwithstanding any other section of this Code, including subsection (a)(2), a
24 candidate for Mayor or the Board of Supervisors who has been certified by the Ethics
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1 Commission as eligible to receive public funds under this Chapter may maintain a Campaign
2 Contingency Account separate from his or her Campaign Contribution Trust Account into
3 which he or she may deposit money contributions in anticipation of the candidate's Individual
4 Expenditure Ceiling being raised. All money contributions deposited into this account shall be
5 reported as if it were deposited into the candidate's Campaign Contribution Trust Account.

6 (2) No expenditures shall be made from a Campaign Contingency Account established
7 pursuant to this section. Funds may be transferred between a candidate's Campaign
8 Contingency Account and the candidate's Campaign Contribution Trust Account, provided
9 that the amount of funds in the candidate's Campaign Contribution Trust Account does not
10 exceed the candidate's Trust Account Limit. All funds that qualify as matching contributions
11 and are transferred from the Campaign Contingency Account to the Campaign Contribution
12 Trust Account shall be eligible to be matched with public funds in accordance with the
13 procedures set forth in this Chapter. Within ten days after the date of the election, the
14 candidate shall turn over all funds in the Campaign Contingency Account to the *Mayoral*
15 Election Campaign Fund.

16 SEC. 1.130. AMOUNT OF EXPENDITURE CEILINGS.

17 (a) Any candidate for Assessor, Public Defender, City Attorney, District Attorney,
18 Treasurer, or Sheriff who agrees to expenditure ceilings shall not make total qualified
19 campaign expenditures exceeding \$229,000.00.

20 (b) Any candidate for Mayor who agrees to expenditure ceilings shall not make total
21 qualified campaign expenditures exceeding \$1,375,000.00.

22 (c) Any candidate for the Board of Supervisors who agrees to expenditure ceilings
23 shall not make total qualified campaign expenditures exceeding \$140,000.00 ~~\$86,000.00~~.

1 (d) Any candidate for the Board of Education of the San Francisco Unified School
2 District or the Governing Board of the San Francisco Community College District who agrees
3 to expenditure ceilings shall not make total qualified campaign expenditures exceeding
4 \$98,000.00.

5 (e) The Ethics Commission is authorized to adjust annually the expenditure ceilings
6 imposed by this Section to reflect the change in the California Consumer Price Index for that
7 year.

8 SEC. 1.134. EXPENDITURE CEILINGS LIFTED.

9 This Section shall apply only if at least one candidate for the City elective office has
10 filed a statement with the Ethics Commission pursuant to Section 1.128 indicating acceptance
11 of the applicable expenditure limits, and the applicable expenditure limit has not already been
12 lifted.

13 (a) If a candidate who has filed a statement under Section 1.128 declining to accept
14 expenditure ceilings receives contributions or makes qualified campaign expenditures in
15 excess of 100 percent of the applicable expenditure ceiling, or if a person or persons make
16 expenditures or payments, or incur expenses for the purpose of making independent
17 expenditures, electioneering communications or member communications in support of or in
18 opposition to a candidate that total more than 100 percent of the applicable expenditure
19 ceiling, the applicable expenditure limit shall no longer be binding on any candidate seeking
20 election to the same City elective office. This subsection shall not apply to a candidate for
21 Mayor or the Board of Supervisors who has been certified by the Ethics Commission as
22 eligible to receive public funds under this Chapter and is therefore subject to an Individual
23 Expenditure Ceiling.

1 (b) Any candidate who has not accepted the voluntary expenditure ceiling and who
2 receives contributions, makes expenditures, incurs expenses or has funds in his campaign
3 trust account that exceed 100 percent of the applicable expenditure ceiling shall, within 24
4 hours of exceeding 100 percent of the applicable expenditure ceiling, file a statement with the
5 Ethics Commission, on forms to be provided by the Ethics Commission, stating that fact and
6 any additional information required by the Ethics Commission. Within 24 hours after receiving
7 such notice, the Ethics Commission shall inform every other candidate for that office that the
8 expenditure ceiling has been lifted.

9 (c) Any person that makes expenditures or payments, or incurs expenses for the
10 purpose of making independent expenditures, electioneering communications or member
11 communications in support of or in opposition to any candidate in an amount of \$5,000.00 or
12 more shall, within 24 hours of reaching this threshold, file a statement with the Ethics
13 Commission, on forms to be provided by the Ethics Commission, stating that fact and any
14 additional information required by the Ethics Commission. Thereafter, until such time as the
15 applicable expenditure ceiling is lifted, any such person shall file a supplemental statement
16 with the Ethics Commission each time the committee makes expenditures or payments or
17 incurs expenses for the purpose of making independent expenditures, electioneering
18 communications or member communications or incurs expenses in support of or in opposition
19 to any candidate of an additional \$5,000.00. The supplemental statements shall be filed within
20 24 hours of reaching these spending thresholds. This subsection shall not apply to any
21 expenditures, payments, or expenses incurred for the purpose of making independent
22 expenditures, electioneering communications or member communications in support of or in
23 opposition to any candidate for Mayor or the Board of Supervisors if the Ethics Commission
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1 has certified that at least one candidate for Mayor or the Board of Supervisors is eligible to
2 receive public funds under this Chapter.

3 SEC. 1.134.5. LIFTING OF INDIVIDUAL EXPENDITURE CEILINGS.

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

7 (a) The Executive Director shall lift the Individual Expenditure Ceiling of a candidate for
8 Mayor or the Board of Supervisors to an amount equal to the highest level of the Total
9 Supportive Funds of any other candidate seeking election to the same office if such amount is
10 greater than \$1,375,000.00 for candidates for Mayor or greater than \$140,000 for candidates for
11 the Board of Supervisors, provided that the Executive Director may lift a candidate's Individual
12 Expenditure Ceilings only in increments of \$100,000.00 for candidates for Mayor and \$10,000 for
13 candidates for the Board of Supervisors.

14 (b) The Executive Director shall lift the Individual Expenditure Ceiling of a candidate for
15 Mayor or the Board of Supervisors by an amount equal to the ~~candidate's~~ Total Opposition
16 Spending, of any other candidate seeking election to the same office if such amount is greater
17 than \$1,375,000.00 for candidates for Mayor or greater than \$140,000 for candidates for the
18 Board of Supervisors, provided that the Executive Director may lift a candidate's Individual
19 Expenditure Ceiling only in increments of \$100,000.00 for candidates for Mayor and \$10,000 for
20 candidates for the Board of Supervisors.

21 (c) On the fourth business day after a statement is filed pursuant to Section 1.152
22 (a)(3) and (b)(3) of this Chapter, the Executive Director shall determine whether to lift the
23 Individual Expenditure Ceilings of each candidate for Mayor or the Board of Supervisors
24 pursuant to subsections (a) and (b) of this Section based on the information in the statement
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1 unless pursuant to subsection (d) a candidate for Mayor or the Board of Supervisors requests
2 that the Executive Director make a determination regarding which candidate or candidates the
3 communication filed with the statement supports or opposes or whether the Communication is
4 neutral.

5 (d) Any candidate for Mayor or the Board of Supervisors may request that the Executive
6 Director review the original or copy of a communication filed pursuant to Section 1.152(b)(3)
7 of this Chapter to make an independent determination regarding which candidate or
8 candidates for Mayor or the Board of Supervisors the communication actually supports or
9 opposes or whether the communication is neutral. Such requests must be filed with the
10 Executive Director within three business days from the date the original or copy of the
11 communication is filed. Factors the Executive Director shall use to determine whether the
12 communication supports or opposes one or more candidates include the following:

13 (1) The communication clearly identifies one or more *mayoral* candidates;

14 (2) The timing of the communication coincides with the *mayoral* campaign;

15 (3) The communication targets voters in a particular election;

16 (4) The communication identifies one or more candidate's position on a public policy
17 issue and urges the reader or viewer to take action, including calling the candidate to support
18 or oppose the candidate's position;

19 (5) The position of one or more candidates on the public policy issue has been raised
20 as distinguishing these candidates from others in the campaign, either in the communication
21 itself or in other public communications;

22 (6) The communication is not part of an ongoing series of substantially similar
23 advocacy communications by the organization on the same issue; and

24 (7) Any other factors the Executive Director deems relevant.
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1 Within three business days of the date the request for a determination is received, the
2 Executive Director shall make his or her initial determination.

3 Within one business day of the date that the Executive Director makes an initial
4 determination, any candidate for Mayor *or the Board of Supervisors* may submit to the Executive
5 Director a request that the Ethics Commission review the Executive Director's initial
6 determination.

7 Within one business day of receiving the request, the Executive Director shall notify
8 each Commissioner of the candidate's request.

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

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

21 The Executive Director shall determine whether to lift the Individual Expenditure
22 Ceilings of each candidate for Mayor *or the Board of Supervisors* pursuant to Subsections (a)
23 and (b) of this Section within one business day of a final determination.
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1 SEC. 1.136. PUBLIC FINANCING OF ELECTION CAMPAIGNS.

2 Candidates for the Board of Supervisors or Mayor who are certified by the Ethics
3 Commission as eligible to receive public financing of their election campaigns, and who
4 comply with the applicable conditions and restrictions specified in Section 1.140 ~~and 1.140.5~~ of
5 this Chapter, may receive public funds as provided in this Chapter to defray the costs of their
6 election campaigns.

7 SEC. 1.138. ~~SUPERVISOR~~ ELECTION CAMPAIGN FUND; APPROPRIATION OF
8 FUNDS.

9 (a) ESTABLISHMENT OF ~~SUPERVISOR~~ ELECTION CAMPAIGN FUND. There is
10 hereby established a special fund of the City and County of San Francisco called the
11 ~~Supervisor~~ Election Campaign Fund. All money deposited in the Fund is hereby appropriated
12 for use as specified in this Chapter and the implementing regulations.

13 (b) APPROPRIATION TO ~~SUPERVISOR~~ ELECTION CAMPAIGN FUND. Except as
14 provided in subsections (b)(3) and (b)(4), each fiscal year the City and County of San Francisco shall
15 appropriate \$2.75 per resident of the City and County of San Francisco to the Election Campaign Fund
16 to provide funding for election campaigns as authorized by this Chapter for all candidates for Mayor
17 or the Board of Supervisors who may be eligible to receive such funds. At the request of the Ethics
18 Commission, the Controller shall estimate the number of residents of the City and County of San
19 Francisco for purposes of this subsection.

20 (1) Any funds in the Election Campaign Fund not used in one election shall be carried over for
21 use in the following election, provided that at no time shall the total amount in the Election Campaign
22 Fund exceed \$13.5 million. Any funds in the Election Campaign Fund in excess of \$13.5 million shall
23 be returned to the General Fund.

1 (2) Funds necessary for the Ethics Commission to administer the public financing program for
2 candidates for Mayor or the Board of Supervisors authorized under section 1.136 of this Chapter
3 shall be taken from the Election Campaign Fund. The Commission's administrative expenses for such
4 public financing program for any election shall not exceed 15% of the total amount of funds in the
5 Election Campaign Fund for that election.

6 (3) If the Office of Mayor becomes vacant and an election is held to fill the vacancy for the
7 remainder of the term, the City and County of San Francisco shall appropriate additional funds to the
8 Election Campaign Fund in an amount that ensures that at least \$8.00 per resident is available in the
9 Election Campaign Fund for that election and the next regularly scheduled Mayoral election.

10 (4) If an office of a member of the Board of Supervisors becomes vacant and an election is held
11 to fill the vacancy for the remainder of the term, the City and County of San Francisco shall
12 appropriate an additional \$0.25 per resident to the Election Campaign Fund for that election. These
13 additional funds shall not be subject to the limit in subsection (b)(1) of this section. Any funds
14 appropriated pursuant to this subsection that are not used for the election to fill the vacancy shall be
15 returned to the General Fund.

16 ~~Each fiscal year the City and County of San Francisco shall appropriate to the Supervisor~~
17 ~~Election Campaign Fund an amount sufficient to provide funding for election campaigns as authorized~~
18 ~~by this Chapter for all candidates for the Board of Supervisors who may be eligible to receive such~~
19 ~~funds. The Ethics Commission shall assist the Mayor and Board of Supervisors in estimating the~~
20 ~~amount required. If at any time the amount appropriated is insufficient to fund all eligible candidates,~~
21 ~~the Ethics Commission shall notify the Mayor and Board of Supervisors, and the City and County shall~~
22 ~~appropriate additional funds. The Ethics Commission shall assist the Mayor and Board of Supervisors~~
23 ~~in estimating any additional funds required.~~

1 (e) ~~APPROPRIATION TO ETHICS COMMISSION.~~ Each fiscal year the City and County of
2 San Francisco shall appropriate to the Ethics Commission an amount sufficient to pay for the costs of
3 administration of the public financing program. This appropriation shall be in addition to and separate
4 from the regular annual appropriation made to the Ethics Commission. The Ethics Commission shall
5 assist the Mayor and Board of Supervisors in estimating the amount required.

6 (d) ~~LIMITATION ON EXPENDITURE OF FUNDS.~~ The annual appropriation to this public
7 financing program, including the cost of administration, shall not exceed \$2.00 per resident of the City
8 and County of San Francisco. At the request of the Ethics Commission, the Controller shall estimate
9 the number of residents of the City and County of San Francisco for purposes of this subsection.

10 SEC. 1.140. ELIGIBILITY TO RECEIVE PUBLIC FINANCING ~~CANDIDATES FOR THE~~
11 ~~BOARD OF SUPERVISORS.~~

12 (a) REQUIREMENTS FOR ALL CANDIDATES. To be eligible to receive public financing of
13 campaign expenses under this Chapter, all candidates must:

14 (1) Have filed a statement indicating that he or she intends to participate in the public
15 financing program under Section 1.142 of this Chapter.

16 (2) Agree to the following conditions:

17 (A) The candidate bears the burden of proving that each contribution the candidate relies upon
18 to establish eligibility is a qualifying contribution;

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

21 (C) The candidate will not make any payments to a contractor or vendor in return for the
22 contractor or vendor making a campaign contribution to the candidate or make more than a total of 50
23 payments, other than the return of a contribution, to contractors or vendors that have made
24 contributions to the candidate;

1 (D) Notwithstanding Sections 1.114 and 1.116, the candidate shall not loan or donate more
2 than \$5,000.00 of his or her own money to the campaign;

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

5 (F) The candidate shall agree to participate in at least three (3) debates with the candidate's
6 opponents.

7 (3) Have paid any outstanding late fines or penalties, owed to the City by the candidate or any
8 of the candidate's previous campaign committees, which were imposed for violations of Chapters 1
9 through 5 of this Article, the campaign finance provisions of the California Political Reform Act
10 (Government Code Sections 84100--85704), Chapter 1 of Article II of this Code or Chapters 1 or 2 of
11 Article III of this Code, provided that the Ethics Commission had notified the candidate of such fines or
12 penalties by the time of certification.

13 (4) Have filed any outstanding forms, owed to the City by the candidate or any of the
14 candidate's previous campaign committees, which were required to be filed pursuant to Chapters 1
15 through 5 of this Article, the campaign finance provisions of the Political Reform Act (Government
16 Code Sections 84100--85704), or Chapter 1, Article III of this Code, provided that the Ethics
17 Commission had notified the candidate of such outstanding forms by the time of certification.

18 (5) Have no finding by a court within the prior five years that the candidate knowingly,
19 willfully, or intentionally violated Chapters 1 through 4 of this Article or the campaign finance
20 provisions of the California Political Reform Act (Government Code Sections 84100--85704). For
21 purposes of this Section, a plea of nolo contendere shall be treated the same as a finding by a court of a
22 willful violation.

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

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

6 ~~(2) Have filed a statement indicating that he or she intends to participate in the public~~
7 ~~financing program under Section 1.142(a) of this Chapter;~~

8 ~~(23)~~ Have received at least \$5,000.00 in qualifying contributions from at least 75
9 contributors before the 70th day before the election;

10 ~~(34)~~ Be opposed by another candidate who has either established eligibility to receive
11 public financing, or received contributions or made expenditures which in the aggregate equal
12 or exceed \$5,000; and

13 (4) Agree that the candidate will not spend on the candidate's campaign more than the
14 candidate's Individual Expenditure Ceiling of \$140,000, or as adjusted under Section 1.134.5 of this
15 Chapter.

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

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

19 (2) Have received at least \$25,000.00 in qualifying contributions from at least 250 contributors
20 by the 70th day before the election.

21 (3) Be opposed by another candidate who has either established eligibility to receive public
22 financing, or received contributions or made expenditures that in the aggregate equal or exceed
23 \$50,000.00; and

1 (4) Agree that the candidate will not spend on the candidate's campaign more than the
2 candidate's Individual Expenditure Ceiling of \$1,375,000, or as adjusted under Section 1.134.5 of this
3 Chapter.

4 (d) ADJUSTMENT OF EXPENDITURE LIMITS AND THRESHOLDS. Whenever the Ethics
5 Commission pursuant to Section 1.130 adjusts the voluntary expenditure ceilings to reflect changes in
6 the California Consumer Price Index, the Commission is authorized to adjust:

7 (1) The figures in Subsections (b)(4) and (c)(4) to match the adjusted voluntary expenditure
8 ceilings in Section 1.130;

9 (2) The figure in Subsection (a)(2)(D) of this Section to reflect changes in the California
10 Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$1,000.00;

11 (3) The figures in Subsections (b)(2) and (b)(3) of this Section to reflect changes in the
12 California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest
13 \$500;

14 (4) The figures in Subsections (c)(2) and (c)(3) of this Section to reflect changes in the
15 California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest
16 \$5,000; and

17 (5) The maximum amount of a contribution that constitutes a qualifying contribution pursuant
18 to Section 1.104 to reflect changes in the California Consumer Price Index, provided that such
19 adjustments shall be rounded off to the nearest \$10.00.

20 ~~(5) Agree to the following conditions:~~

21 ~~(A) The candidate bears the burden of proving that each contribution the candidate relies~~
22 ~~upon to establish eligibility is a qualifying contribution;~~

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

1 ~~(C) The candidate shall not make qualified campaign expenditures which in the aggregate~~
2 ~~exceed the expenditure limits specified in Section 1.130 of this Chapter, except as provided in Section~~
3 ~~1.134 of this Chapter; and~~

4 ~~(D) The candidate shall agree to participate in at least one debates with the candidate's~~
5 ~~opponents.~~

6 ~~(6) Have paid any outstanding late fines or penalties, owed to the City by the candidate or any~~
7 ~~of the candidate's previous campaign committees, which were imposed for violations of Chapters 1~~
8 ~~through 5 of this Article, the campaign finance provisions of the California Political Reform Act~~
9 ~~(Government Code Sections 84100–85704), Chapter 1 of Article II of this Code or Chapters 1 or 2 of~~
10 ~~Article III of this Code, provided that the Ethics Commission had notified the candidate of such fines or~~
11 ~~penalties by the time of certification;~~

12 ~~(7) Have filed any outstanding forms, owed to the City by the candidate or any of the~~
13 ~~candidate's previous campaign committees, which were required to be filed pursuant to Chapters 1~~
14 ~~through 5 of this Article, the campaign finance provisions of the Political Reform Act (Government~~
15 ~~Code Sections 84100–85704), or Chapter 1, Article III of this Code, provided that the Ethics~~
16 ~~Commission had notified the candidate of such outstanding forms by the time of certification;~~

17 ~~(8) Have no finding by a court within the prior five years that the candidate knowingly,~~
18 ~~willfully, or intentionally violated Chapters 1 through 4 of this Article or the campaign finance~~
19 ~~provisions of the California Political Reform Act (Government Code Sections 84100–85704). For~~
20 ~~purposes of this Section, a plea of nolo contendere shall be treated the same as a finding by a court of a~~
21 ~~willful violation.~~

22 ~~(b) ADJUSTMENT OF EXPENDITURE LIMITS AND THRESHOLDS. Whenever the Ethics~~
23 ~~Commission pursuant to Section 1.130 adjusts the voluntary expenditure ceilings to reflect changes in~~
24 ~~the California Consumer Price Index, the Commission is authorized to adjust the threshold limits in~~
25

1 *Subsections (a)(3) and (a)(4) of this Section, and Section 1.152, to reflect changes in the California*
2 *Consumer Price Index.*

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

5 (a) STATEMENT OF PARTICIPATION OR NON-PARTICIPATION. Each candidate
6 for the Board of Supervisors or Mayor must sign and verify under penalty of perjury a
7 Statement of Participation or Non-Participation in the public financing program. The
8 statement must be filed by the candidate with the Ethics Commission no later than the
9 deadline for filing nomination papers. On the statement, each candidate shall indicate
10 whether he or she intends to participate in the public financing program. A statement of
11 participation or non-participation may not be amended after the deadline for filing nomination
12 papers, provided that, prior to December 31, 2007, any candidate for the Board of Supervisors
13 who has filed a Statement of Non-Participation may retract that Statement and file a
14 Statement of Participation in the public financing program.

15 (b) DECLARATION BY CANDIDATE.

16 ~~(1) Candidates for the Board of Supervisor. To become eligible to receive public financing of~~
17 ~~campaign expenses under this Chapter, a candidate for the Board of Supervisors shall declare, under~~
18 ~~penalty of perjury, that the candidate satisfies the requirements specified in Section 1.140. Candidates~~
19 ~~shall submit the declaration and any supporting material required by the Ethics Commission to the~~
20 ~~Ethics Commission on or after June 1 of the election year, but no later than the 70th day before the~~
21 ~~election. Once the declaration and supporting material are submitted, they may not be amended. The~~
22 ~~declaration and supporting material may be withdrawn and refiled, provided that the refiling is made~~
23 ~~no later than the 70th day before the election.~~

1 ~~(2) Candidates for Mayor.~~ To become eligible to receive public financing of campaign
2 expenses under this Chapter, a candidate ~~for Mayor~~ shall declare, under penalty of perjury,
3 that the candidate satisfies the requirements specified in Section 1.140.5. Candidates shall
4 be permitted to submit the declaration and any supporting material required by the Ethics
5 Commission to the Ethics Commission starting nine (9) months before the date of the election,
6 but no later than the 70th day before the election. Once the declaration and supporting
7 material are submitted, they may not be amended. The declaration and supporting material
8 may be withdrawn and refiled, provided that the refiling is made no later than the 70th day
9 before the election.

10 ~~(3) Extension of Deadlines.~~ If any deadline imposed by this Subsection falls on a
11 Saturday, Sunday, or legal holiday, the deadline shall be the next business day.

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

18 (d) DETERMINATION OF OPPOSITION. To determine whether a candidate for the
19 Board of Supervisors is opposed as required under Section ~~1.140(a)(3)~~ 1.140(b)(3) of this
20 Chapter or a candidate for Mayor is opposed as required under Section 1.140(c)(3)
21 ~~1.140.5(a)(4)~~ of this Chapter, the Executive Director shall review the material filed pursuant to
22 Section 1.152 of this Chapter, and may review any other material.

23 (e) CERTIFICATION. If the Executive Director determines that a candidate for Mayor
24 or the Board of Supervisors has satisfied the requirements of Section 1.140 ~~or a candidate for~~

1 ~~Mayor has satisfied the requirements of Section 1.140.5~~, the Executive Director shall notify the
2 candidate and certify to the Controller that the candidate is eligible to receive public financing
3 under this Chapter. The Executive Director shall not certify that a candidate is eligible to
4 receive public financing if the candidate's declaration or supporting material is incomplete or
5 otherwise inadequate to establish eligibility. The Executive Director shall determine whether
6 to certify a candidate no later than 30 days after the date the candidate submits his or her
7 declaration and supporting material, provided that the Executive Director shall make all
8 determinations regarding whether to certify a candidate no later than the 55th day before the
9 election.

10 (f) RESUBMISSION. If the Executive Director declines to certify that a candidate is
11 eligible to receive public financing under this Chapter, the Executive Director shall notify the
12 candidate. Notwithstanding Section 1.142(b) of this Chapter, the candidate may, within five
13 business days of the date of notification, resubmit the declaration and supporting material. If
14 the candidate does not timely resubmit, the Executive Director's determination is final.

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

21 ~~(g) RECONSIDERATION. A candidate may request that the Executive Director~~
22 ~~reconsider a final determination that the candidate is ineligible to receive public funds under~~
23 ~~this Chapter. The candidate must request reconsideration in writing within five days of the~~
24 ~~date of notification of ineligibility.~~

1 (g) APPEAL TO THE ETHICS COMMISSION. If, after reconsideration, the Executive
2 Director declines to certify that a candidate is eligible to receive public financing under this
3 Chapter, the candidate may appeal the Executive Director's final determination to the Ethics
4 Commission. The candidate must deliver the written appeal to the Ethics Commission within
5 five days of the date of notification of the Executive Director's determination following
6 reconsideration.

7 SEC. 1.144. DISBURSEMENT OF PUBLIC FUNDS—~~CANDIDATES FOR THE BOARD~~
8 ~~OF SUPERVISORS.~~

9 (a) PAYMENT BY CONTROLLER. Upon certifying that a candidate ~~for~~ is eligible to receive
10 public financing under this Chapter, the Executive Director shall forward the certification to the
11 Controller, and the Controller shall disburse payments to the candidate from the Election Campaign
12 Fund in accordance with the certification and this Section.

13 (b) TIME OF PAYMENTS. The Controller shall not make any payments under this Chapter to
14 any candidate more than nine (9) months before the date of the election. Payments from the Controller
15 shall be disbursed to eligible candidates within 48 hours of the Controller receiving notification from
16 the Ethics Commission regarding the amount of the disbursement, except that within 60 calendar days
17 before the election, such payments shall be made within 24 hours.

18 (c) PAYMENTS FOR ELECTION EXPENSES TO CANDIDATES FOR MAYOR.

19 (1) Until the Per Candidate Available Disbursement Limit has been determined, candidates for
20 Mayor who have been certified by the Ethics Commission as eligible to receive public financing for
21 their election campaigns will have access to up to \$850,000.00 in funds from the Election Campaign
22 Fund on a first come, first served basis according to the formula set forth in Subsection (c)(3) of this
23 Section.

1 (2) Once the Per Candidate Available Disbursement Limit has been determined, candidates for
2 Mayor who have been certified by the Ethics Commission as eligible to receive public financing for
3 their election campaigns shall have access to funds from the Election Campaign Fund as follows:

4 (A) If the Executive Director determines that the Per Candidate Available Disbursement Limit
5 is greater than \$850,000.00, each participating candidate shall have access to the amount of the Per
6 Candidate Disbursement, subject to the limitations set forth under Subsection (c)(3)(D) and (c)(3)(E) of
7 this Section.

8 (B) If the Executive Director determines the Per Candidate Available Disbursement Limit is
9 less than or equal to \$850,000.00, participating candidates shall have access to funds from the Election
10 Campaign Fund on a first come, first served basis up to a maximum per candidate of \$850,000.00.

11 (3) A candidate for Mayor who is certified as eligible to receive public financing under this
12 Chapter shall receive payments for eligible matching contributions according to the following formula:

13 (A) Upon qualification the candidate shall receive a one-time payment of \$50,000.00 from the
14 Election Campaign Fund.

15 (B) After the initial payment under Subsection (c)(3)(A), for the first \$100,000.00 in matching
16 contributions raised by the candidate, the candidate shall receive four dollars from the Election
17 Campaign Fund for each dollar raised.

18 (C) After the payments under Subsection (c)(3)(B), for the next \$400,000.00 in matching
19 contributions raised by the candidate, the candidate shall receive one dollar from the Election
20 Campaign Fund for each dollar raised.

21 (D) The maximum amount of public funds a mayoral candidate may receive is \$850,000.00,
22 unless the candidate's Individual Expenditure Ceiling is lifted according to the rules set forth under
23 Section 1.134.5. The amount of public funds paid under this Section shall not be affected by the lifting
24 of expenditure limits under Section 1.134.

1 (E) If the Per Candidate Available Disbursement Limit has been determined to be an amount
2 greater than \$850,000.00, a candidate who has already received at least \$850,000.00 in disbursements
3 from the City shall continue to be eligible to receive public funds from the City at the rate of one dollar
4 for each dollar of a matching contribution raised up to the Per Candidate Disbursement Limit,
5 provided that no funds shall be disbursed if disbursement of the funds would result in the candidate
6 exceeding his or her Trust Account Limit.

7 (d) PAYMENTS FOR ELECTION EXPENSES TO CANDIDATES FOR THE BOARD OF
8 SUPERVISORS.

9 (1) Until the Per Candidate Available Disbursement Limit has been determined, candidates for
10 the Board of Supervisors who have been certified by the Ethics Commission as eligible to receive
11 public financing for their election campaigns will have access to up to \$87,500.00 in funds from the
12 Mayoral Election Campaign Fund on a first come, first served basis according to the formula set forth
13 in Subsection (d)(3) of this Section.

14 (2) Once the Per Candidate Available Disbursement Limit has been determined, candidates for
15 the Board of Supervisors who have been certified by the Ethics Commission as eligible to receive
16 public financing for their election campaigns shall have access to funds from the Election Campaign
17 Fund as follows:

18 (A) If the Executive Director determines that the Per Candidate Available Disbursement Limit
19 is greater than \$87,500.00, each participating candidate shall have access to the amount of the Per
20 Candidate Disbursement, subject to the limitations set forth under Subsection (d)(3)(D) and (d)(3)(E)
21 of this Section.

22 (B) If the Executive Director determines the Per Candidate Available Disbursement Limit is
23 less than or equal to \$87,500.00, participating candidates shall have access to funds from the Election
24 Campaign Fund on a first come, first served basis up to a maximum per candidate of \$87,500.00.
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1 (3) A candidate for the Board of Supervisors who is certified as eligible to receive public
2 financing under this Chapter shall receive payments for eligible matching contributions according to
3 the following formula:

4 (A) Upon qualification the candidate shall receive a one-time payment of \$10,000.00 from the
5 Election Campaign Fund.

6 (B) After the initial payment under Subsection (d)(3)(A), for the first \$10,000.00 in matching
7 contributions raised by the candidate, the candidate shall receive four dollars from the Election
8 Campaign Fund for each dollar raised.

9 (C) After the payments under Subsection (d)(3)(B), for the next \$37,500.00 in matching
10 contributions raised by the candidate, the candidate shall receive one dollar from the Election
11 Campaign Fund for each dollar raised.

12 (D) The maximum amount of public funds a candidate for the Board of Supervisors may receive
13 is \$87,500.00, unless the candidate's Individual Expenditure Ceiling is lifted according to the rules set
14 forth under Section 1.134.5. The amount of public funds paid under this Section shall not be affected
15 by the lifting of expenditure limits under Section 1.134.

16 (E) If the Per Candidate Available Disbursement Limit has been determined to be an amount
17 greater than \$87,500.00, a candidate who has already received at least \$87,500.00 in disbursements
18 from the City shall continue to be eligible to receive public funds from the City at the rate of one dollar
19 for each dollar of a matching contribution raised up to the Per Candidate Disbursement Limit,
20 provided that no funds shall be disbursed if disbursement of the funds would result in the candidate
21 exceeding his or her Trust Account Limit.

22 (e) PER CANDIDATE AVAILABLE DISBURSEMENT LIMIT. On the 59th day before the
23 election, the Executive Director shall divide the total amount of non-administrative funds in the
24 Election Campaign Fund by the number of qualified candidates. This number shall be deemed the Per
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1 Candidate Available Disbursement Limit. For the purposes of this section, the total amount of non-
2 administrative funds in the Election Campaign Fund shall be the total amount of funds that existed in
3 the Fund nine months before the date of election plus any funds deposited into the Fund between that
4 date and the 59th day before the election minus any funds necessary to cover the administrative costs
5 associated with implementing the public financing program for the next election.

6 If there are candidates who have submitted a Declaration of Qualification but whose eligibility
7 has not been determined as of the 59th day before the election, the Executive Director shall assume that
8 they are qualified for the purposes of determining the Per Candidate Available Disbursement Limit.
9 The Per Candidate Available Disbursement Limit shall be revised upward according to the formula
10 above if and when it is determined that the candidate or candidates in question did not qualify to
11 receive public financing.

12 Immediately upon calculating the Per Candidate Available Disbursement Limit, the Executive
13 Director shall inform the Controller of the initial determination of the Per Candidate Available
14 Disbursement Limit. Thereafter, the Executive Director shall immediately inform the Controller of any
15 subsequent changes in the Per Candidate Available Disbursement Limit due to a determination that a
16 candidate has not qualified to receive public financing.

17 (f) SUBMISSION OF CLAIMS FOR PUBLIC FUNDS. The Ethics Commission shall determine
18 the information needed to submit a claim for payment of public funds. The Executive Director shall
19 certify each request for payment of public funds within four business days of the request, except that
20 within 14 calendar days before the election, when the certification of a request for public funds shall be
21 made within two business days of the request. For candidates for Mayor, any submission of a claim for
22 public funds must include a minimum of \$5,000.00 of matching contributions; provided that in the 14
23 calendar days preceding an election, a claim must include a minimum of \$1,000.00 of matching
24 contributions. For candidates for the Board of Supervisors, any submission of a claim for public funds
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1 must include a minimum of \$500.00 of matching contributions; provided that in the 14 calendar days
2 preceding an election, a claim must include a minimum of \$100.00 of matching contributions. All
3 claims for public funds must be submitted no later than 5:00 p.m. on the 30th day following the date of
4 the election.

5 (g) DEPOSIT IN CAMPAIGN CONTRIBUTION TRUST ACCOUNT. Candidates must deposit
6 all payments received from the Election Campaign Fund in the candidate's Campaign Contribution
7 Trust Account.

8 ~~(a) PAYMENT BY CONTROLLER. Upon certifying that a candidate for the Board of~~
9 ~~Supervisors is eligible to receive public financing under this Chapter, the Executive Director shall~~
10 ~~forward the certification to the Controller and the Controller shall disburse payments to the candidate~~
11 ~~from the Supervisor Election Campaign Fund in accordance with the certification and this Section.~~

12 ~~(b) TIME OF PAYMENTS. The Controller shall not make any payments under this Chapter to~~
13 ~~a candidate for the Board of Supervisors until the day following the deadline for filing nomination~~
14 ~~papers with the Director of Elections.~~

15 ~~(c) PAYMENTS FOR ELECTION EXPENSES. Upon certification of eligibility, and in~~
16 ~~accordance with subsection (b) of this Section, the candidate shall receive a payment of \$5,000.00 from~~
17 ~~the Supervisor Election Campaign Fund. Thereafter, for each of the first \$5,000.00 dollars of matching~~
18 ~~contributions raised by the candidate, the candidate shall receive four dollars from the Supervisor~~
19 ~~Election Campaign Fund. Thereafter, for each additional dollar of matching contributions raised by~~
20 ~~the candidate, the candidate shall receive one dollar from the Supervisor Election Campaign Fund. The~~
21 ~~maximum amount of public funds a candidate for the Board of Supervisors may receive to defray~~
22 ~~election expenses under this Chapter is \$43,750.00. The amount of public funds paid to a candidate for~~
23 ~~the Board of Supervisors under this Section shall not be affected by the lifting of expenditure limits~~
24 ~~under Section 1.134.~~

1 ~~(d) PRORATION OF FUNDS. Notwithstanding Subsections (c) and (d) of this Section, if the~~
2 ~~Executive Director makes an initial or the Ethics Commission makes a final determination, pursuant to~~
3 ~~Section 1.154(b) of this Chapter, that funds in the Supervisor Election Campaign Fund are insufficient,~~
4 ~~the Executive Director or the Commission shall distribute the money in the Fund on a pro rata basis to~~
5 ~~all candidates who are certified as eligible to receive public funds.~~

6 ~~(e) DEPOSIT IN CAMPAIGN CONTRIBUTION TRUST ACCOUNT. Candidates must deposit~~
7 ~~all payments received from the Supervisor Election Campaign Fund in the candidate's Campaign~~
8 ~~Contribution Trust Account.~~

9 SEC. 1.146. TERMINATION OF PAYMENTS.

10 The Controller shall terminate all payments to a candidate who is otherwise eligible to
11 receive public financing if the candidate:

12 (a) Withdraws or fails to qualify to have his or her name printed on the ballot for the
13 election for which the candidate applied for public financing;

14 (b) Fails to comply with the conditions specified in Section 1.140 of this Chapter *if a*
15 *candidate for the Board of Supervisors or Section 1.140.5 if a candidate for Mayor*; or

16 (c) Knowingly or willfully fails to comply with any of the reporting requirements imposed
17 by this Chapter or the Political Reform Act, California Government Code Section 81000, et
18 seq.

19 SEC. 1.148. RESTRICTIONS ON USE OF PUBLIC FUNDS; UNEXPENDED PUBLIC
20 FUNDS.

21 (a) USE FOR QUALIFIED CAMPAIGN EXPENDITURES ONLY. Candidates who
22 receive public financing may use the public funds solely to pay for qualified campaign
23 expenditures, as defined by Section 1.104 of this Chapter, and to repay loans used to pay for
24 qualified campaign expenditures except that public funds may be used to pay filing fees and
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1 costs incurred after the election that do not directly affect the outcome of the election,
2 including but not limited to utility bills, expenses associated with an audit, and expenses
3 related to preparing post-election campaign finance disclosure reports as required by the
4 California Political Reform Act, Government Code Section 81000, et seq., and the provisions
5 of this Chapter. Candidates may not use public funds to pay for expenses incurred in
6 connection with an administrative or judicial proceeding. Candidates may not use public
7 funds to pay administrative, civil or criminal fines, including late filing fines, or to pay for
8 inaugural activities or officeholder expenses. Candidates may not use public funds to pay
9 post-election bonuses to campaign employees or for election victory celebrations or similar
10 post-election campaign events.

11 (b) PURCHASE OF EQUIPMENT. Any equipment purchased by a candidate with
12 public funds provided under this Chapter that has a useful life beyond the election campaign
13 for which the funds were provided, and a fair market value exceeding \$100.00, becomes City
14 and County property on the day following the date the candidate is elected or not elected to
15 office.

16 (c) WITHDRAWAL OR FAILURE TO QUALIFY. Any candidate who receives public
17 financing but who withdraws or fails to qualify to have his or her name printed on the ballot in
18 the election for which the public funds were provided shall repay the *Supervisor Election*
19 *Campaign Fund if the candidate was a candidate for the Board of Supervisors or to the Mayoral*
20 *Election Campaign Fund if the candidate was a candidate for Mayor* the full sum received from the
21 Fund.

22 (d) UNEXPENDED PUBLIC FUNDS.

23 (i) General. Any candidate who receives public financing and who has unexpended
24 public funds shall pay to the City and County of San Francisco and deliver to the Ethics
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1 Commission those funds for deposit in the *Supervisor* Election Campaign Fund ~~if the candidate~~
2 ~~was a candidate for the Board of Supervisors or to the Mayoral Election Campaign Fund if the~~
3 ~~candidate was a candidate for Mayor~~ no later than 30 days after the Ethics Commission
4 completes its audit of the candidate. Unexpended funds may be used to pay for expenses
5 associated with an audit such as bank fees, treasurer fees and storage fees until the Ethics
6 Commission completes its audit of the candidate.

7 (ii) Definition. For purposes of this Section, unexpended public funds shall mean all
8 funds remaining in the candidate's account on the 30th day after the candidate is elected or
9 not elected to office, regardless of the source of the funds, but shall not exceed the amount of
10 public funds provided to the candidate. Funds raised after this date do not constitute
11 unexpended funds and may be used for any lawful purpose.

12 SEC. 1.150. AUDIT; REPAYMENT.

13 (a) AUDIT. The Ethics Commission shall audit all candidates who receive public
14 financing under this Chapter. Audits of candidates ~~for Mayor~~ conducted under this Subsection
15 shall begin within 60 days after the date the candidates' first post-election campaign
16 disclosure report is required to be filed pursuant to Section 1.106 of this Chapter. At the
17 request of the Executive Director, the Controller shall assist in conducting these audits.

18 (b) REPAYMENT.

19 (1) If the Ethics Commission determines that any portion of the payments made to a
20 candidate from the *Supervisor* Election Campaign Fund ~~or the Mayoral Election Campaign Fund~~
21 exceeded the aggregate amount of payments to which the candidate was entitled under this
22 Chapter, the Commission shall notify the Controller and the candidate. In addition to any
23 other penalties, the candidate shall pay to the City and County of San Francisco, and deliver
24 to the Ethics Commission an amount equal to the amount of the excess payments, and if the
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1 Commission determines that any amount of any payment made to a candidate from the
2 ~~Supervisor~~ Election Campaign Fund ~~or the Mayoral Election Campaign Fund~~ was used for
3 something other than qualified campaign expenditures, the candidate shall pay to the Ethics
4 Commission an amount equal to the improper expenditure.

5 (2) Any candidate ~~for Mayor~~ who receives public funds under this Chapter and
6 exceeds his or her Individual Expenditure Ceiling by ten percent or more shall, in addition to
7 any other penalties, pay to the Ethics Commission an amount equal to the amount of public
8 funds the candidate received under this Chapter.

9 ~~(3) Any candidate for the Board of Supervisors who receives public funds under this Chapter~~
10 ~~and who exceeds, by ten percent or more, an expenditure ceiling that has not been lifted shall, in~~
11 ~~addition to any other penalties, pay to the Ethics Commission an amount equal to the amount of public~~
12 ~~funds the candidate received under this Chapter.~~

13 (43) All payments delivered to the Ethics Commission under this Section shall be
14 deposited in the ~~Supervisor~~ Election Campaign Fund ~~if made by a candidate for the Board of~~
15 ~~Supervisors or in the Mayoral Election Campaign Fund if made by a candidate for Mayor.~~

16 SEC. 1.152. SUPPLEMENTAL REPORTING IN ELECTIONS FOR BOARD OF
17 SUPERVISORS AND MAYOR.

18 (a) CANDIDATESELECTIONS FOR THE BOARD OF SUPERVISORS.

19 (1) In addition to the campaign disclosure requirements imposed by the California Political
20 Reform Act and other provisions of this Chapter, each candidate for the Board of Supervisors shall file
21 a statement with the Ethics Commission indicating when the candidate has received contributions,
22 made expenditures or has funds in his or her Campaign Contribution Trust Account that in the
23 aggregate equal or exceed \$5405,000.00 within 24 hours of reaching or exceeding that amount.

1 (2) In addition to the supplemental report in Subsection (a)(1) of this Section, each candidate
2 for the Board of Supervisors shall file a statement with the Ethics Commission disclosing when the
3 candidate has received contributions, made expenditures or has funds in his or her Campaign
4 Contribution Trust Account that in the aggregate equal or exceed \$10140100,000.00. The candidate
5 shall file this report within 24 hours of reaching or exceeding the threshold. Thereafter, the candidate
6 shall file an additional supplemental report within 24 hours of every time the candidate receives
7 additional contributions, makes additional expenditures or has additional funds in his or her campaign
8 trust account that in the aggregate equal or exceed \$510,000.00.

9 (3) Any person that makes independent expenditures, electioneering communications, or
10 member communications that clearly identify any candidate for the Board of Supervisors in an amount
11 that in the aggregate equals or exceeds \$5,000.00, shall, within 24 hours of reaching or exceeding the
12 spending threshold, provide an original copy of the communication to the Ethics Commission and file a
13 statement with the Ethics Commission disclosing the cost of each communication. Every person who is
14 required to file a statement with the Ethics Commission pursuant to this Subsection shall indicate on
15 the statement which candidate or candidates for the Board of Supervisors the independent
16 expenditures, electioneering communications, or member communications disclosed on the statement
17 are intended to support or oppose, or whether they are intended to be neutral, provided that an
18 independent expenditure may not be neutral. For the purposes of this Subsection, the costs of a
19 communication that supports or opposes more than one candidate or ballot measure shall be
20 apportioned among each candidate and measure in the communication.

21 Thereafter, any such person shall file a supplemental statement with the Ethics Commission
22 each time the person makes independent expenditures, electioneering communications or member
23 communications in support of or in opposition to any candidate for the Board of Supervisors in an
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1 amount that in the aggregate equals or exceeds an additional \$5,000.00. The supplemental statements
2 shall be filed within 24 hours of reaching or exceeding the spending threshold.

3 The Executive Director shall post the information disclosed on statements required by this
4 subsection on the web page of the Ethics Commission within two business days of the statement being
5 filed.

6 ~~In addition to the campaign disclosure requirements imposed by the California Political Reform~~
7 ~~Act and other provisions of this Chapter, each candidate for the Board of Supervisors who has filed a~~
8 ~~statement indicating that he or she does not intend to participate in the public financing program under~~
9 ~~Section 1.142(a) of this Chapter or who has received notice under Section 1.142 that the candidate is~~
10 ~~ineligible to receive public funds under this Chapter shall, no later than the deadline for filing~~
11 ~~nomination papers, file a statement with the Ethics Commission indicating whether the~~
12 ~~nonparticipating candidate has received contributions, made expenditures or has funds in his or her~~
13 ~~campaign trust account that in the aggregate equal or exceed \$5,000.00. If the nonparticipating~~
14 ~~candidate first reaches or exceeds the \$5,000.00 threshold after the deadline for filing nomination~~
15 ~~papers, or receives notice of ineligibility to receive public funds after that date, the nonparticipating~~
16 ~~candidate shall, within 24 hours of reaching or exceeding the threshold or receiving notice of~~
17 ~~ineligibility, file a statement indicating this fact with the Ethics Commission. The supplemental reports~~
18 ~~are not required if no candidate in a race seeks public financing or if the Executive Director of the~~
19 ~~Ethics Commission has determined that at least two candidates in a race have received contributions or~~
20 ~~have funds in their campaign trust account that equal or exceed \$5,000.00.~~

21 (b) CANDIDATES ELECTIONS FOR MAYOR.

22 (1) In addition to the campaign disclosure requirements imposed by the California
23 Political Reform Act and other provisions of this Chapter, each candidate for Mayor shall file a
24 statement with the Ethics Commission indicating when the candidate has received
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1 contributions, made expenditures or has funds in his or her Campaign Contribution Trust
2 Account that in the aggregate equal or exceed \$50,000.00 within 24 hours of reaching or
3 exceeding that amount.

4 (2) In addition to the supplemental report in Subsection (b)(1) of this Section, each
5 candidate for Mayor shall file a statement with the Ethics Commission disclosing when the
6 candidate has received contributions, made expenditures or has funds in his or her Campaign
7 Contribution Trust Account that in the aggregate equal or exceed \$1,000,000.00. The
8 candidate shall file this report within 24 hours of reaching or exceeding the threshold.
9 Thereafter, the candidate shall file an additional supplemental report within 24 hours of every
10 time the candidate receives additional contributions, makes additional expenditures or has
11 additional funds in his or her campaign trust account that in the aggregate equal or exceed
12 \$50,000.00.

13 (3) Any person that makes independent expenditures, electioneering communications,
14 or member communications that clearly identify any candidate for Mayor in an amount that in
15 the aggregate equals or exceeds \$5,000.00, shall, within 24 hours of reaching or exceeding
16 the spending threshold, provide an original copy of the communication to the Ethics
17 Commission and file a statement with the Ethics Commission disclosing the cost of each
18 communication. Every person who is required to file a statement with the Ethics Commission
19 pursuant to this Subsection shall indicate on the statement which candidate or candidates for
20 Mayor the independent expenditures, electioneering communications, or member
21 communications disclosed on the statement are intended to support or oppose, or whether
22 they are intended to be neutral, provided that an independent expenditure may not be neutral.
23 For the purposes of this Subsection, the costs of a communication that supports or opposes
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1 more than one candidate or ballot measure shall be apportioned among each candidate and
2 measure in the communication.

3 Thereafter, any such person shall file a supplemental statement with the Ethics
4 Commission each time the person makes independent expenditures, electioneering
5 communications or member communications in support of or in opposition to any candidate
6 for Mayor in an amount that in the aggregate equals or exceeds an additional \$5,000.00. The
7 supplemental statements shall be filed within 24 hours of reaching or exceeding the spending
8 threshold.

9 The Executive Director shall post the information disclosed on statements required by
10 this subsection on the web page of the Ethics Commission within two business days of the
11 statement being filed.

12 (4c) The supplemental statements required by Subsections (a)(2), (a)(3), (b)(2) and
13 (b)(3) are not required until the Ethics Commission has certified that at least one candidate for
14 *Mayor* is eligible to receive public funds under this Chapter, provided that within two days of
15 the date that the Ethics Commission provides notice under this subsection that it has certified
16 that a candidate *for Mayor* is eligible to receive public funds under this Chapter any report that
17 would be required under (a)(2), (a)(3), (b)(2) or (b)(3) must be filed. Within two business days
18 of certifying that at least one candidate *for Mayor* is eligible to receive public financing under
19 this Chapter, the Ethics Commission shall post a notice on its web page, send out a press
20 release and send written notice by regular or electronic mail to any person who has requested
21 such notice.

22 SEC. 1.154. INSUFFICIENT FUNDS IN *SUPERVISOR* ELECTION CAMPAIGN FUND.
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1 (a) REPORT BY CONTROLLER. At the request of the Ethics Commission, the
2 Controller shall provide a statement of the total amount of funds in the ~~Supervisor~~ Election
3 Campaign Fund.

4 (b) INSUFFICIENT FUNDS.

5 (1) Elections for Mayor. No later than August 1 before an election for Mayor, the Executive
6 Director shall notify the Commission and the Board of Supervisors whether \$8.00 per resident, after
7 subtracting 15% for the administrative expenses provided under section 1.138(b)(2), exists in
8 the Election Campaign Fund. If \$8.00 per resident, plus 15% for administrative expenses, does not
9 exist in the Election Campaign Fund, the Commission may, in accordance with the fiscal provisions of
10 the Charter, request a supplemental appropriation from the Board of Supervisors and the Mayor to
11 provide additional funding to the Election Campaign Fund so that \$8.00 per resident, plus 15% for
12 administrative expenses, exists in the fund for the upcoming election. This requirement shall not
13 apply to any election held to fill the vacancy for the remainder of a term.

14 (2) Elections for the Board of Supervisors. No later than August 1 before an election for the
15 Board of Supervisors, the Executive Director shall notify the Commission and the Board of Supervisors
16 whether \$1.50 per resident, after subtracting 15% for the administrative expenses provided
17 under section 1.138(b)(2), exists in the Election Campaign Fund. If \$1.50 per resident, plus 15%
18 for administrative expenses, does not exist in the Election Campaign Fund, the Commission may, in
19 accordance with the fiscal provisions of the Charter, request a supplemental appropriation from the
20 Board of Supervisors and the Mayor to provide additional funding to the Election Campaign Fund so
21 that \$1.50 per resident, plus 15% for administrative expenses, exists in the fund for the upcoming
22 election. This requirement shall not apply to any election held to fill the vacancy for the remainder of a
23 term.

1 ~~DETERMINATION. Within 24 hours of the deadline for filing nomination papers, the Executive~~
2 ~~Director shall notify the Controller whether the amount in the Supervisor Election Campaign Fund is~~
3 ~~sufficient to fund all candidates who have filed a notice of intent to participate in the public financing~~
4 ~~program and who may be eligible to receive public financing. No later than 60 days before the election,~~
5 ~~the Ethics Commission shall make a final determination whether the amount in the Supervisor Election~~
6 ~~Campaign Fund is sufficient to fund all candidates for the Board of Supervisors who may be eligible to~~
7 ~~receive public financing for their election campaigns under this Chapter. If the Executive Director's,~~
8 ~~initial or the Commission's final determination is that the amount in the Fund is insufficient, the~~
9 ~~Executive Director or the Commission shall distribute the money in the Fund on a pro rata basis to all~~
10 ~~candidates who are certified as eligible to receive public funds. Notwithstanding an initial~~
11 ~~determination that the funds are insufficient and the distribution of some funds on a pro rata basis, if~~
12 ~~the Commission makes a final determination that there are sufficient funds for all eligible candidates,~~
13 ~~the Commission may distribute the full amount of funds to eligible candidates.~~

14 SEC. 1.156. REPORT TO THE MAYOR AND BOARD OF SUPERVISORS.

15 (a) Following each election at which the Mayor or members of the Board of
16 Supervisors are elected, the Ethics Commission shall submit a report to the Mayor and Board
17 of Supervisors. The report shall state the amount of public funds used to pay for election
18 campaigns in that election and such other information as the Ethics Commission deems
19 useful, including the number of candidates who received public funds; the number of
20 nonparticipating candidates; the amount of qualified campaign expenditures made by all
21 candidates in that election; and the amount of independent expenditures made in connection
22 with the election.

23 (b) Following the November 2007 municipal election, the Ethics Commission shall
24 conduct a study and submit a report to the Mayor and Board of Supervisors regarding the
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1 feasibility and costs of converting the partial public financing program for Mayoral candidates
2 into a full public financing program. Following the November 2008 municipal election, the Ethics
3 Commission shall conduct a study and submit a report to the Mayor and Board of Supervisors
4 regarding the feasibility and costs of converting the partial public financing program for candidates for
5 the Board of Supervisors into a full public financing program.

6 SEC. 1.170. PENALTIES.

7 (a) CRIMINAL. Any person who knowingly or willfully violates any provision of this
8 Chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a
9 fine of not more than \$5,000.00 for each violation or by imprisonment in the County jail for a
10 period of not more than six months or by both such fine and imprisonment; provided, however,
11 that any willful or knowing failure to report contributions or expenditures done with intent to
12 mislead or deceive or any willful or knowing violation of the provisions of Section 1.114 of this
13 Chapter shall be punishable by a fine of not less than \$5,000 for each violation or three times
14 the amount not reported or the amount received in excess of the amount allowable pursuant
15 to Section 1.114 of this Chapter, or three times the amount expended in excess of the amount
16 allowable pursuant to Section 1.130 or 1.140.5, whichever is greater.

17 (b) CIVIL. Any person who intentionally or negligently violates any of the provisions of
18 this Chapter shall be liable in a civil action brought by the civil prosecutor for an amount up to
19 \$5,000.00 for each violation or three times the amount not reported or the amount received in
20 excess of the amount allowable pursuant to Section 1.114 or three times the amount
21 expended in excess of the amount allowable pursuant to Section 1.130 or 1.140.5, whichever
22 is greater.

23 (c) ADMINISTRATIVE. Any person who intentionally or negligently violates any of the
24 provisions of this Chapter shall be liable in an administrative proceeding before the Ethics
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1 Commission held pursuant to the Charter for an amount up to \$5,000.00 for each violation, or
2 three times the amount not reported or the amount received in excess of the amount
3 allowable pursuant to Section 1.114 or three times the amount expended in excess of the
4 amount allowable pursuant to Section 1.130 or 1.140.5, whichever is greater.

5 (d) LATE FILING FEES.

6 (1) Fees for Late Paper Filings. In addition to any other penalty, any person who files
7 a paper copy of any statement or report after the deadline imposed by this Chapter shall be
8 liable in the amount of ten dollars (\$10.00) per day after the deadline until the statement is
9 filed.

10 (2) Fees for Late Electronic Filings. In addition to any other penalty, any person who
11 files an electronic copy of a statement or report after the deadline imposed by this Chapter
12 shall be liable in the amount of twenty-five dollars (\$25.00) per day after the deadline until the
13 electronic copy or report is filed.

14 (3) Limitation on Liability. Liability imposed by Subsection (d)(1) shall not exceed the
15 cumulative amount stated in the late statement or report, or one hundred dollars (\$100.00),
16 whichever is greater. Liability imposed by Subsection (d)(2) shall not exceed the cumulative
17 amount stated in the late statement or report, or two hundred fifty dollars (\$250.00), whichever
18 is greater.

19 (4) Reduction or Waiver. The Ethics Commission may reduce or waive a fee imposed
20 by this subsection if the Commission determines that the late filing was not willful and that
21 enforcement will not further the purposes of this Chapter.

22 (e) MISUSE OF PUBLIC FUNDS. Any person who willfully or knowingly uses public
23 funds, paid pursuant to this Chapter, for any purpose other than the purposes authorized by
24 this Chapter shall be subject to the penalties provided in this Section.

1 (f) PROVISION OF FALSE OR MISLEADING INFORMATION TO THE ETHICS
2 COMMISSION; WITHHOLDING OF INFORMATION. Any person who knowingly or willfully
3 furnishes false or fraudulent evidence, documents, or information to the Ethics Commission
4 under this Chapter, or misrepresents any material fact, or conceals any evidence, documents,
5 or information, or fails to furnish to the Ethics Commission any records, documents, or other
6 information required to be provided under this Chapter shall be subject to the penalties
7 provided in this Section.

8 (g) PERSONAL LIABILITY. Candidates and treasurers are responsible for complying
9 with this Chapter and may be held personally liable for violations by their committees.

10 (h) JOINT AND SEVERAL LIABILITY. If two or more persons are responsible for any
11 violation of this Chapter, they shall be jointly and severally liable.

12 (i) EFFECT OF VIOLATION ON OUTCOME OF ELECTION.

13 (1) If a candidate is convicted of a violation of this Chapter at any time prior to his or
14 her election, his or her candidacy shall be terminated immediately and he or she shall be no
15 longer eligible for election, unless the court at the time of sentencing specifically determines
16 that this provision shall not be applicable. No person convicted of a misdemeanor under this
17 Chapter after his or her election shall be a candidate for any other City elective office for a
18 period of five years following the date of the conviction unless the court shall at the time of
19 sentencing specifically determine that this provision shall not be applicable.

20 (2) If a candidate for Mayor or the Board of Supervisors is found by a court to have
21 exceeded the Individual Expenditure Ceiling in this Chapter by ten percent or more at any
22 time prior to his or her election, he or she is ineligible for election, unless the court specifically
23 determines that this provision shall not be applicable. If feasible, the candidate's name shall
24 be removed from the ballot. No candidate for Mayor or the Board of Supervisors who is found
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1 by a court to have exceeded the Individual Expenditure Ceiling in this Chapter by ten percent
2 or more after his or her election shall be a candidate for any City elective office for a period of
3 5 years following the court's determination unless the court specifically determines that this
4 provision shall not be applicable. The Ethics Commission may make a recommendation to
5 the Board of Supervisors that a candidate found by a court to have exceeded the Individual
6 Expenditure Ceiling in this Chapter by ten percent or more should be removed from office.

7 (3) A plea of nolo contendere shall be deemed a conviction for purposes of this
8 Section.

9 Section 2. The San Francisco Campaign and Governmental Conduct Code is hereby
10 amended by repealing Sections 1.138.5, 1.140.5 and 1.144.5, as follows:

11 ~~SEC. 1.138.5. MAYORAL ELECTION CAMPAIGN FUND; APPROPRIATION OF FUNDS.~~

12 ~~(a) ESTABLISHMENT OF MAYORAL ELECTION CAMPAIGN FUND. There is established a~~
13 ~~special fund of the City and County of San Francisco called the Mayoral Election Campaign Fund. All~~
14 ~~money deposited in the Fund is appropriated for use as specified in this Chapter and the implementing~~
15 ~~regulations. This special fund is separate from the Election Campaign Fund established in Section~~
16 ~~1.138(a) of this Chapter.~~

17 ~~(b) APPROPRIATION TO MAYORAL ELECTION CAMPAIGN FUND. Except as provided in~~
18 ~~subsections (b)(3) and (b)(4), each fiscal year the City and County of San Francisco shall appropriate~~
19 ~~\$2.00 per resident of the City and County of San Francisco to the Mayoral Election Campaign Fund to~~
20 ~~provide funding for election campaigns as authorized by this Chapter for all candidates for Mayor who~~
21 ~~may be eligible to receive such funds. At the request of the Ethics Commission, the Controller shall~~
22 ~~estimate the number of residents of the City and County of San Francisco for purposes of this~~
23 ~~subsection.~~

1 ~~(1) Any funds in the Mayoral Election Campaign Fund not used in one election shall be carried~~
2 ~~over for use in the following election, provided that at no time shall the total amount in the Mayoral~~
3 ~~Election Campaign Fund exceed \$12 million. Any funds in the Mayoral Election Campaign Fund in~~
4 ~~excess of \$12 million shall be returned to the General Fund.~~

5 ~~(2) Funds necessary for the Ethics Commission to administer the public financing program for~~
6 ~~candidates for Mayor authorized under section 1.136 of this Chapter shall be taken from the Mayoral~~
7 ~~Election Campaign Fund. The Commission's administrative expenses for such public financing~~
8 ~~program for any election shall not exceed 15% of the total amount of funds in the Mayoral Election~~
9 ~~Campaign Fund for that election.~~

10 ~~(3) In order to ensure that four years worth of appropriations under this subsection are~~
11 ~~available to provide public financing to candidates seeking election at the next mayoral election, the~~
12 ~~City and County of San Francisco shall appropriate \$8.00 per resident of the City and County of San~~
13 ~~Francisco to the Mayoral Election Campaign Fund by July 1, 2006.~~

14 ~~(4) If the Office of Mayor becomes vacant and an election is held to fill the vacancy for the~~
15 ~~remainder of the term, the City and County of San Francisco shall appropriate additional funds to the~~
16 ~~Mayoral Election Campaign Fund in an amount that ensures that at least \$8.00 per resident is~~
17 ~~available in the Mayoral Election Campaign Fund for that election and the next regularly scheduled~~
18 ~~Mayoral election.~~

19 ~~SEC. 1.140.5. ELIGIBILITY TO RECEIVE PUBLIC FINANCING CANDIDATES FOR~~
20 ~~MAYOR.~~

21 ~~(a) REQUIREMENTS FOR CANDIDATES. To be eligible to receive public financing of~~
22 ~~campaign expenses under this Chapter, a candidate for Mayor must:~~

23 ~~(1) Be seeking election to the office of Mayor and be eligible to hold the office sought;~~
24
25

1 ~~(2) Have submitted a declaration under Section 1.142(b) of this Chapter indicating that the~~
2 ~~candidate meets the eligibility criteria of this Section;~~

3 ~~(3) Have received at least \$25,000.00 in qualifying contributions from at least 250 contributors~~
4 ~~by the 70th day before the election.~~

5 ~~(4) Be opposed by another candidate who has either established eligibility to receive public~~
6 ~~financing, or received contributions or made expenditures that in the aggregate equal or exceed~~
7 ~~\$50,000.00;~~

8 ~~(5) Agree to the following conditions:~~

9 ~~(i) The candidate shall not spend on the candidate's campaign more than the candidate's~~
10 ~~Individual Expenditure Ceiling of \$1,375,000.00, or as adjusted under Section 1.134.5 of this Chapter;~~

11 ~~(ii) The candidate bears the burden of proving that each contribution the candidate relies upon~~
12 ~~to establish eligibility is a qualifying contribution and that all contributions comply with the~~
13 ~~requirements set forth in this Chapter;~~

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

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

20 ~~(v) Notwithstanding Sections 1.114 and 1.116, the candidate shall not loan or donate more~~
21 ~~than \$5,000.00 of his or her own money to the campaign;~~

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

1 ~~(vii) The candidate shall agree to participate in at least three (3) debates with the candidate's~~
2 ~~opponents.~~

3 ~~(6) Have paid any outstanding late fines or penalties, owed to the City by the candidate or any~~
4 ~~of the candidate's previous campaign committees, which were imposed for violations of Chapters 1~~
5 ~~through 5 of this Article, the campaign finance provisions of the California Political Reform Act~~
6 ~~(Government Code Sections 84100–85704), Chapter 1 of Article II of this Code or Chapters 1 or 2 of~~
7 ~~Article III of this Code, provided that the Ethics Commission had notified the candidate of such fines or~~
8 ~~penalties by the time of certification;~~

9 ~~(7) Have filed any outstanding forms, owed to the City by the candidate or any of the~~
10 ~~candidate's previous campaign committees, which were required to be filed pursuant to Chapters 1~~
11 ~~through 5 of this Article, the campaign finance provisions of the Political Reform Act (Government~~
12 ~~Code Sections 84100–85704), or Chapter 1, Article III of this Code, provided that the Ethics~~
13 ~~Commission had notified the candidate of such outstanding forms by the time of certification;~~

14 ~~(8) Have no finding by a court within the prior five years that the candidate knowingly,~~
15 ~~willfully, or intentionally violated Chapters 1 through 4 of this Article or the campaign finance~~
16 ~~provisions of the California Political Reform Act (Government Code Sections 84100–85704). For~~
17 ~~purposes of this section, a plea of nolo contendere shall be treated the same as a finding by a court of a~~
18 ~~willful violation.~~

19 ~~(b) ADJUSTMENT OF EXPENDITURE LIMITS AND THRESHOLDS. The Ethics Commission~~
20 ~~shall adjust:~~

21 ~~(1) The figures in Subsections (a)(3), (a)(4), and (a)(5) of this Section to reflect changes in the~~
22 ~~California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest~~
23 ~~\$5,000.00; and~~

1 ~~(2) The maximum amount of a contribution that constitutes a qualifying contribution for~~
2 ~~mayoral candidates pursuant to Section 1.104 to reflect changes in the California Consumer Price~~
3 ~~Index, provided that such adjustments shall be rounded off to the nearest \$10.00.~~

4 ~~SEC. 1.144.5. DISBURSEMENT OF PUBLIC FUNDS—CANDIDATES FOR MAYOR.~~

5 ~~(a) PAYMENT BY CONTROLLER. Upon certifying that a candidate for Mayor is eligible to~~
6 ~~receive public financing under this Chapter, the Executive Director shall forward the certification to~~
7 ~~the Controller, and the Controller shall disburse payments to the candidate from the Mayoral Election~~
8 ~~Campaign Fund in accordance with the certification and this Section.~~

9 ~~(b) TIME OF PAYMENTS. The Controller shall not make any payments under this Chapter to~~
10 ~~any candidate for Mayor more than nine (9) months before the date of the election. Payments from the~~
11 ~~Controller shall be disbursed to eligible candidates within 48 hours of the Controller receiving~~
12 ~~notification from the Ethics Commission regarding the amount of the disbursement, except that within~~
13 ~~60 calendar days before the election, such payments shall be made within 24 hours.~~

14 ~~(c) PAYMENTS FOR ELECTION EXPENSES.~~

15 ~~(1) Until the Per Candidate Available Disbursement Limit has been determined, candidates for~~
16 ~~Mayor who have been certified by the Ethics Commission as eligible to receive public financing for~~
17 ~~their election campaigns will have access to up to \$850,000.00 in funds from the Mayoral Election~~
18 ~~Campaign Fund on a first come, first served basis according to the formula set forth in Subsection~~
19 ~~(c)(3) of this Section.~~

20 ~~(2) Once the Per Candidate Available Disbursement Limit has been determined, candidates for~~
21 ~~Mayor who have been certified by the Ethics Commission as eligible to receive public financing for~~
22 ~~their election campaigns shall have access to funds from the Mayoral Election Campaign Fund as~~
23 ~~follows:~~

1 ~~(A) If the Executive Director determines that the Per-Candidate Available Disbursement Limit~~
2 ~~is greater than \$850,000.00, each participating candidate shall have access to the amount of the Per~~
3 ~~Candidate Disbursement, subject to the limitations set forth under Subsection (c)(3)(D) and (c)(3)(E) of~~
4 ~~this Section.~~

5 ~~(B) If the Executive Director determines the Per-Candidate Available Disbursement Limit is~~
6 ~~less than or equal to \$850,000.00, participating candidates shall have access to funds from the~~
7 ~~Mayoral Election Campaign Fund on a first come, first served basis up to a maximum per candidate of~~
8 ~~\$850,000.00.~~

9 ~~(3) A candidate for Mayor who is certified as eligible to receive public financing under this~~
10 ~~Chapter shall receive payments for eligible matching contributions according to the following formula:~~

11 ~~(A) Upon qualification the candidate shall receive a one-time payment of \$50,000.00 from the~~
12 ~~Mayoral Election Campaign Fund.~~

13 ~~(B) After the initial payment under Subsection (c)(3)(A), for the first \$100,000.00 in matching~~
14 ~~contributions raised by the candidate, the candidate shall receive four dollars from the Mayoral~~
15 ~~Election Campaign Fund for each dollar raised.~~

16 ~~(C) After the payments under Subsection (c)(3)(B), for the next \$400,000.00 in matching~~
17 ~~contributions raised by the candidate, the candidate shall receive one dollar from the Mayoral Election~~
18 ~~Campaign Fund for each dollar raised.~~

19 ~~(D) The maximum amount of public funds a mayoral candidate may receive is \$850,000.00,~~
20 ~~unless the candidate's Individual Expenditure Ceiling is lifted according to the rules set forth under~~
21 ~~Section 1.134.5. The amount of public funds paid under this Section shall not be affected by the lifting~~
22 ~~of expenditure limits under Section 1.134.~~

23 ~~(E) If the Per-Candidate Available Disbursement Limit has been determined to be an amount~~
24 ~~greater than \$850,000.00, a candidate who has already received at least \$850,000.00 in disbursements~~
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1 from the City shall continue to be eligible to receive public funds from the City at the rate of one dollar
2 for each dollar of a matching contribution raised up to the Per Candidate Disbursement Limit,
3 provided that no funds shall be disbursed if disbursement of the funds would result in the candidate
4 exceeding his or her Trust Account Limit.

5 ~~(d) PER CANDIDATE AVAILABLE DISBURSEMENT LIMIT. On the 59th day before the~~
6 ~~election, the Executive Director shall divide the total amount of non-administrative funds in the~~
7 ~~Mayoral Election Campaign Fund by the number of qualified candidates. This number shall be~~
8 ~~deemed the Per Candidate Available Disbursement Limit. For the purposes of this section, the total~~
9 ~~amount of non-administrative funds in the Mayoral Election Campaign Fund shall be the total amount~~
10 ~~of funds that existed in the Fund nine months before the date of election plus any funds deposited into~~
11 ~~the Fund between that date and the 59th day before the election minus any funds necessary to cover the~~
12 ~~administrative costs associated with implementing the mayoral public financing program.~~

13 ~~If there are candidates who have submitted a Declaration of Qualification but whose eligibility~~
14 ~~has not been determined as of the 59th day before the election, the Executive Director shall assume that~~
15 ~~they are qualified for the purposes of determining the Per Candidate Available Disbursement Limit.~~
16 ~~The Per Candidate Available Disbursement Limit shall be revised upward according to the formula~~
17 ~~above if and when it is determined that the candidate or candidates in question did not qualify to~~
18 ~~receive public financing.~~

19 ~~Immediately upon calculating the Per Candidate Available Disbursement Limit, the Executive~~
20 ~~Director shall inform the Controller of the initial determination of the Per Candidate Available~~
21 ~~Disbursement Limit. Thereafter, the Executive Director shall immediately inform the Controller of any~~
22 ~~subsequent changes in the Per Candidate Available Disbursement Limit due to a determination that a~~
23 ~~candidate has not qualified to receive public financing.~~

1 ~~(ef) SUBMISSION OF CLAIMS FOR PUBLIC FUNDS. The Ethics Commission shall~~
2 ~~determine the information needed to submit a claim for payment of public funds. The Executive~~
3 ~~Director shall certify each request for payment of public funds within four business days of the request,~~
4 ~~except that within 14 calendar days before the election, when the certification of a request for public~~
5 ~~funds shall be made within two business days of the request. Any submission of a claim for public~~
6 ~~funds must include a minimum of \$5,000.00 of matching contributions; provided that in the 14 calendar~~
7 ~~days preceding an election, a claim must include a minimum of \$1,000.00 of matching contributions.~~
8 ~~All claims for public funds must be submitted no later than 5:00 p.m. on the 30th day following the date~~
9 ~~of the election.~~

10 ~~(f) DEPOSIT IN CAMPAIGN CONTRIBUTION TRUST ACCOUNT. Candidates must deposit~~
11 ~~all payments received from the Mayoral Election Campaign Fund in the candidate's Campaign~~
12 ~~Contribution Trust Account.~~

13
14 APPROVED AS TO FORM:
15 DENNIS J. HERRERA, City Attorney

16 By:


17 ANDREW SHEN
18 Deputy City Attorney
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25



City and County of San Francisco

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

Tails

Ordinance

File Number: 071003

Date Passed:

Ordinance amending Sections 1.104, 1.108, 1.130, 1.134, 1.134.5, 1.136, 1.138, 1.140, 1.142, 1.144, 1.146, 1.148, 1.150, 1.152, 1.154, 1.156 and 1.170 and repealing Sections 1.138.5, 1.140.5 and 1.144.5 of the Campaign and Governmental Conduct Code to combine the separate partial public financing programs for candidates for the Board of Supervisors and candidates for Mayor into one partial public financing program and raising the expenditure ceiling for candidates for the Board of Supervisors to \$140,000.

November 6, 2007 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Ayes: 11 - Alioto-Pier, Ammiano, Chu, Daly, Dufty, Elsbernd, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

November 6, 2007 Board of Supervisors — PASSED ON FIRST READING AS AMENDED

Ayes: 8 - Ammiano, Daly, Dufty, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

Noes: 3 - Alioto-Pier, Chu, Elsbernd

November 13, 2007 Board of Supervisors — FINALLY PASSED

Ayes: 8 - Ammiano, Daly, Dufty, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

Noes: 3 - Alioto-Pier, Chu, Elsbernd

File No. 071003

I hereby certify that the foregoing Ordinance was FINALLY PASSED on November 13, 2007 by the Board of Supervisors of the City and County of San Francisco.



Angela Calvillo
Clerk of the Board

11-26-07

Date Approved

Mayor Gavin Newsom

Date: November 26, 2007

I hereby certify that the foregoing ordinance, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter.



Clerk of the Board

for Angela Calvillo

File No.
071003