

LEGISLATIVE DIGEST

[Campaign and Governmental Conduct Code – Modifying Registration and Disclosure Requirements for Campaign Consultants]

Ordinance amending Article I, Chapter 5 of the Campaign and Governmental Conduct Code to modify registration and disclosure requirements for campaign consultants.

Existing Law

The City's Campaign Consultant Ordinance (hereinafter the "Ordinance"), adopted by the voters in 1997, consists of the following substantive provisions:

1. Findings. Section 1.500 makes findings concerning the role that campaign consultants play in San Francisco elections, and the voters' desire to impose reasonable registration and disclosure requirements regarding their activities.
2. Definitions. Section 1.505 defines various terms used in the Ordinance. It defines "campaign consultant" as any person or entity that earns \$1,000 or more in a calendar year for campaign consulting services.
3. Registration, Reporting, and Fees. Section 1.515 enacts the following:
 - a. Registration. Upon initial registration with the Ethics Commission, campaign consultants must disclose certain information such as their contact information, their employers and/or employees, their clients, their fees, campaign contributions made by them or their clients, and gifts provided to officeholders.
 - b. Reporting. Campaign consultants must file quarterly reports that disclose their compensation, their campaign contributions, gifts they have provided to officeholders, City contracts that they have obtained, and whether they have been appointed to any public office. They must also provide the Ethics Commission with copies of client authorization and client termination statements.
 - c. Fees. The Ordinance establishes a sliding-scale for fees. Campaign consultants earning between \$1,000 and \$5,000 per calendar year must pay \$50, those earning between \$5,000 and \$20,000 must pay \$200, and those earning more than \$20,000 must pay \$400. All campaign consultants must also pay an additional fee of \$50 per client.

4. The Ethics Commission's Duties. Section 1.520 establishes that the Ethics Commission must: (a) provide campaign consultants with the required forms, registration numbers, copies of pertinent ethics laws; (b) compile the disclosures filed by consultants and provide the Board of Supervisors ("Board") and the Mayor with a report summarizing that information; (c) maintain copies of these disclosures and reports; (d) provide advice regarding the Ordinance; and (e) adopt regulations implementing the Ordinance's provisions.
5. Enforcement and Penalties. Section 1.525 authorizes the Ethics Commission to impose fines if campaign consultants do not file required reports or statements on a timely basis, and to enforce the Ordinance by imposing penalties for violations. The Ordinance permits three City agencies to enforce its provisions: the City Attorney, the District Attorney, and the Ethics Commission.
6. Electronic Filing. All statements and disclosures must be submitted in hard copy form, but the Ordinance allows the Ethics Commission to require electronic copies as well.

Amendments to Current Law

1. Findings. The proposed amendments would add two findings. The first addresses the potential influence of campaign consultants over decisions made by elected officials. The second explains the advantages of electronic filing for those regulated by the Ordinance and members of the public seeking information about their activities.
2. Future Amendments. Proposed section 1.505 would permit the Board to make later amendments to the Ordinance, without voter approval, if the amendments further the purposes of the Ordinance, the Ethics Commission approves the amendments by a four-fifths vote of its members, and the Board approves them by a two-thirds vote. This is identical to provisions set forth in the voter-approved Campaign Finance Reform Ordinance and Government Ethics Ordinance.
3. Definitions. The proposal amends the definitions of several terms in the Ordinance. It also amends the definition of "campaign consultant" to mean an individual or entity that earns at least \$5,000 in compensation for campaign consulting services within the past twelve months.
4. Registration, Reporting, and Fees. The proposal makes several changes to these provisions.
 - a. Registration. The amendments clarify that registration is required within five business days of an individual or entity qualifying as a campaign consultant and modifies the information that must be disclosed upon registration.

FILE NO.

Background Information

The voters enacted the Ordinance via Proposition G on the November 4, 1997 ballot. The voters have not amended the Ordinance since its adoption.