

SAN DIEGO ETHICS COMMISSION REVIEW OF THE CITY'S  
**Election Campaign Control Ordinance**

**PROPOSED AMENDMENTS**

February 26, 2015

**Chapter 2: Government**  
**Article 7: Elections, Campaign Finance and Lobbying**  
**Division 29: Election Campaign Control Ordinance**

**§27.2965 Professional Expense Funds**

- (a) Every elected *City Official* and every *candidate for elective City office* shall be permitted to establish and maintain one *professional expense committee* and one professional expense checking account for the purpose of soliciting, accepting, and spending professional expense funds.
- (b) In addition to *contributions* received in connection with seeking an elective *City* office, any elected *City Official* or *candidate for elective City office* may receive professional expense fund *contributions* from individuals and may use such *contributions* solely for the following purposes:
  - (1) to defray *professional fees and costs* incurred in the *City Official's* or *candidate's* response to an audit of his or her campaign activity conducted by the City of San Diego Ethics Commission, the California Fair Political Practices Commission, or the California Franchise Tax Board; or
  - (2) to defray *professional fees and costs* incurred in the *City Official's* or *candidate's* legal defense to one or more civil, criminal, or administrative proceedings arising directly out of the conduct of an election campaign, the electoral process, or the performance of the *City Official's* governmental activities and duties.
- (c) It is unlawful for any individual to make, or for any elected *City Official* or *candidate* to solicit or accept from any individual, professional expense fund *contributions* totaling more than \$500 during a single calendar year in connection with an audit or a civil, criminal, or administrative proceeding identified in the Statement of Organization required by section 27.2966(b). This dollar amount is subject to changes in the Consumer Price Index as described in section 27.2937.
- (d) An individual's *contributions* to a *professional expense committee* do not count toward the campaign *contribution* limits set forth in section 27.2935, and are not subject to the time limits set forth in section 27.2938.

~~(e) It is unlawful for any individual to make a *contribution* to a *professional expense committee* without accompanying the *contribution* with a disclosure form identifying the particulars of all matters, if any, that such individual has pending before the board, commission, department, or agency of which the *City Official* or *candidate* maintaining the *professional expense committee* is a member or employee. When filing the campaign statements required by section 29.2967, the *professional expense committee* shall attach to such statement a copy of each disclosure form received pursuant to this subsection.~~

(e) Every individual making *contributions* totaling \$100 or more to a *professional expense committee* shall accompany such *contributions* with a signed disclosure form indicating whether the individual has a financial interest in any municipal decisions pending before the applicable *City Official* or *candidate*. If the individual has such a financial interest, he or she shall describe the nature of the interest on the disclosure form.

(1) For purposes of this subsection:

(A) the term “municipal decision” has the same meaning as set forth in San Diego Municipal Code section 27.4002;

(B) a municipal decision is pending before a *City Official* or *candidate* if it is reasonably foreseeable that it will be acted on by the *City Official* or *candidate* or by any governmental body of which that *City Official* or *candidate* is a member;

(C) the term “governmental body” means the *City Council*, any *City Council* committee, the board of directors of any *City* agency, and any *City* board, commission, committee, or task force; and,

(D) an individual has a financial interest in a municipal decision if:

(i) the individual or any member of the individual’s immediate family is a claimant, applicant, respondent, contracting party, or otherwise named as a party to the decision; or,

(ii) the individual or any member of the individual’s immediate family holds a managerial level position, or has a 10% or greater ownership interest, in a business entity that is a claimant, applicant, respondent, contracting party, or otherwise named as a party to the decision; or,

(iii) the individual or any member of the individual’s immediate family has an ownership interest in real property that is the subject of the decision; or,

- (iv) it is reasonably foreseeable that the decision will have a direct or substantial financial impact on real property in which the individual or any member of the individual's family has an ownership interest.
- (2) It is unlawful for a *professional expense committee* to deposit contributions totaling \$100 or more from any individual without first obtaining a signed disclosure form from that individual.
- (3) Within 10 calendar days of the filing deadline applicable to the campaign statement required by section 29.2967, the *professional expense committee* shall file with the *City Clerk* a copy of each disclosure form received during the reporting period pursuant to this subsection.
- (4) Notwithstanding any other provisions of this subsection, an individual is not required to identify a financial interest in a municipal decision on the disclosure form if both of the following are true:

  - (A) the individual's *contributions* are required to be disclosed by a lobbying firm or organization lobbyist in accordance with San Diego Municipal Code section 27.4017; and,
  - (B) the specific municipal decision in which the individual has a financial interest has been identified on the most recent registration form or quarterly disclosure report filed by the lobbying firm or organization lobbyist.
- (f) It is unlawful for a *person* other than an individual to make a *contribution* to a *professional expense committee*. It is unlawful for a *City Official* or *candidate* to solicit or accept a *contribution* for a *professional expense committee* from any *person* other than an individual.