

## TEXT OF PROPOSED ORDINANCE PROPOSITION Q

The Mayor hereby orders submitted to the qualified electors of the City and County of San Francisco, for the November 5, 2002 election, the following Ordinance amending the San Francisco Administrative Code. This Ordinance, if approved by a majority of such electors at such election, would prohibit the use for political activity of any funds appropriated by the City and County of San Francisco for contracts, grants and loans.

Note: Additions are single-underline italics.

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

Section 1. The San Francisco Administrative Code is amended by adding Chapter 12G to read as follows:

CHAPTER 12G. PROHIBITION ON USE OF PUBLIC FUNDS FOR POLITICAL ACTIVITY BY RECIPIENTS OF CITY CONTRACTS, GRANTS, AND LOANS.

SEC. 12G.1. Prohibition. No funds appropriated by the City and County of San Francisco for any contract, grant agreement, or loan agreement may be expended for participating in, supporting, or attempting to influence a political campaign for any candidate or ballot measure.

SEC. 12G.2. Audits. The Controller shall annually select for audit at least ten (10) persons or entities that enter into contracts, grant agreements, or loan agreements with the City in order to ensure compliance with this section.

SEC. 12G.3. Rules and Regulations.

- (a) The Controller shall promulgate any rules and regulations necessary or appropriate for the implementation of this section.
- (b) All contracts, grant agreements, and loan agreements shall incorporate this Chapter by reference.

SEC. 12G.4. Penalties. If the Controller determines that any recipient of a contract, grant agreement, or loan agreement has violated this Chapter, the violation shall be deemed a material breach of the contract, grant agreement, or loan agreement and the recipient of the contract, grant agreement, or loan agreement shall be barred for two years from receiving any City contract, grant agreement, or loan agreement.