

San Francisco Democratic County Central Committee

455 Golden Gate Avenue
San Francisco, California
Milton Marks Auditorium
Wednesday, September 26, 2012
7:00 p.m.

Regular Meeting Agenda

Note: A majority of the members of the San Francisco Board of Supervisors, and of one or more Board committees, currently serve as members of the San Francisco Democratic County Central Committee (SFDCCC). The law is not clear as to whether the open meeting requirements of state and local law apply to SFDCCC meetings attended by these Board members. Out of abundance of caution, the Board members and the SFDCCC have agreed to comply with these open meeting laws.

1. Call to Order and Roll Call

Chair: Mary Jung. Members: Kat Anderson, John Avalos, David Campos, David Chiu, Malia Cohen, Petra DeJesus, Matt Dorsey, Bevan Dufty, Kelly Dwyer, Zoe Dunning, Bill Fazio, Tom Hsieh, Leslie Katz, Hene Kelly, Meagan Levitan, Rafael Mandelman, Eric Mar, Trevor McNeil, Carole Migden, Leah Pimentel, Alix Rosenthal, Arlo Hale Smith, and Scott Wiener. Ex-Officio Members: U.S. Senator Dianne Feinstein; U.S. House Democratic Leader Nancy Pelosi; U.S. Rep. Jackie Speier; Attorney General Kamala Harris; State Senator Leland Yee; State Senator Mark Leno; Assemblymember Fiona Ma; Assemblymember Tom Ammiano.

2. Public Comment

The SFDCCC will take public comment on all items on the agenda and, in addition, other matters germane to party business but not on the agenda.

3. Approval of Meeting Agenda (Discussion and possible action)

Discussion and possible action regarding the approval of this agenda.

4. Approval of Meeting Minutes (Discussion and possible action)

Discussion and possible action to approve the minutes of the SFDCCC's Special Meeting of Wednesday, August 15, 2012 (attached).

5. Reports (Discussion and possible action)

SF DCCC member reports, including discussion and possible action, to offer updates on work assignments and discuss ongoing objectives.

a) **Chair** (Jung) introduction of party's newly hired executive director, Ally Hergenraeder; report on the opening of the coordinated campaign headquarters; introduction of the coordinated campaign headquarters' office manager, Alec Bash of Organizing for America.

b) **Executive Director** (Hergenraeder) report on activities at the coordinated campaign headquarters and plans in advance of the November General Election.

- c) **Finance** (Dunning) report on progress related to fundraising, plans and other activities
 - d) **Voter Registration** (McNeil) report on progress related to voter registration efforts, and participation in the California Democratic Party's Chartered Organization Voter Registration "Bounty" Program
 - e) **Club Chartering** (Pimentel) report on status of coordination with chartered Democratic clubs in advance of the fall election, and plans for club chartering.
 - f) **Communications** (Dorsey) report on additional website changes, and progress on efforts to harmonize DCCC bylaws and procedures with the Brown Act and S.F. Sunshine Ordinance
 - g) **Treasurer** (Hsieh) report on the current budget and finances of the party, and budgetary needs moving forward
- 6. Slate Card update (Dunning/Hsieh)** (Discussion and possible action)
Report on the status of the San Francisco Democratic Party's slate card program for the fall election.
- 7. Presentation by Emerge California** (Discussion)
Presentation by Emerge California, the premier training program for Democratic women, inspiring women to run for public office and hone their skills to win.
- 8. Endorsement (Rosenthal)** (Discussion and possible action)
Consideration of an endorsement for statewide ballot measure for the November 6, 2012 Consolidated General Election.
- a) **Proposition 39.** Discussion and possible action: SFDCCC to consider an endorsement for Proposition 39, "Tax treatment for multistate businesses. Clean energy and energy efficiency funding. Initiative statute." Because the California Democratic Party took no position on this measure, it is eligible for endorsement by the San Francisco Democratic Party. (Attorney General's Official Title and Summary attached.)
- 9. New Business** (Discussion and possible action)
Note that the SFDCCC is unable to discuss or take action on items not on this agenda when those discussions pertain to matters within the jurisdiction of the San Francisco Board of Supervisors. The limited exception is to discuss and take action in deciding whether to calendar such items for a future meeting.

10. Adjournment

Note: In observance of Yom Kippur, the Issues Committee normally scheduled for 6:15 p.m. will not meet on September 26, 2012.

Agenda Item Information

For more information concerning agendas, minutes, and meeting information, and materials relating to agenda items: visit the SFDCCC website at <http://www.sfdemocrats.org>; or email SFDCCC Correspondence Secretary Matt Dorsey at info@sfdemocrats.org; or write to the San Francisco Democratic County Central Committee at 155 Sansome Street, Suite 520, San Francisco, CA 94104. Other related materials received by the SFDCCC after the posting of the agenda are available for public inspection at the meeting time and location listed at the beginning of this agenda.

Meeting Procedures

Each member of the public will be allotted the same maximum number of minutes to speak as set by the Chair.

Disability Access

The Milton Marks Auditorium and the State Office Building at 455 Golden Gate Avenue in San Francisco are wheelchair accessible. To seek a disability related accommodation to participate in the meeting, please contact SFDCCC Correspondence Secretary Matt Dorsey at info@sfdemocrats.org; or write to the San Francisco Democratic County Central Committee at 155 Sansome Street, Suite 520, San Francisco, CA 94104. Requests must be received at least 48 hours before the meeting.

The nearest accessible BART station is Civic Center (Market/Grove/Hyde Streets). Accessible MUNI Metro lines are the F, J, K, L, M, N, T (exit at Civic Center or Van Ness Stations). MUNI bus lines also serving the area are the 5, 6, 9, 19, 21, 47, 49, 71, and 71L. For more information about MUNI accessible services, call (415) 701-4485. There is accessible parking in the vicinity of the California State Building at Civic Center Plaza and adjacent to Davies Hall and the War Memorial Complex. In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to perfumes and various other chemical-based scented products. Please help the City to accommodate these individuals.

Know Your Rights Under The Sunshine Ordinance

Government's duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact by mail Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102; phone at (415) 554-7724; fax at (415) 554-7854; or by email at sotf@sfgov.org. Citizens may obtain a free copy of the Sunshine Ordinance by printing Chapter 67 of the San Francisco Administrative Code on the Internet, at <http://www.sfbos.org/sunshine>

Cell Phones, Pagers and Similar Sound-Producing Electronic Devices

The ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices.

San Francisco Democratic County Central Committee

455 Golden Gate Avenue
San Francisco, California
Milton Marks Auditorium
Wednesday, August 15, 2012
6:00 p.m.

Minutes of Special Meeting

Note: A majority of the members of the San Francisco Board of Supervisors, and of one or more Board committees, are members of the San Francisco Democratic County Central Committee (SFDCCC). The law is not clear as to whether the open meeting requirements of state and local law apply to SFDCCC meetings attended by these Board members. Out of abundance of caution, the Board members and the SFDCCC have agreed to comply with these open meeting laws.

1. Call to Order and Roll Call at 6:09 pm

Chair: Mary Jung. Members: Kat Anderson, John Avalos, David Campos, David Chiu, Malia Cohen, Petra DeJesus (proxy David Campos), Matt Dorsey, Bevan Dufty, Kelly Dwyer, Zoe Dunning, Bill Fazio, Tom Hsieh, Leslie Katz, Hene Kelly, Meagan Levitan, Rafael Mandelman, Eric Mar, Trevor McNeil (proxy to Leah Pimentel), Carole Migden, Leah Pimentel, Alix Rosenthal, Arlo Smith, and Scott Wiener (proxy to Charles Sheehan). Ex Officio Members: U.S. Senator Dianne Feinstein (proxy George Broder); U.S. House Democratic Leader Nancy Pelosi (excused); U.S. Rep. Jackie Speier (excused); Attorney General Kamala Harris (proxy Matthew Rothschild); State Senator Leland Yee (proxy John Rizzo); State Senator Mark Leno (proxy Keith Baraka); Assemblymember Fiona Ma (proxy Bob Twomey); Assemblymember Tom Ammiano (proxy Esther Marks). 30 members were present, including proxies.

2. Public Comment

William Wilson spoke about Rainbow Flag controversy at Harvey Milk Plaza. Was not lowered per President Obama's proclamation re: Aurora shooting.

[Member Levitan arrived at 6:13 pm]

Ken Tray spoke about UESF matters. Teachers have voted not to endorse any of the incumbents. Slate supported: Matt Haney, Shamann Walton, Beverly Popek, and Sam Rodriguez.

Susan Pfeifer gave monthly update for Organizing for America. Phone banks going on. Go to website and sign up to volunteer. Training on August 25, 26. Delegate Eloise Patton of SEIU was introduced.

Maxine Doogan, Erotic Service Provider, is the sole opponent to Prop. 35 which criminalizes prostitutes by qualifying them as traffickers and requires them to register as sex offenders. The State Democratic Party endorsed Prop. 35 without eliciting comment from her.

Tracy Brown spoke in support of Board of Education candidate Shamann Walton.

Wendy Aragon spoke in support of a sole endorsement of Eric Mar for re-election to District 1 supervisor seat.

Jim Salinas, Sr. President of SF Latino Democratic Club announced PAC recommendations: Eric Mar, David Chiu, David Campos, Christina Olague, Norman Yee and John Avalos. BOE: Sam Rodriguez, Gladys Soto, Shamann Walton, and Jill Wynns. Community College Board: Chris Jackson, Rodrigo Santos.

Jill Wynns spoke in support of her candidacy for Board of Education. The 3 incumbents received the endorsement of Carlos Garcia.

Rachel Norton spoke in support of her candidacy for Board of Education.

Sandra Fewer spoke in support of her candidacy for Board of Education.

Mike Alonso spoke in support of sole endorsement of Eric Mar.

Shamann Walton spoke about his candidacy for BOE.

[Member Katz arrived at 6:35 pm]

Kevin Bard re: SF Young Democrats early endorsed Matt Haney and Chris Jackson. He supports Amy Bacharach, Gladys Soto. Harvey Milk early-endorsed Prop A. Come to Ball in Blue at Dear Moms.

Alex Mitra, President of SF Young Democrats. Early endorsement of Matt Haney and Chris Jackson. Recognized sponsors of Ball in Blue.

Todd David, co-founder of SF Parent PAC. Its endorsements for BOE are: Wynns, Norton, Fewer and Rodriguez. Also, he personally supports Rodrigo Santos for College Board.

Lourdes Alarcon with her two children spoke in support of Gladys Soto's candidacy for Board of Education.

Gabriel Ortega spoke in support of Gladys Soto.

Ana Garcia spoke in support of Gladys Soto.

Alia AlSharif, student at USF, spoke in support of Eric Mar on his 50th birthday. Requests sole endorsement.

Michael Petrelis of Gays Without Borders spoke about Castro Rainbow Flag controversy re: Obama's Proclamations to lower the flag at the time of American tragedy. He requests that the DCCC support the President's proclamations to lower the American flag by requiring the Rainbow flag to be lowered as well.

Sam Rodriguez spoke in support of his candidacy for BOE.

Dr. Natalie Berg spoke in support of her candidacy for Community College Board.

Amy Bacharach spoke in support of her candidacy for Community College Board.

Gladys Soto spoke in support of her candidacy for Board of Education.

Susan Larava spoke in support of Gladys Soto for BOE.

Maria Luz Torre (Parent Voices) spoke in support of Gladys Soto for BOE.

DJ Brookter spoke in support of Shamann Walton for BOE.

Hanna Leung spoke in support of her candidacy for Community College Board.

Public comment closed at 7:04 pm.

3. Approval of Meeting Agenda

Moved by Hsieh to approve the agenda, seconded by Rothschild.

Kelly asked that a resolution regarding “hate advertising on MUNI vehicles” be added to the agenda. Hsieh retracted his motion.

Moved by Katz to add the agenda item, seconded by Smith. Approved by acclamation.

4. Approval of Meeting Minutes

Moved by Rothschild to approve the minutes of the meeting of July 25, 2012, seconded by Hsieh. Approved by acclamation.

5. Reports

SF DCCC Member Reports, including discussion and possible action, to report to the full committee progress on work assignments and discussions with members of the public or public officials concerning the SF DCCC future work.

- a) **Chair** (Jung) report on progress related to executive director applicants. Contact Dunning if interested in serving on interview committee, which she chairs. Jung is looking for office space for Obama campaign. Contact her with any leads on at least 4,000 sq. feet, street level.
- b) **Finance** (Dunning) report on progress related to fundraising outreach, plans and other activities. We have received checks from Leader Pelosi and Senator Leno, and are looking for other donations. Working on Acceptance Speech party, which will also be a fundraiser.
- c) **Voter Registration** (McNeil, absent, given by Pimentel) report on progress related to voter registration and participation in the California Democratic Party’s Chartered Organization Voter Registration “Bounty” Program.
- d) **Club Chartering** (Pimentel) report on status of coordination with chartered Democratic clubs in advance of the fall election. Working at Acceptance Speech Party.

- e) **Communications** (Dorsey) report on status of new website. Please review www.sfdemocrats.org, and send comments to info@sfdemocrats.org. Plan to make the website a resource for the Democratic clubs. Agenda changes have been made to fulfill potentially applicable requirements of the Brown Act and S.F. Sunshine Ordinance.
- f) **Treasurer** (Hsieh) report on the current budget and finances of the party, and budgetary needs moving forward. Balance in July was \$3,4116. Received \$5,000 from Leader Pelosi. \$7,316.18 left after expenses. Need donations from Acceptance Speech Party on September 6.

6. Approve SFDCCC Meeting Schedule Through Jan. 2013

The Clerk of Board of Supervisors has requested the SFDCCC to approve the proposed notice of upcoming meetings. Consistent with established practices reflecting regular meetings of the SFDCCC on the 4th Wednesday of each month, tentatively scheduled meeting dates are: Sept. 26, 2012; Oct. 24, 2012; Nov. 28, 2012; and Jan. 23, 2013. Tentative time for all regular meetings is 7:00 p.m., and the tentative location is the Milton Marks Auditorium, California State Building, 455 Golden Gate Avenue, in San Francisco.

Moved by Kelly to approve the motion, seconded by Levitan. Approved by acclamation.

7. Slate Card RFP Selection (Jung)

Report on status of requests for proposal for the San Francisco Democratic Party's slate card program for the fall election: Mandelman has resigned from the committee since he is a candidate for Community College Board. Dunning will chair the committee which includes Hsieh, Kelly and Jung. A proposal summary was circulated showing submittals from two vendors – Autumn Press and 50+One Strategies. Discussion about design, target audience (proposal suggested 130,000 households), budget, reserves, fundraising, and keeping the message positive.

Dunning proposed 50+One Strategies.

Moved by Katz to approve the committee's recommendation, seconded by Kelly. Chiu abstained because he is a client of this vendor. Mar also abstained. Approved by acclamation.

8. Endorsements (Jung/Rosenthal)

Jung reported on process for questionnaires and interviews for local candidates and ballot measures for the Nov. 6, 2012 Consolidated General Election. Jung received feedback that Saturday's interview process was the most efficient in at least 37 years of one consultant's experience. Rosenthal and Anderson were commended.

Rosenthal provided information on the voting process. George Broder, proxy for Senator Dianne Feinstein, clarified that votes made by elected officials should not be construed as an endorsement of a candidate or as supporting or opposing a ballot measure without additional confirmation of such support or opposition from the elected official.

Rosenthal reported that voting will begin with Board of Education. In races with multiple candidates, members cast votes for up to 4 candidates in the first round. Rounds are repeated until candidates get first, second, third and fourth endorsements. Or, there may be “no endorsement.” Since two members are absent tonight, a candidate needs 16 votes to get an endorsement. Abstentions will lower that still further. It is possible for more than 4 candidates to get 50% plus 1. In that case, we will go with top 4 vote getters. “No endorsement” is like a candidate except it does not drop off.

Endorsed Board of Supervisor candidates must meet with Rosenthal after the meeting. Committee will allow latecomer candidate for Board of Education, Kim Garcia, to be considered for endorsement.

For specific votes by DCCC members, see tally sheets recorded at the end of these minutes.

a) **Board of Education.** 30 members voted. Endorsed candidates are: Sandra Fewer, Matt Haney, Rachel Norton and Jill Wynns.

b) **Community College Board.** 30 members voted. Endorsed candidates are: Natalie Berg, Chris Jackson, Rafael Mandelman and Steve Ngo.

c) **BART Board Districts 7 and 9.**
Feinstein and Ammiano abstained. 28 members voted. Moved by Harris/seconded by Katz to endorse Lynette Sweet and Tom Radulovich by acclamation. Passed.

d) **Board of Supervisors.**
30 members voted on District 1 endorsement, rank #1: endorsement for Mar.
30 members voted on District 1 endorsement, rank #2; no endorsement.

30 members voted on Districts 3, 9, 11 – Moved by Smith/seconded by Katz to endorse Chiu, Campos and Avalos by acclamation. Feinstein and Ammiano abstained on Chiu. Feinstein abstained on Campos and Avalos. Passed.

30 members voted on District 5 – No Endorsement.

30 members voted on District 7 – FX Crowley, rank #1; Norman Yee, rank #2; no endorsement for rank #3. [Rothschild/Kelly – moved that there be no endorsement on Rank 3. Withdrawn.]

[Member Migden left at 8:12 pm]

[Members Fazio and Smith left at 8:13 pm]

e) **Qualified Local Ballot Measures.**

i) **Proposition A:** City College Parcel Tax (District Measure)
Katz moved to approve by acclamation, seconded by Chiu. Feinstein abstained. Levitan voted no endorsement. Passed by remaining members.

- ii) **Proposition B:** Clean and Safe Neighborhood Parks Bond (Bond Measure)
Chiu moved to approve by acclamation, seconded by Levitan. Passed.
- iii) **Proposition C:** Housing Trust Fund (Charter Amendment)
Rizzo moved to approve by acclamation, seconded by Dufty. Feinstein abstained.
Passed by remaining members.
- iv) **Proposition D:** Consolidating Odd-Year Municipal Elections (Charter Amendment)
Wiener (proxy) moved to approve by acclamation, seconded by Katz. Ammiano abstained. Passed by remaining members.
- v) **Proposition E:** Gross Receipts Tax (Ordinance)
Chiu moved to approve by acclamation, seconded by Levitan. Passed.
- vi) **Proposition F:** Water and Environment Plan (Ordinance)
Katz moved to oppose by acclamation, seconded by Dufty. Passed.
- vii) **Proposition G:** Policy Opposing Corporate Personhood (Declaration of Policy)
Avalos moved to approve by acclamation, seconded by Anderson. Feinstein abstained. Hsieh voted no. Passed by remaining members.

9. New Business

Kelly presented resolution to Stop Hate Advertising on Muni Vehicles.

Moved by Kelly to approve the motion, seconded by Mandelman.

Abstaining are: Ma, Feinstein, Chiu, Mar, Wiener, Campos, Cohen, Avalos. Approved by remaining members.

Rizzo and Kelly memorialized Milton Marks, who passed away August 9, 2012.

10. Adjournment

Rosenthal moved and Levitan seconded to adjourn at 8:29 pm in honor of Milton Marks.

*Respectfully submitted by Kat Anderson
Recording Secretary
Democratic County Central Committee*

####

Addendum

Endorsements – tally specifics per DCCC member

a. Board of Education

SF – Sandra Fewer
 KG – Kim (Look this up)
 MH – Matt Haney
 RN – Rachel Norton
 BP – Beverly Popek
 SR – Sam Rodriguez
 GS – Gladys Soto
 SW – Shamann Walton
 JW – Jill Wynns
 Abs – Absent
 Abt – Abstain
 NE – No Endorsement

The following candidates were endorsed for Board of Education: Sandra Fewer, Matt Haney, Rachel Norton, and Jill Wynns.

	SF	KG	MH	RN	BP	SR	GS	SW	JW	Abs	Abt	NE
Kat Anderson				XX	XX	XX			XX			
John Avalos	XX	XX	XX					XX				
David Campos	XX		XX				XX				XX	
David Chiu	XX		XX	XX				XX				
Malia Cohen			XX				XX	XX	XX			
Petra DeJesus	XX		XX			XX	XX					
Matt Dorsey			XX	XX			XX	XX				
Bevan Dufty	XX		XX	XX					XX			
Zoe Dunning			XX	XX			XX		XX			
Kelly Dwyer	XX		XX				XX	XX				
Bill Fazio	XX			XX			XX		XX			
Tom Hsieh	XX			XX		XX			XX			
Mary Jung	XX			XX	XX				XX			
Leslie Katz	XX			XX		XX			XX			
Hene Kelly			XX		XX	XX		XX				
Meagan Levitan	XX			XX		XX			XX			
Rafael Mandelman	XX		XX			XX		XX				
Eric Mar	XX		XX	XX				XX				
Trevor McNeil			XX	XX	XX			XX				
Carole Migden	XX			XX				XX	XX			
Leah Pimentel	XX		XX				XX	XX				
Alix Rosenthal	XX		XX	XX		XX						
Arlo Hale Smith	XX			XX				XX	XX			
Scott Wiener			XX	XX		XX			XX			
Dianne Feinstein				XX					XX			XX x2
Nancy Pelosi										XX		
Jackie Speier										XX		
Kamala Harris	XX		XX	XX					XX			
Leland Yee			XX			XX	XX					XX
Mark Leno			XX	XX		XX			XX			

Fiona Ma			XX	XX	XX				XX			
Tom Ammiano			XX								XX x 3	
Total	18	1	21	20	5	11	9	12	16	2	4	3

b. Community College Board

AB – Amy Bacharach SN – Steve Ngo
 NB – Natalie Berg RS – Rodrigo Santos
 CJ – Chris Jackson WW – Walter Williams
 HL – Hanna Leung Abs - Absent
 RM – Rafael Mandelman NE – No Endorsement

The following candidates were endorsed for Community College Board: Natalie Berg, Chris Jackson, Rafael Mandelman, and Steve Ngo.

	AB	NB	CJ	HL	RM	SN	RS	WW	Abs	NE
Kat Anderson	XX	XX		XX			XX			
John Avalos			XX		XX	XX		XX		
David Campos		XX	XX		XX	XX				
David Chiu		XX	XX	XX		XX				
Malia Cohen	XX	XX		XX			XX			
Petra DeJesus			XX	XX	XX	XX				
Matt Dorsey		XX	XX		XX	XX				
Bevan Dufty		XX	XX		XX		XX			
Zoe Dunning	XX	XX			XX	XX				
Kelly Dwyer	XX		XX		XX	XX				
Bill Fazio			XX	XX	XX		XX			
Tom Hsieh		XX		XX	XX		XX			
Mary Jung		XX		XX	XX		XX			
Leslie Katz		XX		XX	XX		XX			
Hene Kelly		XX	XX	XX	XX					
Meagan Levitan	XX	XX		XX			XX			
Rafael Mandelman		XX	XX		XX	XX				
Eric Mar			XX	XX	XX	XX				
Trevor McNeil		XX	XX		XX	XX				
Carole Migden	XX		XX		XX	XX				
Leah Pimentel		XX	XX		XX	XX				
Alix Rosenthal	XX		XX		XX	XX				
Arlo Hale Smith		XX		XX	XX		XX			
Scott Wiener		XX		XX		XX	XX			
Dianne Feinstein		XX								XXx 3

Nancy Pelosi									XX	
Jackie Speier									XX	
Kamala Harris	XX	XX				XX	XX			
Leland Yee	XX	XX			XX					XX
Mark Leno		XX	XX	XX		XX				
Fiona Ma	XX	XX	XX			XX				
Tom Ammiano		XX	XX		XX	XX				
Total	10	23	18	14	21	18	11	1	2	4

c. BART Board

Moved by Matthew Rothschild (proxy for Attorney General Kamala Harris), seconded by Leslie Katz, to endorse Lynnette Sweet (District 7) and Tom Radulovich (District 9) by acclamation. Assemblyman Tom Ammiano and U.S. Senator Dianne Feinstein abstained.

d. Board of Supervisors

District 1: Supervisor Eric Mar is the sole endorsed candidate in District 1.

District 1	Round 1					Round 2			
	Lee	Mar	No E	Abs	Abt	Lee	No E	Abs	Abt
Kat Anderson		XX				XX			
John Avalos		XX					XX		
David Campos		XX					XX		
David Chiu		XX					XX		
Malia Cohen		XX					XX		
Petra DeJesus		XX					XX		
Matt Dorsey		XX					XX		
Bevan Dufty		XX					XX		
Zoe Dunning		XX					XX		
Kelly Dwyer		XX					XX		
Bill Fazio			XX			XX			
Tom Hsieh		XX				XX			
Mary Jung		XX				XX			
Leslie Katz		XX					XX		
Hene Kelly		XX					XX		
Meagan Levitan					XX	XX			
Rafael Mandelman		XX					XX		
Eric Mar		XX					XX		
Trevor McNeil		XX				XX			
Carole Migden		XX					XX		
Leah Pimentel		XX					XX		

Alix Rosenthal		XX					XX			
Arlo Hale Smith		XX				XX				
Scott Wiener		XX				XX				
Dianne Feinstein	XX					XX				
Nancy Pelosi				XX				XX		
Jackie Speier				XX				XX		
Kamala Harris		XX				XX				
Leland Yee		XX					XX			
Mark Leno					XX				XX	
Fiona Ma		XX				XX				
Tom Ammiano		XX					XX			
Total	1	26	1	2	2		11	18	2	1

Moved by Arlo Hale Smith, seconded by Leslie Katz, to endorse Supervisors John Avalos, David Campos, and David Chiu by acclamation.

Senator Feinstein abstained on Avalos and Campos. Ammiano abstained on Chiu.

Districts 3, 9, and 11. Supervisors Avalos, Campos, and Chiu were endorsed.

District 5: The DCCC made no endorsement in District 5.

District 5	Pass	Breed	Olague	No End.	Absent	Abstain
Kat Anderson			XX			
John Avalos				XX		
David Campos				XX		
David Chiu				XX		
Malia Cohen			XX			
Petra DeJesus			XX			
Matt Dorsey				XX		
Bevan Dufty			XX			
Zoe Dunning				XX		
Kelly Dwyer				XX		
Bill Fazio				XX		
Tom Hsieh			XX			
Mary Jung			XX			
Leslie Katz			XX			
Hene Kelly				XX		
Meagan Levitan			XX			
Rafael Mandelman						XX
Eric Mar			XX			
Trevor McNeil	XX			XX		

Carole Migden				XX		
Leah Pimentel	XX			XX		
Alix Rosenthal				XX		
Arlo Hale Smith		XX				
Scott Wiener						XX
Dianne Feinstein				XX		
Nancy Pelosi					XX	
Jackie Speier					XX	
Kamala Harris				XX		
Leland Yee				XX		
Mark Leno			XX			
Fiona Ma				XX		
Tom Ammiano				XX		
Total		1	10	17	2	2

District 7: F.X. Crowley won the endorsement for the first choice under RCV. Norman Yee won the endorsement for the second choice. There were no other endorsements in District 7.

FXC – F.X. Crowley
 JE – Joel Engardio
 MG – Mike Garcia
 NY – Norman Yee

Round 1

District 7	FXC	JE	NY	No End	Absent	Abstain
Kat Anderson	XX					
John Avalos			XX			
David Campos	XX					
David Chiu			XX			
Malia Cohen	XX					
Petra DeJesus	XX					
Matt Dorsey	XX					
Bevan Dufty	XX					
Zoe Dunning	XX					
Kelly Dwyer	XX					
Bill Fazio	XX					
Tom Hsieh	XX					
Mary Jung	XX					
Leslie Katz	XX					
Hene Kelly	XX					
Meagan Levitan	XX					

Rafael Mandelman	XX					
Eric Mar			XX			
Trevor McNeil	XX					
Carole Migden	XX					
Leah Pimentel	XX					
Alix Rosenthal	XX					
Arlo Hale Smith		XX				
Scott Wiener						XX
Dianne Feinstein	XX					
Nancy Pelosi					XX	
Jackie Speier					XX	
Kamala Harris	XX					
Leland Yee	XX					
Mark Leno			XX			
Fiona Ma	XX					
Tom Ammiano	XX					
Total	24	1	4	0	2	1

Round 2

District 7	Pass	MG	NY	No End.	Absent	Abstain
Kat Anderson		XX				
John Avalos			XX			
David Campos			XX			
David Chiu			XX			
Malia Cohen	XX					XX
Petra DeJesus			XX			
Matt Dorsey				XX		
Bevan Dufty		XX				
Zoe Dunning			XX			
Kelly Dwyer			XX			
Bill Fazio				XX		
Tom Hsieh						XX
Mary Jung			XX			
Leslie Katz				XX		
Hene Kelly				XX		
Meagan Levitan		XX				
Rafael Mandelman			XX			
Eric Mar			XX			
Trevor McNeil			XX			
Carole Migden				XX		
Leah Pimentel			XX			
Alix Rosenthal			XX			

Arlo Hale Smith				XX		
Scott Wiener				XX		
Dianne Feinstein				XX		
Nancy Pelosi					XX	
Jackie Speier					XX	
Kamala Harris				XX		
Leland Yee				XX		
Mark Leno			XX			
Fiona Ma				XX		
Tom Ammiano			XX			
Total		3	14	11	2	2

Round 3

DCCC 2012-14	NY	No End.	Absent	Abstain
Name				
Kat Anderson	XX			
John Avalos	XX			
David Campos	XX			
David Chiu	XX			
Malia Cohen				XX
Petra DeJesus	XX			
Matt Dorsey		XX		
Bevan Dufty	XX			
Zoe Dunning	XX			
Kelly Dwyer	XX			
Bill Fazio		XX		
Tom Hsieh				XX
Mary Jung	XX			
Leslie Katz		XX		
Hene Kelly		XX		
Meagan Levitan	XX			
Rafael Mandelman	XX			
Eric Mar	XX			
Trevor McNeil	XX			
Carole Migden		XX		
Leah Pimentel	XX			
Alix Rosenthal	XX			
Arlo Hale Smith		XX		
Scott Wiener		XX		
Dianne Feinstein		XX		
Nancy Pelosi			XX	
Jackie Speier			XX	
Kamala Harris		XX		

Leland Yee		XX		
Mark Leno	XX			
Fiona Ma		XX		
Tom Ammiano	XX			
Total	17	11	2	2

Round 4

DCCC 2012-14	JE	MG	No End.	Absent	Abstain
Name					
Kat Anderson		XX			
John Avalos			XX		
David Campos			XX		
David Chiu			XX		
Malia Cohen			XX		
Petra DeJesus			XX		
Matt Dorsey			XX		
Bevan Dufty		XX			
Zoe Dunning			XX		
Kelly Dwyer			XX		
Bill Fazio				XX	
Tom Hsieh					XX
Mary Jung		XX			
Leslie Katz					XX
Hene Kelly			XX		
Meagan Levitan		XX			
Rafael Mandelman	XX				
Eric Mar			XX		
Trevor McNeil			XX		
Carole Migden				XX	
Leah Pimentel			XX		
Alix Rosenthal			XX		
Arlo Hale Smith				XX	
Scott Wiener			XX		
Dianne Feinstein			XX		
Nancy Pelosi				XX	
Jackie Speier				XX	
Kamala Harris			XX		
Leland Yee			XX		
Mark Leno					XX
Fiona Ma			XX		
Tom Ammiano			XX		
Total	1	4	19	5	3

e. Qualified Local Ballot Measures

Propositions A, B, C, D, E, and G were endorsed.

Proposition F was not endorsed.

- i. Proposition A: City College Parcel Tax – Moved by Leslie Katz, seconded by David Chiu, to endorse by acclamation. This passed with the following noted as “no endorsement” – Senator Dianne Feinstein and State Senator Mark Leno.
- ii. Proposition B: Clean and Safe Neighborhood Parks Bond – Moved by David Chiu, seconded by Meagan Levitan, to endorse by acclamation.
- iii. Proposition C: Housing Trust Fund – Moved by John Rizzo, seconded by Bevan Dufty, to endorse by acclamation. Senator Dianne Feinstein voted for no endorsement.
- iv. Proposition D: Consolidating Odd-Year Municipal Elections – Moved by Charles Sheehan, proxy for Scott Wiener; seconded by Leslie Katz, to endorse by acclamation. Senator Dianne Feinstein abstained and Assemblyman Tom Ammiano voted ‘no.’ Therefore, this passed, but not by acclamation.
- v. Proposition E: Gross Receipts Tax – Moved by David Chiu, seconded by Meagan Levitan, to endorse by acclamation.
- vi. Proposition F: Water and Environment Plan – Moved by Leslie Katz, seconded by Bevan Dufty, to oppose this measure by acclamation.
- vii. Proposition G: Policy Opposing Corporate Personhood – Moved by John Avalos, seconded by Kat Anderson, to endorse by acclamation. Senator Feinstein abstained and Tom Hsieh voted ‘no.’ Therefore, this passed, but not by acclamation.

TAX TREATMENT FOR MULTISTATE BUSINESSES. CLEAN ENERGY AND ENERGY EFFICIENCY FUNDING. INITIATIVE STATUTE.

- Requires multistate businesses to calculate their California income tax liability based on the percentage of their sales in California.
- Repeals existing law giving multistate businesses an option to choose a tax liability formula that provides favorable tax treatment for businesses with property and payroll outside California.
- Dedicates \$550 million annually for five years from anticipated increase in revenue for the purpose of funding projects that create energy efficiency and clean energy jobs in California.

Summary of Legislative Analyst’s Estimate of Net State and Local Government Fiscal Impact:

- Approximately \$1 billion in additional annual state revenues—growing over time—from eliminating the ability of multistate businesses to choose how their California taxable income is determined. This would result in some multistate businesses paying more state taxes.
- Of the revenue raised by this measure over the next five years, about half would be dedicated to energy efficiency and alternative energy projects.
- Of the remaining revenues, a significant portion likely would be spent on public schools and community colleges.

ANALYSIS BY THE LEGISLATIVE ANALYST

BACKGROUND

State Corporate Income Taxes. The amount of money a business owes the state in corporate income taxes each year is based on the business’ taxable income. For a business that operates both in California and in other states or countries (a multistate business), the state taxes only the part of its income that was associated with California. While only a small portion of corporations are multistate in nature, multistate corporations pay the vast majority of the state’s corporate income taxes. This tax is the state’s third largest General Fund revenue source, raising \$9.6 billion in 2010–11.

Multistate Businesses Choose How Their Taxable Income Is Determined. Currently, state law allows most multistate businesses to pick one of two methods to determine the amount of their income associated with California and taxable by the state:

- ***“Three-Factor Method” of Determining Taxable Income.*** One method uses the location of the company’s sales, property, and employees. When using this method, the more sales, property, or employees the multistate business has in California, the more of the business’ income is subject to state tax.

- **“Single Sales Factor Method” of Determining Taxable Income.** The other method uses only the location of the company’s sales. When using this method, the more sales the multistate business has in California, the more of the business’ income is taxed. (For example, if one-fourth of a company’s product was sold in California and the remainder in other states, one-fourth of the company’s total profits would be subject to California taxation.)

Multistate businesses generally are allowed to choose the method that is most advantageous to them for tax purposes.

Energy Efficiency Programs. There are currently numerous state programs established to reduce energy consumption. These efforts are intended to reduce the need to build new energy infrastructure (such as power plants and transmission lines) and help meet environmental quality standards. For example, the California Public Utilities Commission (CPUC) oversees various types of energy efficiency upgrade and appliance rebate programs that are funded by monies collected from utility ratepayers. In addition, the California Energy Commission (CEC) develops building and appliance standards that are intended to reduce energy consumption in the state.

School Funding Formula. Proposition 98, passed by voters in 1988 and modified in 1990, requires a minimum level of state and local funding each year for public schools and community colleges (hereafter referred to as schools). This funding level is commonly

known as the Proposition 98 minimum guarantee. Though the Legislature can suspend the guarantee and fund at a lower level, it typically decides to provide funding equal to or greater than the guarantee. The Proposition 98 guarantee can grow with increases in state General Fund revenues (including those collected from state corporate income taxes). Accordingly, a measure—such as this one—that results in higher revenues also can result in a higher school funding guarantee. Proposition 98 expenditures are the largest category of spending in the state’s budget—totaling roughly 40 percent of state General Fund expenditures.

PROPOSAL

Eliminates Ability of Multistate Businesses to Choose How Taxable Income Is Determined.

Under this measure, starting in 2013, multistate businesses would no longer be allowed to choose the method for determining their state taxable income that is most advantageous for them. Instead, most multistate businesses would have to determine their California taxable income using the single sales factor method. Businesses that operate only in California would be unaffected by this measure.

This measure also includes rules regarding how all multistate businesses calculate the portion of some sales that are allocated to California for state tax purposes. These include a set of specific rules for certain large cable companies.

Provides Funding for Energy Efficiency and Alternative Energy Projects. This measure establishes a new state fund, the Clean Energy Job Creation Fund, to support projects intended to improve energy efficiency and expand the use of alternative energy. The measure states that the fund could be used to support: (1) energy efficiency retrofits and alternative energy projects in public schools, colleges, universities, and other public facilities; (2) financial and technical assistance for energy retrofits; and (3) job training and workforce development programs related to energy efficiency and alternative energy. The Legislature would determine spending from the fund and be required to use the monies for cost-effective projects run by agencies with expertise in managing energy projects. The measure also (1) specifies that all funded

projects must be coordinated with CEC and CPUC and (2) creates a new nine-member oversight board to annually review and evaluate spending from the fund.

The Clean Energy Job Creation Fund would be supported by some of the new revenue raised by moving to a mandatory single sales factor. Specifically, half of the revenues so raised—up to a maximum of \$550 million—would be transferred annually to the Clean Energy Job Creation Fund. These transfers would occur for only five fiscal years—2013–14 through 2017–18.

FISCAL EFFECTS

Increase in State Revenues. As shown in the top line in Figure 1, this measure would increase state revenues by around \$1 billion annually starting in 2013–14. (There would

Figure 1 Estimated Effects of Proposition 39 on State Revenues and Spending			
	2012–13	2013–14 Through 2017–18	2018–19 And Beyond
Annual Revenues	\$500 million	\$1 billion, growing over period	Over \$1 billion
Annual Spending			
Amount dedicated to energy projects	None	\$500 million to \$550 million	None
Increase in school funding guarantee	\$200 million to \$500 million	\$200 million to \$500 million, growing over period	\$500 million to over \$1 billion

be a roughly half-year impact in 2012–13.) The increased revenues would come from some multistate businesses paying more taxes. The amounts generated by this measure would tend to grow over time.

Some Revenues Used for Energy Projects. For a five-year period (2013–14 through 2017–18), about half of the additional revenues—\$500 million to \$550 million annually—would be transferred to the Clean Energy Job Creation Fund to support energy efficiency and alternative energy projects.

School Funding Likely to Rise Due to Additional Revenues. Generally, the revenue raised by the measure would be considered in calculating the state’s annual Proposition 98 minimum guarantee. The funds transferred to the Clean Energy Job Creation Fund,

however, would not be used in this calculation. As shown in the bottom part of Figure 1, the higher revenues likely would increase the minimum guarantee by at least \$200 million for the 2012–13 through 2017–18 period. In some years during this period, however, the minimum guarantee could be significantly higher. For 2018–19 and beyond, the guarantee likely would be higher by at least \$500 million. As during the initial period, the guarantee in some years could be significantly higher. The exact portion of the revenue raised that would go to schools in any particular year would depend upon various factors, including the overall growth in state revenues and the size of outstanding school funding obligations.