

November 4, 2024

**You Can't Make This Stuff Up!**

**Farrell Slapped With \$108,180 Ethics Commission Fine**

**Largest Ethics Commission Fine in San Francisco History!  
Farrell Used His Ballot Measure Committee as a PAC, or an ATM.  
San Franciscans Deserve Better From Wanna'-Be Mayors.  
Farrell's Stupidly Lying!**



Just one day before our November 5 municipal election, news broke today that candidate Mark Farrell signed a legal “*stipulation*” with San Francisco’s Ethics Commission on October 25 agreeing to pay a \$108,180 fine for campaign finance violations involving his campaign to be elected mayor on Tuesday.

**Candidate Mark Farrell** — keeps claiming San Franciscans deserve better than a Mayor with a bad track record. What about his own track record with Ethics Commission fines?

It’s the largest fine the Ethics Commission has ever levied. That notorious, albeit dubious, prize goes to Farrell! Coupled with Farrell’s previous Ethics fine, he’s now up to \$133,180 in fines for ethical misconduct.

All while he claims to be a law-and-order candidate!

The fine and [agreement](#) was included in an Ethics Commission e-mail today at 9:34 a.m. as an agenda item on the Ethics Commission’s November 8 meeting agenda.

There was nothing nefarious about the fine being made available the day before the election. That’s because Ethics Commission regulations require that immediately after the Commission’s Executive Director enters into a stipulated Order with a respondent, the Executive Director must inform the Commission of the proposed stipulation. The Executive Director did so, in part, by publishing the Commission’s agenda three days in advance of its November 8 meeting, as required by San Francisco’s Sunshine Ordinance. There was no ulterior motive behind the Ethics Commission making the “*stipulation*” and agreement Farrell had signed public news via publication of its meeting agenda.

Somewhat comically, within four hours of the Ethics Commission fine late-breaking news, Farrell and his campaign were in full damage-control mode. Farrell’s campaign sent an e-mail blast at 1:38 p.m., in which he brazenly claimed:

*“We deserve better than a Mayor with a track record of six years of failed leadership. ... We deserve a Mayor who is an accountable leader.”*

He went on to downplay the severity of the campaign finance violations by asserting:

*“... we are settling a dispute with the Ethics Commission over an accounting error that was corrected and publicly disclosed months ago, and over a disagreement about staff time allocation during the campaign.”*

According to the Ethics “*stipulation*” and Order, it was not a mere “*accounting error*.” It was a deliberate choice not to have tracked staff time spent on his campaign committee for mayor vs. staff time spent on Farrell’s ballot measure committee. It wasn’t just a mere “*disagreement*.” Rather, Farrell was caught with his hand deliberately in the cookie jar!

The eight-count charges against both Farrell and his separate ballot measure committees involved violations that began on May 1, and continued right up through September 9. Count three through eight of the eight-count stipulation and Order involved Farrell and his campaign never having refunded \$93,350 in so-called “*shared expenses*” from his mayoral campaign committee back to the “*Mayor Mark Farrell No on D*” ballot measure committee.

So, those “*accounting errors*” — as he tried to diminish and downplay them — had **not** been corrected, or disclosed, “*months ago*” as Farrell spun it in his e-mail blast today.

Worse, Farrell’s top consultant Margaux Kelly — one of his former legislative aides when he was District 2 Supervisor — confirmed to Ethics Commission investigators that no such tracking of staff time was done. Kelly informed investigators

that the committees had decided in advance on a 50/50 split of certain expenses based on an *assumption* that many major campaign activities would be conducted jointly to benefit both committees and did not track the allocation of staff time across committees.

The Ethics Commission stipulation noted Farrell's committees had deliberately chosen the 50/50 split in "*shared expenses*" and had chosen this reimbursement arrangement out of **convenience** — to save themselves from having to track their time! In doing so, they should have diligently tracked staff hours.

This was not merely an "**accounting error**" as Farrell tried to spin it. It was a deliberate decision made by Margaux, Farrell, and his entire campaign staff.

## Farrell's Hypocrisy

Many of the 14 campaign mailers I received from Farrell's "*Mayor Mark Farrell for Yes on D*" candidate-controlled ballot measure committee claimed, "*our leaders have failed us.*" He claimed "*Prop. D*" will create the "*real change we need for the city we love.*" Ha!

He claims it's time for a real change in San Francisco by restructuring City Hall and holding the mayor accountable. He claims we can create change by electing the "*right leadership.*"

And he's making those claims with a straight face — while knowing he was about to be hit with an almost \$110,000 Ethics Commission fine? And while he failed to follow long-established campaign finance disclosure laws?

## Farrell Used Ballot Committee as a "PAC" Piggybank

How did Farrell stupidly believe he could get away with using his "*Prop. D*" candidate-controlled ballot committee as his personal ATM machine, or his personal piggybank?

The 22-page Ethics Commission stipulation and order reveals on pages 14 and 15 Farrell's fundraising had involved documentation arranging 130 house parties and 21 fundraisers. For the vast majority of the events, Committee staff provided hosts with invitation language that indicated the events were designed to *primarily* benefit Farrell's Mayoral Committee. The language discussed why "*Mark Farrell is running for Mayor.*" The suggested language for event hosts included several paragraphs discussing problems in the City and what Farrell plans to do about them. It asked recipients to join in supporting Farrell's candidacy, but did not mention a ballot measure or issues addressed by the ballot measure. The communications included a link to donate to the Mayoral Committee but not to the Ballot Measure Committee.

Links to invitations to his campaign events included an "*events page,*" which made no mention of Farrell's ballot measure.

Ethics Commission investigators examined over 100 email communications to contributors that contributions to Farrell's ballot measure committee would benefit Mr. Farrell, including some that suggested that money given to the ballot measure Committee would benefit Farrell's mayoral campaign. The evidence included several emails from the candidate stating that the ballot measure committee "*is my PAC and the best way to help me directly — the contributions are unlimited.*" That matched other communications where donors, staff, and Farrell referred to the ballot measure committee as a PAC.

If Farrell doesn't know that a candidate-controlled ballot committee is not a PAC — or an ATM machine — then he shouldn't become mayor, and you should not give him your vote!

I come from the MSNBC Lawrence O'Donnell school of journalism. I know when to call a liar a liar, and call a stupid person, stupid.

The Ethics fine was **not** over mere and minor "*accounting errors,*" as Farrell tried to paint them. Farrell's stupidly lying.

**Again, do NOT rank Farrell as your first, or any, ranked-choice preference for mayor.  
And vote "No" on "Prop. D" and "Yes" on "Prop. E"!**

*Monette-Shaw is a columnist for San Francisco's Westside Observer newspaper, and a member of the California First Amendment Coalition (FAC) and the ACLU. He is a Childless (and catless) Cat Daddy, and voter for 50 years. He operates [stopLHHdownsize.com](http://stopLHHdownsize.com). Contact him at [monette-shaw@westsideobserver.com](mailto:monette-shaw@westsideobserver.com).*