# LOCAL LAWS
# OF
# THE CITY OF NEW YORK
## FOR THE YEAR 1990

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## No. 84

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Introduced by Council Member Gerges (by request of the Mayor).

# A LOCAL LAW

**To amend the administrative code of the City of New York, in relation to annual disclosure of financial interests.**

*Be it enacted by the Council as follows:*

Section 1. Paragraph 1 of subdivision a of section 12-110 of the administrative code of the City of New York, as amended by local law number 16 for the year 1986, is amended to read as follows:

1. Each elected officer described in sections four, [twenty-three,] twenty-four, *twenty-five,* eighty-one and ninety-one of the New York City charter, *and each local political party official described in subparagraph (c) of paragraph three of subdivision a of this section,* shall file such report not later than May first of each year. Each elected officer *and each local political party official* described in this paragraph shall, after leaving office, file such report for the previous calendar year, if such officer *or local political party official* has not previously filed such report, and shall file such report for the portion of the last calendar year in which he or she served in office, within sixty days of his or her last day in office or on the May first next succeeding, whichever is earlier.

§ 2. Paragraph 3 of subdivision a of section 12-110 of such code is amended by adding three new subparagraphs (c), (d) and (e), to read respectively as follows:

*(c) As used in this section the term "local political party official" shall mean:*

*(1) any chairman of a county committee elected pursuant to section 2-112 of the election law, or his or her successor in office, who received compensation or expenses, or both, from constituted committee or political committee funds, or both, during the reporting period aggregating thirty thousand dollars or more;*

*(2) that person (usually designated by the rules of a county committee as the "county leader" or "chairman of the executive committee") by whatever title designated, who pursuant to the rules of a county committee or in actual practice, possesses or performs any or all of the following duties or roles, provided that such person received compensation or expenses, or both, from constituted committee or political committee funds, or both, during the reporting period aggregating thirty thousand dollars or more:*

*(i) the principal political, executive and administrative officer of the county committee;*

*(ii) the power of general management over the affairs of the county committee;*

*(iii) the power to exercise the powers of the chairman of the county committee as provided for in the rules of the county committee;*

*(iv) the power to preside at all meetings of the county executive committee, if such a committee is created by the rules of the county committee or exists de facto, or any other committee or subcommittee of the county committee vested by such rules with or having de facto the power of general management over the affairs of the county committee at times when the county committee is not in actual session;*

*(v) the power to call a meeting of the county committee or of any committee or subcommittee vested with the rights, powers, duties or privileges of the county committee pursuant to the rules of the county committee, for the purpose of filling an office at a special election in accordance with section 6-114 of the election law, for the purpose of filling a vacancy in accordance with section 6-116 of such law or for the purpose of filling a vacancy or vacancies in the county committee which exist by reason of an increase in the number of election districts within the county occasioned by a change of the boundaries of one or more election districts, taking effect after the election of its members, or for the purpose of determining the districts that the elected members shall represent until the next election at which such members of such committee are elected; provided, however, that in no event shall such power encompass the power of a chairperson of an assembly district committee or other district committee smaller than a county and created by the rules of the county committee, to call a meeting of such district committee for such purpose;*

*(vi) the power to direct the treasurer of the party to expend funds of the county committee; or*

*(vii) the power to procure from one or more bank accounts of the county committee the necessary funds to defray the expenses of the county committee.*

*The terms "constituted committee" and "political committee" as used in this subparagraph shall have the same meanings as those contained in section 14-100 of the election law.*

*(d) A local political party official required to file a report pursuant to paragraph one of this subdivision who is also subject to the financial disclosure filing requirements of subdivision two of section seventy-three-a of the public officers law may satisfy the requirements of paragraph one by filing with the conflicts of interest board a copy of the statement filed pursuant to section seventy-three-a of the public officers law, on or before the filing deadline provided in such section seventy-three-a, notwithstanding the filing deadline otherwise imposed by paragraph one of this subdivision.*

*(e) As used in this section, the terms "state agency" and "local agency" shall be given the same meanings as such terms are given in section eight hundred ten of the general municipal law.*

§ 3. Subdivision b of section 12-110 of such code, paragraphs 4 and 5 and subparagraph (c) of paragraph 6 as amended by chapter 688 of the laws of 1986, and paragraph 1, subparagraph (b) of paragraph 2, paragraphs 3, 4 and 5, and subparagraph (c) of paragraph 6 as amended by local law number 16 for the year 1986, is amended to read as follows:

b. The report shall contain the following information:

1. [List the name, address and type of practice of any business, professional organization or other entity in which the person reporting, or his or her spouse, is an officer, director, partner, proprietor or employee, or serves in any advisory capacity, from which income of one thousand dollars or more was derived during the preceding calendar year] *List the name of the person reporting; his or her title of position; the entity by which he or she is employed, his or her office address and telephone number; list the marital status of the person reporting, and if married, list spouse's full name including maiden name where applicable; list the names of all unemancipated children. For purposes of this section, the term "unemancipated child"*

*shall mean any son, daughter, stepson or stepdaughter who is under age eighteen, unmarried and living in the household of the person reporting.*

*2. List any office, trusteeship, directorship, or partnership, or position of any nature including honorary positions, whether compensated or not, held by the person reporting or his or her spouse or unemancipated child of the person reporting, with any firm, corporation, association, partnership, or other organization other than the state of New York. Do not list membership positions. If the listed entity was licensed or regulated by any state or local agency, or, as a regular and significant part of the business or activity of said entity, did business with, or had matters other than ministerial matters before, any state or local agency, list the name of any such agency.*

*3. (a) List the name, address and description of any occupation, trade, business, profession or employment, other than the employment listed pursuant to paragraph one of this subdivision, engaged in by the person reporting. If such activity was licensed or regulated by any state or local agency, or, as a regular and significant part of the business or activity of the listed entity, did business with, or had matters other than ministerial matters before, any state or local agency, list the name of any such agency.*

*(b) If the spouse or unemancipated child of the person reporting was engaged in any occupation, employment, trade, business or profession which activity was licensed or regulated by any state or local agency, or, as a regular and significant part of the business or activity of said entity, did business with, or had matters other than ministerial matters before, any state or local agency, list the name, address and description of such occupation, employment, trade, business or profession and the name of any such agency.*

*4. List any positions the person reporting held as an officer of any political party or political organization, as a member of any political party committee, or as a political party district leader. For purposes of this paragraph:*

*(a) The term "party" shall mean any political organization which at the last preceding election for governor polled at least fifty thousand votes for its candidate for governor.*

*(b) The term "political organization" shall mean any political party as defined in subparagraph (a) of this paragraph, or independent body, as defined in subparagraph (c) of this paragraph, or any organization that is affiliated with or a subsidiary of a party or independent body.*

*(c) The term "independent body" shall mean any organization or group of voters which nominates a candidate or candidates for office to be voted for at an election, and which is not a political party as defined in subparagraph (a) of this paragraph.*

*5. If the person reporting practices law, is licensed by the department of state as a real estate broker or agent or practices a profession licensed by the department of education, give a general description of the principal subject areas of matters undertaken by such person. If the person reporting practices with a firm or corporation of which he or she is a partner or shareholder, give a general description of principal subject areas of matters undertaken by such firm or corporation. Do not list the name of the individual clients, customers or patients.*

*6. (a) Describe the terms of, and the parties to, any agreement providing for continuation of payments or benefits to the person reporting of one thousand dollars or more from a prior employer other than the City of New York. Such description of an agreement shall include interests in or contributions to a pension fund, profit-sharing plan, life or health insurance, buy-out agreements or severance payments, etc.*

*(b) Describe the terms of, and the parties to, any contract, promise or agreement between the person reporting and any person, firm or corporation with respect to the employ-*

*ment of such reporting person after leaving his or her office or position, other than a leave of absence.*

*7. List the nature and amount of any income of one thousand dollars or more from each source derived during the preceding calendar year, to the person reporting or his or her spouse. For purposes of this paragraph, "income" shall include, but not be limited to, salary for government employment, income from other compensated employment whether public or private, directorships and other fiduciary or advisory positions, contractual arrangements, teaching income, partnerships, lecture fees, consultant fees, bank and bond interest, dividends, income derived from a trust, real estate rents, and recognized gains from the sale or exchange of real or other property. Income from a business or profession and real estate rents shall be reported with the source identified by the building address in the case of real estate rents and otherwise by the name of the entity and not by the name of the individual customers, clients or tenants, with the aggregate net income before taxes for each building address or entity. The receipt of maintenance received in connection with a matrimonial action, alimony and child support payments shall not be listed.*

[2.] *8.* List the source of each of the following items received or accrued during the preceding calendar year by the person reporting [or his or her spouse]:

(a) [any income for services rendered, including city salary] *Any deferred income to be paid following the close of the calendar year for which this disclosure statement is filed,* other than any source of income otherwise disclosed pursuant to *subparagraph (a) of* paragraph [one] *nine* of this subdivision, of one thousand dollars or more [;] *from each source. Deferred income derived from the practice of a profession shall be listed in the aggregate and shall be identified as to the source, including the name of the firm, corporation, partnership or association through which the income was derived, but shall not include individual clients' identity.*

(b) [any capital gain from a single source of one thousand dollars or more, including the sale or redemption of stocks, bonds or other securities, the sale or exchange of real property and the sale or exchange of other property;

(c) reimbursement] *Reimbursement to the person reporting or his or her spouse,* for expenditures, *excluding campaign expenditures and expenditures in connection with official duties reimbursed by the city,* of one thousand dollars or more in each instance[;]. *For purposes of this subparagraph, the term "reimbursements" shall mean any travel-related expenses provided by non-governmental sources and for activities related to the reporting person's official duties, such as speaking engagements, conferences, or fact-finding events, but shall not include gifts reported pursuant to subparagraph (d) of this paragraph.*

[(d) honoraria] *(c) Honoraria received by the person reporting or his or her spouse* from a single source in the aggregate amount of [five hundred] *one thousand* dollars or more[.]

[(e) any] *(d) Any* gift, *its value and nature,* in the aggregate amount or value of [five hundred] *one thousand* dollars or more from any single source received *by the person reporting, his or her spouse or unemancipated child,* during the preceding *calendar* year, *excluding gifts from a relative,* except as otherwise provided under the election of law covering campaign contributions. *For purposes of this subparagraph, the term "gift" shall not include reimbursements, as defined in subparagraph (b) of this paragraph, and the term "relative" shall mean the spouse, stepchild, or stepparent of the person reporting, or any person who is a direct descendant of the grandparents of the person reporting or of the spouse of the person reporting.*

*9. (a) List the identity and value, if reasonably ascertainable, of each interest in a trust, estate or beneficial interest held by the person reporting or his or her spouse, including but*

*not limited to (1) retirement plans (other than retirement plans of the state of New York or the City of New York) and (2) deferred compensation plans established in accordance with the internal revenue code, where the person reporting or his or her spouse held a beneficial interest of one thousand dollars or more during the preceding calendar year. Do not report interests in a trust, estate or other beneficial interest established by or for, or the estate of, a relative, as defined in subparagraph (d) of paragraph eight of this subdivision.*

*(b) List each assignment of income of one thousand dollars or more, and each transfer other than to a relative, as defined in subparagraph (d) of paragraph eight of this subdivision, during the preceding calendar year for less than fair consideration of an interest of one thousand dollars or more, in a trust, estate, or other beneficial interest, securities or real property, by the person reporting, which would otherwise be required to be reported herein and is not or has not been reported.*

*10. List any interest of one thousand dollars or more, excluding bonds and notes, held by the person reporting, his or her spouse or the reporting person's unemancipated child, or partnership of which any such person is a member, or corporation, ten per centum or more of the stock of which is owned or controlled by any such person, whether vested or contingent, in any contract made or executed by a state or local agency. Include the name of the entity which holds such interest and the relationship of the person reporting, or his or her spouse or unemancipated child, to such entity and the interest in such contract. Do not list any interest in any such contract on which final payment has been made and all obligations under the contract, except for guarantees and warranties, have been performed, provided, however, that such an interest shall be listed if there has been an ongoing dispute during the calendar year for which this statement is filed with respect to any such guarantees or warranties. Do not list any interest in a contract made or executed by a state agency after public notice and pursuant to a process for competitive bidding or a process for competitive requests for proposals.*

*11. List the name, principal address and general description or the nature of the business activity of any entity in which the person reporting or his or her spouse had an investment of one thousand dollars or more, excluding investments in securities and interests in real property.*

[3. List each creditor to whom the person reporting or his or her spouse was indebted, for a period of ninety consecutive days or more during the preceding calendar year, in an amount of five thousand dollars or more. Debts to be listed include real estate mortgages and other secured and unsecured loans.

4. List the identity of each investment and each parcel of real property in which a value of ten thousand dollars or more was held by the person reporting, or his or her spouse, at any time during the preceding calendar year, based on the cost thereof, or when acquired by means other than purchase, an estimate of the value at the time of receipt, provided that the address of real property that is the residence of the person reporting need not be stated in the report.

4.] *12.* List the [identity] *type and market value* of [each investment] *securities held by the person reporting or his or her spouse from each issuing entity,* [and each parcel of real property in which a value of five] *valued at one* thousand dollars or more [was held by the person reporting, or his or her spouse,] at [any time during] *the close of* the preceding calendar year, *including the name of the issuing entity, exclusive of securities held by the person reporting issued by a professional corporation* [based on the cost thereof; or when acquired by means other than purchase, an estimate of the value at the time of receipt]. *Whenever an interest in securities exists through a beneficial interest in a trust, the securities held in such trust shall be listed only if the person reporting has knowledge thereof, except where the per-*

*son reporting or his or her spouse has transferred assets to such trust for his or her benefit; in that event the securities shall be listed unless they are not ascertainable by the person reporting because the trustee is under an obligation or has been instructed in writing not to disclose the contents of the trust to the person reporting. Securities of which the person reporting or his or her spouse is the owner of record but in which he or she has no beneficial interest shall not be listed. Where the person or his or her spouse holds more than five per centum of the stock of a publicly held corporation or more than ten per centum of a privately held corporation, percentage of ownership shall be listed. List any securities owned for investment purposes by a corporation more than fifty per centum of the stock of which is owned or controlled by the person reporting or his or her spouse. For purposes of this paragraph the term "securities" shall mean bonds, mortgages, notes, obligations, warrants and stocks of any class, investment interests in limited or general partnerships and certificates of deposits and such other evidences of indebtedness and certificates of interest as are usually referred to as securities. The market value for such securities shall be reported only if reasonably ascertainable and shall not be reported of the security is an interest in general partnership that was listed in paragraph five of this subdivision or if the security is corporate stock, not publicly traded, in a trade or business of the reporting person or his or her spouse.*

*13. List the location, size, general nature, acquisition date, market value and percentage of ownership of any real property in which any vested or contingent interest of one thousand dollars or more is held by the person reporting or his or her spouse. List real property owned for investment purposes by a corporation more than fifty per centum of the stock of which is owned or controlled by the person reporting or his or her spouse. Do not list any real property which is the primary or secondary personal residence of the reporting person or his or her spouse, except where there is a co-owner who is other than a relative, as defined in subparagraph (d) of paragraph eight of this subdivision.*

[5. List the identity of each trust or other fiduciary relation in which the person reporting or his or her spouse held a beneficial interest having a value of ten thousand dollars or more during the preceding calendar year.

5. List the identity of each trust or other fiduciary relation in which the person reporting or his or her spouse held a beneficial interest having a value of five thousand dollars or more during the preceding calendar year.

6.] *14.* List the identity of each note *or account* receivable or other outstanding loan in the amount of [five] *one* thousand dollars or more held by the person reporting or his or her spouse during the preceding calendar year, including [notes] *debts* secured by a mortgage, and other secured and unsecured [notes] *debts. List the name of the debtor, type of obligation, date due and the nature of the collateral, if any, securing payment for each such debt. Debts, notes and accounts receivable owed to the person reporting or his or her spouse by a relative, as defined in subparagraph (d) of paragraph eight of this subdivision, shall not be reported.*

*15. List each creditor to whom the person reporting or his or her spouse was indebted, for a period of ninety consecutive days or more during the preceding calendar year, and each such creditor to whom any debt was owed on the date of filing, in an amount of five thousand dollars or more. Debts to be listed include real estate mortgages and other secured and unsecured loans. If any reportable liability has been guaranteed by any third person, list the name of such guarantor. Do not list liabilities incurred by, or guarantees made by, the person reporting or his or her spouse or by any proprietorship, partnership or corporation in which such person has an interest, when incurred or made in the ordinary course of trade, business or professional practice of such person. Include the name of the creditor and any collateral pledged by such individual to secure payment of any such liability. Do not list any liability to a*

*relative, as defined in subparagraph (d) of paragraph eight of this subdivision, or any obligation to pay maintenance in connection with a matrimonial action, alimony or child support payments. Revolving charge account information shall only be set forth if the liability thereon is in excess of five thousand dollars for a period of ninety consecutive days or more during the preceding calendar year, or if the liability thereon is in excess of five thousand dollars as of the time of filing. Any loan issued in the ordinary course of business by a financial institution to finance educational costs, the cost of home purchase or improvements for a primary or secondary residence, or purchase of a personally owned motor vehicle, household furniture or appliances shall be excluded.*

[7. (a) Indicate if the total amount of income received from each and every source listed (1) pursuant to the provisions of paragraph one and subparagraphs (a), (b) and (c) of paragraph two of this subdivision, is at least one thousand dollars but less than five thousand dollars; at least five thousand dollars but less than twenty-five thousand dollars; at least twenty-five thousand dollars but less than sixty thousand dollars; at least sixty thousand but less than one hundred thousand dollars; or one hundred thousand dollars or more and (2) pursuant to the provisions of subparagraphs (d) and (e) of paragraph two of this subdivision is less than one thousand dollars; at least one thousand dollars but less than five thousand dollars; at least five thousand dollars but less than twenty-five thousand dollars; at least sixty thousand dollars but less than one hundred thousand dollars; or one hundred thousand dollars or more.

(b) Indicate if the total amount of indebtedness owed each creditor listed pursuant to paragraph three of this subdivision or owed to the person reporting or his or her spouse listed pursuant to paragraph six of this subdivision was at least five thousand dollars but less than twenty-five thousand dollars; at least twenty-five thousand dollars but less than sixty thousand dollars; at least sixty thousand dollars but less than one hundred thousand dollars; at least one hundred thousand dollars but less than three hundred thousand dollars; at least three hundred thousand dollars but less than five hundred thousand dollars; or over five hundred thousand dollars.

(c) Indicate if the total value of each investment and real property interest identified pursuant to paragraph four of this subdivision, and each beneficial interest identified pursuant to paragraph five of this subdivision, was, during the reporting period, at least ten thousand dollars but less than twenty thousand dollars; at least twenty thousand dollars but less than sixty thousand dollars; at least sixty thousand dollars but less than one hundred thousand dollars; at least one hundred thousand dollars but less than three hundred thousand dollars; at least three hundred thousand dollars but less than five hundred thousand dollars; or five hundred thousand dollars or more.

(c) Indicate the total value of each investment and real property interest and each beneficial interest, held during the reporting period, if its value at any time during that period was at least five thousand dollars, and, with respect to each such investment, real property interest or beneficial interest indicate if the total value is at least five thousand dollars but less than one hundred thousand dollars; at least one hundred thousand dollars but less than five hundred thousand dollars; or five hundred thousand or more.]

*16. Whenever a "value" or "amount" is required to be reported pursuant to this section, such value or amount shall be reported as being within one of the following categories: (a) at least one thousand dollars but less than five thousand dollars; (b) at least five thousand dollars but less than twenty thousand dollars; (c) at least twenty thousand dollars but less than sixty thousand dollars; (d) at least sixty thousand dollars but less than one hundred thousand dollars; (e) at least one hundred thousand dollars but less than two hundred fifty thousand*

*dollars; (f) at least two hundred fifty thousand dollars but less than five hundred thousand dollars; and (g) five hundred thousand dollars or more.*

§ 4. Subdivision d of section 12-110 of such code, as amended by local law number 9 for the year 1990, is amended to read as follows:

1. Any person required to file a report pursuant to this section may, at the time the report is filed or at any time thereafter, except when a request for inspection is pending, submit a request to the conflicts of interest board, in such form as the board shall require, to withhold any item disclosed therein from public inspection on the ground that the inspection of such item by the public would constitute an unwarranted invasion of his or her privacy. Such request shall be in writing and shall be in such form as the conflicts of interest board shall prescribe and shall set forth the reason such person believes the item should not be disclosed. The conflicts of interest board, upon receiving a written request by a member of the public, on such form as the board shall prescribe, to examine an item for which a written request to withhold information on the ground of privacy was submitted pursuant to this paragraph shall [refer such request to the conflicts of interest board and] notify the person who filed the report that a request for inspection has been made. Whenever a request is made by a member of the public to examine a report, whether or not a request for privacy protection has been made, the board shall so notify the person who filed the report, except that no such notification shall be required if the request to examine the report is made by the inspector general of the agency in which the person who filed the report is employed or the commissioner of investigation.

2. *(a)* The conflicts of interest board shall evaluate such claim and any such item shall be withheld from public inspection upon a finding by the board that the inspection of such item by the public would constitute an unwarranted invasion of privacy. In making this determination, the board shall consider the following factors:

[(a)] *(1)* whether the item is of a highly personal nature;

[(b)] *(2)* whether the item in any way relates to the duties of the positions held by such person;

[(c)] *(3)* whether the item involves an actual or potential conflict of interest.

*(b)* Any information regarding any financial interests of the spouse *or an unemancipated child* of a person filing in which the person filing has no financial interest shall be withheld from public inspection as an unwarranted invasion of privacy unless the conflicts of interest board determines that such information involves an actual or potential conflict of interest on the part of the person filing.

3. The conflicts of interest board shall establish procedures [for] *governing the following*:

[consideration] *(a) Consideration* of requests for withholding information on the ground of privacy. Such procedures shall include provision for the person who filed the information to appear in person to set forth, or submit a written statement setting forth, the reasons why the information should be withheld from public inspection.

*(b) Receiving complaints alleging a violation of this section.*

4. The determination of the conflicts of interest board shall be in writing and shall set forth the reasons for such determination. *The board shall inform the person who has requested the withholding of information of his or her right to seek judicial review of the board's determination.* Except for those items, if any, that the board finds would constitute an unwarranted invasion of privacy if disclosed, the board shall make available to the person making such request the information requested.

5. *The conflicts of interest board shall promulgate rules establishing procedures whereby a person required to file an annual financial disclosure report may request an additional period of time within which to file such report, due to justifiable cause or undue hardship. Such rules shall include, but not be limited to, the establishment of a date beyond which in all cases of justifiable cause or undue hardship no further extension of time will be granted.*

6. *The conflicts of interest board shall obtain from the board of elections lists of all candidates for the elected positions set forth in paragraph one of subdivision a of this section, and from such lists, shall determine and publish lists of those candidates who have not, within ten days after the required date for filing such reports, filed the reports required by this section.*

§ 5. Subdivision h of section 12-110 of such code, as amended by local law number 16 for the year 1986, is amended to read as follows:

h. Any intentional violation of the provisions of this section, including but not limited to failure to file, failure to include assets or liabilities, and misstatements of assets or liabilities, shall constitute a misdemeanor punishable by imprisonment for not more than one year or by a fine not to exceed one thousand dollars, or by both, and shall constitute grounds for imposition of disciplinary penalties, including removal from office. *In addition, any intentional violation of the provisions of this section may subject the person reporting to assessment by the conflicts of interest board of a civil penalty in an amount not to exceed ten thousand dollars.*

§ 6. This local law shall take effect immediately, and shall apply to those persons required to file annual financial disclosure reports, pursuant to subdivision a of section 12-110 of the administrative code of the City of New York, who hold office or are employed on or after January first, 1991.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, S.S.:

I hereby certify that the foregoing is a true copy of a local law of The City of New York, passed by the Council on December 20, 1990, and approved by the Mayor on December 31, 1990.

CARLOS CUEVAS, City Clerk, Clerk of the Council

CERTIFICATION PURSUANT TO MUNICIPAL HOME RULE LAW § 27

Pursuant to the provisions of Municipal Home Rule Law § 27, I hereby certify that the enclosed local law (Local Law 84 of 1990, Council Int. 595) contains the correct text and:

Received the following vote at the meeting of the New York City Council on December 20, 1990: 31 for, 0 against.

Was approved by the Mayor on December 31, 1990.

Was returned to the City Clerk on January 2, 1991.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel