

Advisory Opinion No. 90-1

An employee of the Department of Buildings requested an opinion as to whether his wife could open an expediting business for private contractors that would involve filing various permits with the Department of Buildings. This business would be solely owned and operated by the City employee's spouse.

For the reasons set forth below, it is the opinion of the Conflicts of Interest Board that this employee would have a conflict of interest under Chapter 68 of the Charter if his wife started the proposed business.

Discussion

Under Charter Section 2604(a)(1), no City employee may have an "interest in a firm" which he knows is engaged in business dealings with his agency. A "firm" includes a sole proprietorship. See Charter Section 2601(11). An "interest" in a firm includes an interest held by the public servant's spouse which exceeds 5% of the firm or an investment of \$25,000 and any lesser interest where the public servant exercises managerial control. See Charter Section 2601(16). "Business dealings with the City" include transactions with the

City involving permits. See Charter Section 2601(8).

Accordingly, it would be a violation of Charter Section 2604(a)(1) for the spouse of an employee of the Department of Buildings to start a business to assist private contractors in expediting the Department of Buildings' approval of their permits.

Merrell E. Clark, Jr.
Chair

Robert J. McGuire

Beryl R. Jones

Dated: February 16, 1990