

CHAPTER 68
CONFLICTS OF INTEREST

Sec. 2600. Preamble. Public service is a public trust. These prohibitions on the conduct of public servants are enacted to preserve the trust placed in the public servants of the city, to promote public confidence in government, to protect the integrity of government decision-making and to enhance government efficiency.

Sec. 2601. Definitions. As used in this chapter,

1. "Advisory committee" means a committee, council, board or similar entity constituted to provide advice or recommendations to the city and having no authority to take a final action on behalf of the city or take any action which would have the effect of conditioning, limiting or requiring any final action by any other agency, or to take any action which is authorized by law.

2. "Agency" means a city, county, borough or other office, position, administration, department, division, bureau, board, commission, authority, corporation, advisory committee or other agency of government, the expenses of which are paid in whole or in part from the city treasury, and shall include but not be limited to, the council, the offices of each elected official, the board of education, community school boards, community boards, the financial services corporation, the health and hospitals corporation, the public development corporation, and the New York city housing authority, but shall not include any court or any corporation or institution maintaining or operating a public library, museum, botanical garden, arboretum, tomb, memorial building, aquarium, zoological garden or similar facility.

3. "Agency served by a public servant" means (a) in the case of a paid public servant, the agency employing such public servant or (b) in the case of an unpaid public servant, the agency employing the official who has appointed such unpaid public servant unless the body to which the unpaid public servant has been appointed does not report to, or is not under the control of, the official or the agency of the official that has appointed the unpaid public servant, in which case the agency served by the unpaid public servant is the body to which the unpaid public servant has been appointed.

4. "Appear" means to make any communication, for compensation, other than those involving ministerial matters.

5. A person or firm "associated" with a public servant includes a spouse, child, parent or sibling; a person with whom the public servant has a business or other financial relationship; and each firm in which the public servant has a present or potential interest.

6. "Blind trust" means a trust in which a public servant, or the public servant's spouse or unemancipated child, has a beneficial interest, the holdings and sources of income of which the public servant, the public servant's spouse and unemancipated child have no knowledge, and which meets requirements established by rules of the board, which shall include provisions regarding

the independent authority and discretion of the trustee, and the trustee's confidential treatment of information regarding the holdings and sources of income of the trust.

7. "Board" means the conflicts of interest board established by this chapter.

8. "Business dealings with the city" means any transaction with the city involving the sale, purchase, rental, disposition or exchange of any goods, services, or property, any license, permit, grant or benefit, and any performance of or litigation with respect to any of the foregoing, but shall not include any transaction involving a public servant's residence or any ministerial matter.

9. "City" means the city of New York and includes an agency of the city.

10. "Elected official" means a person holding office as mayor, comptroller, president of the council, borough president or member of the council.

11. "Firm" means sole proprietorship, joint venture, partnership, corporation and any other form of enterprise, but shall not include a public benefit corporation, local development corporation or other similar entity as defined by rule of the board.

12. "Interest" means an ownership interest in a firm or a position with a firm.

13. "Law" means state and local law, this charter, and rules issued pursuant thereto.

14. "Member" means a member of the board.

15. "Ministerial matter" means an administrative act, including the issuance of a license, permit or other permission by the city, which is carried out in a prescribed manner and which does not involve substantial personal discretion.

16. "Ownership interest" means an interest in a firm held by a public servant, or the public servant's spouse or unemancipated child, which exceeds five percent of the firm or an investment of twenty-five thousand dollars in cash or other form of commitment, whichever is less, or five percent or twenty-five thousand dollars of the firm's indebtedness, whichever is less, and any lesser interest in a firm when the public servant, or the public servant's spouse or unemancipated child exercises managerial control or responsibility regarding any such firm, but shall not include interests held in any pension plan, deferred compensation plan or mutual fund, the investments of which are not controlled by the public servant, the public servant's spouse or unemancipated child, or in any blind trust which holds or acquires an ownership interest. The amount of twenty-five thousand dollars specified herein shall be modified by the board pursuant to subdivision a of section twenty-six hundred three.

17. "Particular matter" means any case, proceeding, application, request for a ruling or benefit, determination, contract limited to the duration of the contract as specified therein, investigation, charge, accusation, arrest, or other similar action which involves a specific party or parties, including actions leading up to the particular matter; provided that a particular matter shall not be construed to include the

proposal, consideration, or enactment of local laws or resolutions by the council, or any action on the budget or text of the zoning resolution.

18. "Position" means a position in a firm, such as an officer, director, trustee, employee, or any management position, or as an attorney, agent, broker, or consultant to the firm, which does not constitute an ownership interest in the firm.

19. "Public servant" means all officials, officers and employees of the city, including members of community boards and members of advisory committees, except unpaid members of advisory committees shall not be public servants.

20. "Regular employee" means all elected officials and public servants whose primary employment, as defined by rule of the board, is with the city, but shall not include members of advisory committees or community boards.

21. "Spouse" means a husband or wife of a public servant who is not legally separated from such public servant.

22. "Supervisory official" means any person having the authority to control or direct the work of a public servant.

23. "Unemancipated child" means any son, daughter, step-son or step-daughter who is under the age of eighteen, unmarried and living in the household of the public servant.

Sec. 2602. Conflicts of interest board. a. There shall be a conflicts of interest board consisting of three members, appointed by the mayor with the advice and consent of the council. The mayor shall designate a chair.

b. Members shall be chosen for their independence, integrity, civic commitment and high ethical standards. No person while a member shall hold any public office, seek election to any public office, be a public employee in any jurisdiction, hold any political party office, or appear as a lobbyist before the city.

c. Each member shall serve for a term of six years; provided, however, that of the members first appointed, one shall be appointed for a term to expire on March thirty-first, nineteen hundred ninety, one shall be appointed for a term to expire on March thirty-first, nineteen hundred ninety-two and one shall be appointed for a term to expire on March thirty-first, nineteen hundred ninety-four. If the mayor has not submitted to the council a nomination for appointment of a successor at least sixty days prior to the expiration of the term of the member whose term is expiring, the term of the member in office shall be extended for an additional year and the term of the successor to such member shall be shortened by an equal amount of time. If the council fails to act within forty-five days of receipt of such nomination from the mayor, the nomination shall be deemed to be confirmed. No member shall serve for more than two consecutive six-year terms. All initial nominations by the mayor shall be made by the first day of February, nineteen hundred eighty-nine.

d. Members shall receive a per diem compensation, no less than the highest amount paid to an official appointed to a board or commission with the advice and consent of the council and compensated on a per diem basis, for each calendar day when performing the work of the board.

§15. Subdivision 1 of section one thousand five hundred and eighteen of the charter is hereby amended to read as follows:

§1518. Collection of the real property tax. 1. Immediately upon the completion of the assessment rolls, the city clerk shall procure the proper warrants authorizing and requiring the commissioner to collect the several sums therein mentioned according to law. Such warrants need be signed only by the [president of the council] *public advocate* and counter-signed by the city clerk. Immediately thereafter and on or before the thirtieth day of June, the assessment rolls of each borough, as corrected according to law and finally completed, or a fair copy thereof, shall be delivered by the [president of the council] *public advocate* to the commissioner with the proper warrants, so signed and counter-signed, annexed thereto. At the same time the [president of the council] *public advocate* shall notify the comptroller of the amount of taxes in each book of the assessment rolls so delivered.

§16. Subdivision 10 of section two thousand six hundred and one of the charter is hereby amended to read as follows:

10. "Elected official" means a person holding office as mayor, comptroller, [president of the council,] *public advocate*, borough president or member of the council

§17. Subdivision j of section two thousand seven hundred and four of the charter is hereby amended to read as follows:

j. On or before the first day of December, nineteen hundred ninety, the mayor shall appoint a task force on service delivery, consisting of no more than ten members, to review the requirements of subdivision a, c, and f of this section. Such task force shall include members appointed upon the recommendations of the council, comptroller, [president of the council,] *public advocate*, and borough presidents. The membership of the task force shall include, but not be limited to community board members, district managers, and representative of the agencies subject to the requirements of this section. On or before the first day of December, nineteen hundred ninety-two, the task force shall submit a report to the mayor and council summarizing its conclusions and presenting such recommendations for changes in the list of services made coterminous pursuant to subdivisions a or c, and in the requirements for such services contained in subdivision f, as the task force deems appropriate.

§18. Subdivision a of section 3-202 of the administrative code of the City of New York is hereby amended to read as follows:

§3-202 Council districts. a. The city is hereby divided into thirty-five council districts for the election of council members other than the [president of the council,] *public advocate*, the boundaries of which are hereby established and described as follows:

§19. Section 3-203 of such code is hereby amended to read as follows:

§3-203 [President,] Public Advocate; member of all committees. The [president of the council,] *public advocate*, ex-officio, shall be a member of the committees thereof.

§20. Section 3-204 of the code is hereby amended to read as follows:

§3-204 Salaries; additional compensation for officers of council. The mayor, pursuant to the provisions of section one hundred twenty-three of the charter, may fix any additional remuneration to be paid to the vice-chairman of the finance committee, the chairperson of the general welfare committee, and during a vacancy in the office of mayor or the office of [president of the council,] *public advocate*, the person designated to act as leader of the majority party, over and above the salaries paid to them as council members.

tic partnership when persons apply for rights or benefits available to domestic partners, including but not limited to:

- a. Bereavement leave and child care leave of absence for city employees;*
- b. Visitation in city correctional and juvenile detention facilities;*
- c. Visitation in facilities operated by the New York City health and hospitals corporation;*
- d. Eligibility to qualify as a family member to be added by the New York City housing authority to an existing tenancy as a permanent resident;*
- e. Eligibility to qualify as a family member entitled to succeed to the tenancy or occupancy rights of a tenant or cooperator in buildings supervised by or under the jurisdiction of the department of housing preservation and development;*
- f. Health benefits provided by the city to city employees and retirees and eligible members of their families, pursuant to stipulation or collective bargaining;*
- g. Such other rights or benefits as may be established pursuant to applicable law.*

§ 3. Section 1150 of the New York city charter is amended by adding a new subdivision 13, to read as follows:

13. The term "domestic partner" shall mean persons who have a registered domestic partnership pursuant to section 3-240 of the administrative code, a domestic partnership registered in accordance with executive order number 123, dated August 7, 1989, or a domestic partnership registered in accordance with executive order number 48, dated January 7, 1993.

§ 4. Paragraph 3 of subdivision a of section 111 of the New York city charter, as added by vote of the electorate on November 7, 1989, is amended to read as follows:

3. Require each member of its governing board to submit to the agency each year a disclosure statement including such member's name, home address, principal occupation and business interests from which such member or such member's spouse or domestic partner received income equal to or greater than ten per cent of their aggregate gross income during the previous year.

§ 5. Subdivisions 5, 6, 16 and 21 of section 2601 of the New York city charter, as added by vote of the electorate on November 8, 1988, are amended to read as follows:

5. A person or firm "associated" with a public servant includes a spouse, domestic partner, child, parent or sibling; a person with whom the public servant has a business or other financial relationship; and each firm in which the public servant has a present or potential interest.

6. "Blind trust" means a trust in which a public servant, or the public servant's spouse, domestic partner, or unemancipated child, has a beneficial interest, the holdings and sources of income of which the public servant, the public servant's spouse, domestic partner, and unemancipated child have no knowledge, and which meets requirements established by rules of the board, which shall include provisions regarding the independent authority and discretion of the trustee, and the trustee's confidential treatment of information regarding the holdings and sources of income of the trust.

16. "Ownership interest" means an interest in a firm held by a public servant, or the public servant's spouse, domestic partner, or unemancipated child, which exceeds five percent of the firm or an investment of twenty-five thousand dollars in cash or other form of commitment, whichever is less, or five percent or twenty-five thousand dollars of the

firm's indebtedness, whichever is less, and any lesser interest in a firm when the public servant, or the public servant's spouse, *domestic partner*, or unemancipated child exercises managerial control or responsibility regarding any such firm, but shall not include interests held in any pension plan, deferred compensation plan or mutual fund, the investments of which are not controlled by the public servant, the public servant's spouse, *domestic partner*, or unemancipated child, or in any blind trust which holds or acquires an ownership interest. The amount of twenty-five thousand dollars specified herein shall be modified by the board pursuant to subdivision a of section twenty-six hundred three.

21. a. "Spouse" means a husband or wife of a public servant who is not legally separated from such public servant.

b. "*Domestic partner*" means persons who have a registered domestic partnership pursuant to section 3-240 of the administrative code, a domestic partnership registered in accordance with executive order number 123, dated August 7, 1989, or a domestic partnership registered in accordance with executive order number 48, dated January 7, 1993.

§ 6. Subparagraph (a) of paragraph 15 of subdivision a of section 2903 of the New York city charter, as amended by local law number 43 for the year 1995, is amended to read as follows:

(a) The commissioner shall issue a special vehicle identification parking permit to a New York city resident who requires the use of a private automobile for transportation and to a non-resident who requires the use of a private automobile for transportation to a school in which such applicant is enrolled or to a place of employment, when such person has been certified by the department of health or a provider designated by the department or the department of health, who shall make such certification in accordance with standards and guidelines prescribed by the department or the department of health, as having a permanent disability seriously impairing mobility. A permit shall be issued to such person upon his or her application. A permit shall also be issued to such person upon application made on such person's behalf by a parent, spouse, *domestic partner*, guardian or other individual having legal responsibility for the administration of such person's day to day affairs. Any vehicle displaying such permit shall be used exclusively in connection with parking a vehicle in which the person to whom it has been issued is being transported or will be transported within a reasonable period of time. Such permit shall not be transferable and shall be revoked if used on behalf on any other person. Any abuse by any person to whom such permit has been issued of any privilege, benefit or consideration granted pursuant to such permit, shall be sufficient cause for revocation of said permit.

§ 7. Section 1-112 of the administrative code of the city of New York is amended by adding a new subdivision 21 to read as follows:

21. The term "*domestic partner*" shall mean persons who have a registered domestic partnership pursuant to section 3-240 of the administrative code, a domestic partnership registered in accordance with executive order number 123, dated August 7, 1989, or a domestic partnership registered in accordance with executive order number 48, dated January 7, 1993.