

**January 11, 2022, Agenda – Open Meeting Matter**

January 4, 2022 – Public Hearing

November 9, 2021, Agenda – Open Meeting

To: The Board

From: Yasong Niu *YN*

Date: January 6, 2022

Re: Proposed Amendments to Board Rules § 1-11: Adjustment of Dollar Amount in Definition of “Ownership Interest”

At its November 2021 Open Meeting, the Board authorized Staff to submit to the New York City Law Department and Mayor’s Office of Operations proposed amendments to Board Rules § 1-11 regarding adjustment of the dollar amount in the definition of “Ownership Interest.” The minutes for the Open Meeting are attached as **Exhibit 1**. The Law Department requested clarifying edits to the Statement of Basis and Purpose and, with these edits, the proposed amendments were certified pursuant to the City Administrative Procedure Act and were published in the City Record on November 30, 2021. A public hearing was held on January 4, 2022. No comments were received in advance of the hearing, nor did any member of the public testify in person at the public hearing.

Staff recommends that the Board adopt the proposed amendments as published, with stylistic edits to the Statement of Basis and Purpose to reflect that the amended rule is no longer a proposal. A tracked version of the proposed Notice of Adoption, showing these stylistic edits as well as the Law Department’s edits, is attached as **Exhibit 2**, and a clean version is attached as **Exhibit 3**. Once approved by the Board, the Notice of Adoption will be published in the City Record and will take effect 30 days after publication. See Charter Section 1043(f).

## **Minutes of the Open Meeting of the New York City Conflicts of Interest Board**

**Date:** November 9, 2021

**Present:**

Board Members: Chair Jeffrey D. Friedlander and Members Fernando A. Bohorquez, Jr., Anthony W. Crowell, Wayne G. Hawley, and Nisha Agarwal

Board Staff: Ethan Carrier, Chad Gholizadeh, Ana Gross, Christopher M. Hammer, Gavin Kendall, Carolyn Lisa Miller, Katherine J. Miller, Yasong Niu, Jeffrey Tremblay, and Clare Wiseman

Guests: Ken Brower

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The Board and Staff participated by videoconference pursuant to 2021 Sess. Law News of N.Y. Ch. 417 (S. 50001). The meeting was called to order by the Chair at approximately 9:35 a.m.

### **Board Rules § 1-11**

After a brief introduction by the Chair, the proposed amendment was approved without any changes. The proposed amendment will be sent to the New York City Law Department and New York City Mayor's Office of Operations for review.

### **Board Rules §§ 1-01(a), (b), and (c)**

After a brief introduction by Staff and discussion among the Board and Staff, the following changes were agreed to by the Board and Staff:

- § 1-01(a)(1): Remove “including a lender’s decision to postpone collection of a debt that has become due unless pursuant to an established debt forbearance policy available to the general public” and related discussion from Statement of Basis and Purpose.
- § 1-01(a)(2)(iv): Revise the restriction on the exception to be similar to that for City-related travel, found in § 1-01(h)(1), including the terms “reasonable” and “necessary.” Remove requirement of agency head approval. Revise related discussion in Statement of Basis and Purpose.
- § 1-01(a)(2)(i): Revise to clarify that it is permissible to accept unsolicited discounts that are available to government employees.
- § 1-01(b)(1)(i): Add “domestic partner.”
- § 1-01(b)(1)(ii): Remove the first “domestic partner.”

The Board agreed to continue discussions at a future open meeting.

The open meeting was adjourned at approximately 10:20 a.m.

Respectfully submitted,  
Katherine J. Miller  
Recording Secretary

## New York City Conflicts of Interest Board

### Notice of Adoption Public Hearing and Opportunity to Comment on Proposed Rule Regarding Ownership Interest

NOTICE IS HEREBY GIVEN PURSUANT TO AUTHORITY VESTED IN THE NEW YORK CITY CONFLICTS OF INTEREST BOARD by Sections 1043, 2601(16), and 2603(a) of the New York City Charter, that the Conflicts of Interest Board has amended Section 1-11 of Title 53 of the Rules of the City of New York to adjust for inflation the dollar amount in the definition of “ownership interest” in Charter Section 2601(16).

The proposed Rules were published in the City Record on November 30, 2021, and a public hearing was held on January 4, 2022. No comments were received. The Conflicts of Interest Board now adopts the following Rules. **What are we proposing?** The Conflicts of Interest Board intends to amend Section 1-11 of Title 53 of the Rules of the City of New York to adjust for inflation the dollar amount in the definition of “ownership interest” (Charter Section 2601(16)).

**When and where is the Hearing?** The Conflicts of Interest Board will hold a public hearing on the proposed rule. The public hearing will take place by video conference at [] on [] and is accessible by:

- **Internet Video and Audio.** To access the hearing by Zoom, use the following URL: [].
- **Telephone.** To access the hearing by telephone, dial []. When prompted, use the following access code [] and password [].

**How do I comment on the proposed rules?** Anyone can comment on the proposed rules by:

- **Website.** You can submit comments to the Conflicts of Interest Board through the NYC rules website at <http://rules.cityofnewyork.us>.
- **Email.** You can email comments to [Rules@COIB.nyc.gov](mailto:Rules@COIB.nyc.gov).
- **By Speaking at the Hearing.** Anyone who wants to comment on the proposed rule at the public hearing may speak for up to three minutes. Please access the public hearing by Internet Video and Audio or by Telephone using the instructions above. It is recommended, but not required, that commenters sign up prior to the hearing by contacting the Conflicts of Interest Board by phone at (212) 437-0721 or by email at [hammer@coib.nyc.gov](mailto:hammer@coib.nyc.gov).

**Is there a deadline to submit comments?** Yes, you must submit written comments by [].

## EXHIBIT 2

~~This hearing has the following accessibility option(s) available: The Zoom platform accommodates screen reader software. Simultaneous transcription or a sign language interpreter are available upon request.~~

~~Do you need assistance to participate in the hearing? You must tell the Conflicts of Interest Board if you need a reasonable accommodation of a disability at the hearing, including if you need a sign language interpreter or simultaneous transcription. You can advise us by email at [hammer@coib.nyc.gov](mailto:hammer@coib.nyc.gov) or by telephone at (212) 437-0721. You must tell us by [ ].~~

~~Can I review the comments made on the proposed rules? You can review the comments made online on the proposed rules by going to the website at <http://rules.cityofnewyork.us/>. Copies of all comments submitted online, copies of all written comments, and a summary of oral comments concerning the proposed rule will be available to the public on the Conflicts of Interest Board's website (<https://www1.nyc.gov/site/coib/public-documents/open-meetings-and-public-hearings.page>) as soon as practicable.~~

~~What authorizes the Conflicts of Interest Board to make this rule? Sections 1043 and 2603(a) of the City Charter authorize the Conflicts of Interest Board to make this proposed rule.~~

~~Where can I find the Conflicts of Interest Board's rules? The Conflicts of Interest Board's rules are in Title 53 of the Rules of the City of New York.~~

~~What rules govern the rulemaking process? The Conflicts of Interest Board must meet the requirements of Section 1043 of the City Charter when creating or changing rules. This notice is made according to the requirements of Section 1043 of the City Charter.~~

## STATEMENT OF BASIS AND PURPOSE

Charter Section 2603(a) requires that, once every four years, the Conflicts of Interest Board adjust for inflation the \$25,000 amount originally established in the Charter Section 2601(16) definition of "ownership interest," ~~in Charter Section 2601(16)~~. Since the enactment of Chapter 68 of the City Charter in 1990, the Consumer Price Index ("CPI") for the metropolitan New York-New Jersey-Pennsylvania region, as published by the United States Department of Labor's, Bureau of Labor Statistics, reflects an overall 118.7% change to increase in the CPI. The last time that the Board increased the amount was in 2017, effective on January 1, 2018, when it rose to \$50,000. ~~Thus~~With this current

## EXHIBIT 2

rule amendment, the \$25,000 “ownership interest” amount ~~is~~must be adjusted to \$55,000, rounded to the nearest \$1,000.

The following chart sets forth the increases that have been incorporated into § 1-11 of the agency’s rules since the statute was enacted:

<u>Effective Year</u>	<u>Consumer Price Index (CPI)</u>	<u>Ownership Interest Amount (rounded to the nearest \$1,000)</u>	<u>Percent change from 1990 CPI</u>
<u>1990</u>	<u>135.1</u>	<u>\$25,000</u>	<u>-</u>
<u>1994</u>	<u>156.0</u>	<u>\$29,000</u>	<u>15.5%</u>
<u>1998</u>	<u>172.1</u>	<u>\$32,000</u>	<u>27.4%</u>
<u>2002</u>	<u>188.5</u>	<u>\$35,000</u>	<u>39.5%</u>
<u>2006</u>	<u>216.6</u>	<u>\$40,000</u>	<u>60.3%</u>
<u>2010</u>	<u>238.8</u>	<u>\$44,000</u>	<u>76.8%</u>
<u>2014</u>	<u>258.5</u>	<u>\$48,000</u>	<u>91.3%</u>
<u>2018</u>	<u>270.1</u>	<u>\$50,000</u>	<u>99.9%</u>
<u>2022</u>	<u>295.5</u>	<u>\$55,000</u>	<u>118.7%</u>

**Text of the Proposed Rule**

New material is underlined.

[Deleted material is bracketed.]

§ 1-11 Adjustment of Dollar Amount in Definition of “Ownership Interest”

Effective as of January 1, [2018] 2022, the dollar amount in the definition of “Ownership Interest” in subdivision (16) of § 2601 of the New York City Charter shall be adjusted from [\$48,000] \$50,000 to [\$50,000] \$55,000.

**EXHIBIT 2**

## New York City Conflicts of Interest Board

### Notice of Adoption

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### **STATEMENT OF BASIS AND PURPOSE**

Charter Section 2603(a) requires that, once every four years, the Conflicts of Interest Board adjust for inflation the \$25,000 amount originally established in the Charter Section 2601(16) definition of “ownership interest.” Since the enactment of Chapter 68 of the City Charter in 1990, the Consumer Price Index (“CPI”) for the metropolitan New York-New Jersey-Pennsylvania region, as published by the United States Department of Labor’s Bureau of Labor Statistics, reflects an overall 118.7% increase in the CPI. The last time that the Board increased the amount was in 2017, effective on January 1, 2018, when it rose to \$50,000. With this current rule amendment, the \$25,000 “ownership interest” amount is adjusted to \$55,000, rounded to the nearest \$1,000.

The following chart sets forth the increases that have been incorporated into § 1-11 of the agency’s rules since the statute was enacted:

Effective Year	Consumer Price Index (CPI)	Ownership Interest Amount (rounded to the nearest \$1,000)	Percent change from 1990 CPI
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1994	156.0	\$29,000	15.5%

### **EXHIBIT 3**

1998	172.1	\$32,000	27.4%
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