

New York City Conflicts of Interest Board

Notice of Public Hearing and Opportunity to Comment on Proposed Rules Regarding Contract Filers

What are we proposing? The Conflicts of Interest Board is proposing to amend its rule concerning annual disclosure filers whose duties involve the negotiation, authorization, or approval of contracts, leases, franchises, revocable consents, concessions and applications for zoning changes, variances and special permits.

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 at 3:00 p.m. on Tuesday, July 22, 2025. The hearing will be at Spector Hall, 22 Reade Street, New York, New York 10007.

This location has the following accessibility option(s) available: wheelchair accessible.

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.
- **By speaking at the hearing.** Anyone who wants to comment on the proposed rule at the public hearing must sign up to speak. You can sign up before the hearing by contacting the Conflicts of Interest Board by telephone at (212) 437-0730 or by email at kmiller@coib.nyc.gov. You can also sign up in the hearing room before the hearing begins on July 22, 2025. You can speak for up to three minutes.

Is there a deadline to submit comments? Yes, you must submit written comments by July 22, 2025.

Do you need assistance to participate in the hearing? You must tell us if you need a reasonable accommodation of a disability at the hearing, including if you need a sign language interpreter. You can advise us by telephone at (212) 437-0721 or by email at hammer@coib.nyc.gov. You must tell us by Friday, July 18, 2025.

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 of the City Charter and Section 12-110(b)(3)(a)(4) of the Administrative Code authorize the Conflicts of Interest Board to make this proposed rule. This proposed rule was included in the Conflicts of Interest Board's regulatory agenda for this Fiscal Year.

Where can I find the Conflicts of Interest Board rules? The Conflicts of Interest Board 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

The City's Annual Disclosure Law, found in New York City Administrative Code § 12-110, requires certain public servants to file publicly available annual disclosure reports with the Board in which they must disclose their private financial interests. One such group of public servants is described in Admin. Code § 12-110(b)(3)(a)(4), which requires the filing of an annual disclosure report by:

Each officer or employee of the city whose duties at any time during the preceding calendar year involved the negotiation, authorization or approval of contracts, leases, franchises, revocable consents, concessions and applications for zoning changes, variances and special permits, as defined by rule of the board and as annually determined by his or her agency head, subject to review by the board.

In 2004, the Board adopted a rule to define this category of filers, commonly known as "contract filers." In the 20 years since, the Board has found that the rule has not provided enough clarity to facilitate the identification of public servants whose City

job duties make them sufficiently involved in the City matters identified in the Administrative Code such that they should be required to make their private financial interests available for public inspection in an annual disclosure report.

The Board proposes to repeal Board Rules § 4-04 and replace it with a new rule to define “contract filers” with more particularity. In drafting the proposed rule, the Board sought to accomplish two goals. First, the proposed rule seeks to limit the category of “contract filers” to public servants who have worked on the City matters enumerated in Admin. Code § 12-110(b)(3)(a)(4). To this end, proposed subdivision (a) references the City laws, policies, and rules that apply specifically to those City matters. Subdivision (b) excludes matters that may fall under the legal term “contracts” but are not sufficiently similar to the City matters enumerated in the Administrative Code. For example, the proposed rule excludes as-of-right development certifications, the acceptance of gifts to the City, and the settlement of legal claims against the City. Proposed subdivision (b) also excludes micropurchases, as defined by the City’s Procurement Policy Board (“PPB”) Rules. The PPB sets by rule a micropurchase limit for contracts which, due to the small amount of City funds expended, are excluded from the PPB Rules’ competition requirements. The Board’s proposed rule would mirror the PPB Rules and similarly exclude micropurchases from triggering the filing requirement. As such, public servants who have worked only on matters listed in proposed paragraph (b) would not be a “contract filer.”

Second, the proposed rule seeks to tailor the conduct that requires a public servant to file more closely to the “negotiation, authorization, or approval” standard in Admin. Code § 12-110(b)(3)(a)(4). In addition to identifying specific City titles where the

job duties inexorably include the “negotiation, authorization, or approval” of contracts, proposed subdivision (a) describes conduct where public servants make significant decisions in accordance with the processes governing the “negotiation, authorization, or approval” of the enumerated City matters. By contrast, proposed subdivision (c) excludes conduct that does not rise to the threshold of “negotiation, authorization, or approval,” such that public servants would not be required to publicly disclose their private financial interests for performing that work. In particular, the proposed rule excludes from the category of “contract filers” those who solely develop general policies, provide legal advice, make recommendations, or perform clerical tasks.

In proposing changes to this rule, the Board recognizes that some City agencies have designated public servants as “contract filers” with a concern that the designated public servant could potentially engage in conduct that violates the City’s conflicts of interest law, such as by accepting a kickback from a vendor from whom a micropurchase is made. However, the possibility that a public servant could engage in conduct that violates the City’s conflicts of interest law is not a sufficient threshold for requiring the filing of an annual disclosure report; otherwise, every public servant, all of whom are subject to the City’s conflicts of interest law, should be required to file. Instead, the Administrative Code designates specific, defined categories of public servants who are required to file, such as elected officials, policymakers, and high-level managers. The “contract filer” designation should be similarly targeted to capture only those public servants whose City duties warrant the type of public incursion into their private finances that the filing of an annual disclosure report necessitates.

Text of Proposed Rule

New material is underlined.

Section 4-04 of chapter 4 of Title 53 of the Rules of the City of New York, which defines the category of public servants required to file annual financial disclosure reports on the basis of their involvement with contracts, leases, franchises, revocable consents, concessions or applications for zoning changes, variances or special permits, is REPEALED and new section 4-04 is added, to read as follows:

§ 4-04 Contract Filers.

(a) Public servants required to file an annual disclosure report pursuant to Administrative Code § 12-110(b)(3)(a)(4) include, but are not limited to, those who during the preceding calendar year held the title of agency chief contracting officer, deputy agency chief contracting officer, chief financial officer, or chief operations officer or who, except as provided in subdivisions (b) or (c) of this section, did one or more of the following:

(1) **Procurement or Concessions.** Pursuant to Procurement Policy Board Rules, Franchise and Concession Review Committee Rules, or other similar City or State law, policy, or rule:

(i) Conducted a presolicitation review to define the existing market for the goods, services, or construction required, estimate the expected cost, or determine the most appropriate method of procurement;

(ii) Was substantially involved in determining the material specifications of an invitation for bids, request for proposals, or other similar solicitation method for goods, services, construction, or a concession;

- (iii) Approved an invitation for bids, request for proposals, or other similar solicitation method for goods, services, construction, or a concession;
 - (iv) Evaluated a bid or proposal, including but not limited to serving on a selection committee; or
 - (v) Negotiated or approved: a contract, including its material terms; contract amendment; change order; task order; modification; renewal; or buy-against contract.
 - (2) **Franchises.** Pursuant to Charter § 363, or other similar City or State law, policy, or rule, approved a franchise authorizing resolution or agreement.
 - (3) **Real Property Leases.** Pursuant to Charter § 381 or § 384 or other similar City or State law, policy, or rule, negotiated or approved the purchase, lease, or sale of real property.
 - (4) **Revocable Consents.** Pursuant to Charter § 364 or other City or State law, policy, or rule:
 - (i) Determined that a petition for a revocable consent could proceed in compliance with applicable requirements; or
 - (ii) Approved a revocable consent plan or agreement.
 - (5) **Zoning.** Pursuant to the Uniform Land Use Review Procedure, approved an application for a change to the zoning resolution, a variance, or a special permit.

(b) The following matters shall not be considered “contracts, leases, franchises, revocable consents, concessions” or “applications for zoning changes, variances and special permits” within the meaning of Administrative Code § 12-

110(b)(3)(a)(4):

(1) Procurements under the micropurchase limit, such as retail goods purchased with a City-issued Purchasing Card;

(2) Certification that an as-of-right development satisfies zoning regulations;

(3) Acceptance of gifts to the City; or

(4) Settlement of legal claims against the City.

(c) Public servants, other than those identified by title in subdivision (a), are not required to file an annual disclosure report pursuant to Administrative Code § 12-110(b)(3)(a)(4) if the only work they performed on contracts, procurement, concessions, franchises, real property leases, revocable consents, or zoning during the preceding calendar year was that they:

(1) Developed general policies, rules, or regulations;

(2) Provided legal advice without negotiating or determining a contract's substantive content, including by ensuring that the content of the contract is implemented in a valid legal agreement or by incorporating an agency's standard contract terms and conditions;

(3) Recommended a contract be awarded without any involvement in the conduct identified in paragraph (a); or

(4) Performed ministerial tasks, including clerical tasks such as typing, filing, or distributing materials.

**NEW YORK CITY LAW DEPARTMENT
DIVISION OF LEGAL COUNSEL
100 CHURCH STREET
NEW YORK, NY 10007
212-356-4028**

**CERTIFICATION PURSUANT TO
CHARTER §1043(d)**

RULE TITLE: Amendment of Financial Disclosure Rules

REFERENCE NUMBER: 2025 RG 038

RULEMAKING AGENCY: Conflicts of Interest Board

I certify that this office has reviewed the above-referenced proposed rule as required by section 1043(d) of the New York City Charter, and that the above-referenced proposed rule:

- (i) is drafted so as to accomplish the purpose of the authorizing provisions of law;
- (ii) is not in conflict with other applicable rules;
- (iii) to the extent practicable and appropriate, is narrowly drawn to achieve its stated purpose; and
- (iv) to the extent practicable and appropriate, contains a statement of basis and purpose that provides a clear explanation of the rule and the requirements imposed by the rule.

/s/ STEVEN GOULDEN
Senior Counsel

Date: June 9th, 2025

**NEW YORK CITY MAYOR'S OFFICE OF OPERATIONS
253 BROADWAY, 10th FLOOR
NEW YORK, NY 10007
212-788-1400**

**CERTIFICATION / ANALYSIS
PURSUANT TO CHARTER SECTION 1043(d)**

RULE TITLE: Amendment of Financial Disclosure Rules

REFERENCE NUMBER: COIB-29

RULEMAKING AGENCY: Conflicts of Interest Board

I certify that this office has analyzed the proposed rule referenced above as required by Section 1043(d) of the New York City Charter, and that the proposed rule referenced above:

- (i) Is understandable and written in plain language for the discrete regulated community or communities;
- (ii) Minimizes compliance costs for the discrete regulated community or communities consistent with achieving the stated purpose of the rule; and
- (iii) Does not provide a cure period because it does not establish a violation, modification of a violation, or modification of the penalties associated with a violation.

/s/ Francisco X. Navarro
Mayor's Office of Operations

June 10, 2025
Date