

# AGENCY RULES

## CONFLICTS OF INTEREST BOARD

### FINAL RULE

The Conflicts of Interest Board adopted the following rule at its meeting on February 19, 1992:

#### Section 1. Procedures for Obtaining an Extension of Time Within Which to File a Financial Disclosure Report.

- I. Bases for Obtaining an Extension of Time to File.
  - (a) A person required to file a financial disclosure report with the Conflicts of Interest Board (the "Board") pursuant to Section 12-110 of the Administrative Code of the City of New York (the "Administrative Code") may be granted an extension of time within which to file a report or portion thereof upon a showing of justifiable cause or undue hardship.
  - (b) A finding of justifiable cause or undue hardship shall not be based on periods of annual leave, attendance at conferences or meetings, or other pre-scheduled or voluntary absences from work.

#### II. General Procedures.

- (a) A request for an extension of time within which to file a financial disclosure report or portions thereof which is due by May first shall be postmarked, or delivery made to the Board, no later than April fifteenth of the year in which such report is to be filed. Where Administrative Code Section 12-110 requires the filing of such report at a time other than on or before May

first, a request for extension of time within which to file shall be postmarked, or delivery made to the Board, no later than fifteen days prior to such filing deadline.

(b) The request for an extension of time shall be mailed to the Board by certified mail or shall be delivered by hand and, upon request, a receipt may be issued upon acceptance of such delivery.

(c) The request for an extension of time within which to file a financial disclosure report or portions thereof due to justifiable cause or undue hardship shall contain the following information:

- (1) The name of the person making such request and his or her home address and work address;
- (2) The title of the position or job classification and name of the agency by which he or she is employed;
- (3) Explanation of justifiable cause or undue hardship in the form of a written statement with copies of any necessary supporting documents such person wishes the board to consider;
- (4) Where the filer is seeking an extension to answer a portion of the report on the grounds that certain information is not yet available, the request shall state what information is not available. Documentation, if available, shall be provided in support of such request (for example, a copy of an application to the Internal Revenue Service for an automatic extension of time within which to file one's income tax return); and
- (5) The additional time requested and the date by which such person intends to comply with the filing requirements.

#### III. Time Limitations Upon Extensions.

(a) The Board shall not grant an extension of time to file a financial disclosure report or portions thereof due to justifiable cause or undue hardship for a period greater than four months from the original date the report was due.

(b) An individual who is seeking an extension of time to nevertheless file his or her report on or before May first, or at such other time required by Administrative Code Section 12-110, containing all the information required by such report, except for that information which is not available. A supplemental statement providing information not previously available shall be filed on the date set by the Board. Failure to file such supplemental statement, or the filing of an incomplete or deficient supplemental statement, shall subject the reporting person to the penalties set forth in Administrative Code Section 12-110(h).

#### IV. Board Action.

(a) Upon receipt of a timely request for an extension of time within which to file a financial disclosure report or portions thereof, the Board shall review the material filed to determine whether an extension is appropriate.

(b) The Board may in its discretion request, in writing, additional information from the person making the request. Such additional information shall be submitted to the Board within ten business days of the date of the Board's request. In the event the Board does not receive the additional information within ten business days, it may make a determination on the basis of the information it has available.

(c) The Board shall give written notice of its determination to the person making the request.

(1) In the event the request for an extension of time within which to file a financial disclosure report or portions thereof is approved, such report shall be filed on or before the date indicated by the Board in its determination.

(2) In the event the request for an extension of time within which to file a financial disclosure report or portions thereof is denied, such report shall be filed before or on the due date set forth in Administrative Code Section 12-110 or such date as may

thereafter be established by the Board in its determination. (d) The Board may delegate to its Executive Director the authority to act pursuant to this rule.

#### Statement of Basis And Purpose Of Rule

Pursuant to Charter Section 2603(d), the Board administers the City's financial disclosure law, contained in Section 12-110 of the Administrative Code. The rule, which is promulgated pursuant to such statutory authority, and in accordance with Charter Section 1043, sets forth procedures to be followed to obtain an extension of time within which to file a financial disclosure report, pursuant to Charter Section 2604(d)(3) and Section 12-110 of the Administrative Code.

telephone number and email address information are submitted by your company/messenger service when picking up bid documents.

Use the following address unless otherwise specified in notice, to secure, examine or submit bid/proposal documents, vendor pre-qualification and other forms; specifications/blueprints; other information; and for opening and reading of bids at date and time specified above.

Parks and Recreation, Olmsted Center, Room 64, Flushing Meadows - Corona Park, Flushing, NY 11368. Kylie Murphy (718) 760-6855; kylie.murphy@parks.nyc.gov

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**SANITATION**

**AGENCY CHIEF CONTRACTING OFFICE**

■ AWARD

*Goods and Services*

**GENERATORS, PORTABLE, AND ENGINE DRIVEN** - Innovative Procurement - Other - PIN# 20195090214 - AMT: \$22,000.00 - TO: Finesse Creations, 3004 Avenue J, Brooklyn, NY 11210. MWBE Award Kohler Automotive Replacement Parts.  
**● STAINLESS AND ALUMINUM EXPANDED METAL** - Innovative Procurement - Other - PIN# 20195090217 - AMT: \$100,000.00 - TO: Moore Metals, 2 Kuniholm Drive, Holliston, MA 01810. MWBE Award.

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**TRANSPORTATION**

**TRAFFIC**

■ SOLICITATION

*Construction / Construction Services*

**PROACTIVE FURNISHING, INSTALLATION AND REMOVAL OF ELECTRICAL TRAFFIC SIGNAL EQUIPMENT TO CONTROL TRAFFIC AT SPECIFIC LOCATIONS** - Competitive Sealed Bids - PIN# 84119MBTR305 - Due 1-24-19 at 11:00 A.M.

The MBE goal for this contract is 12 percent. The WBE goal for this contract is 18 percent. A printed copy of the bid can also be purchased. A deposit of \$50.00 is required for the bid documents in the form of a Certified Check or Money Order payable to: New York City Department of Transportation. NO CASH ACCEPTED. Company address, telephone and fax numbers are required when picking up contract documents. (Entrance is located on the South Side of the Building facing the Vietnam Veterans Memorial). Proper government issued identification is required for entry to the building (driver's license, passport, etc.). A Pre-Bid Meeting (Optional) will be held on January 7, 2019, at 2:30 P.M., at 55 Water Street, Ground Floor, Conference Room, New York, NY 10041. For additional information, please contact Sharif Choudhry, at (212) 839-4370.

Use the following address unless otherwise specified in notice, to secure, examine or submit bid/proposal documents, vendor pre-qualification and other forms; specifications/blueprints; other information; and for opening and reading of bids at date and time specified above.

Transportation, Contract Management Unit, 55 Water Street, Ground Floor, New York, NY 10041. Bid Window (212) 839-9435;

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**CONTRACT AWARD HEARINGS**

**NOTE: LOCATION(S) ARE ACCESSIBLE TO INDIVIDUALS USING WHEELCHAIRS OR OTHER MOBILITY DEVICES. FOR FURTHER INFORMATION ON ACCESSIBILITY OR TO MAKE A REQUEST FOR ACCOMMODATIONS, SUCH AS SIGN LANGUAGE INTERPRETATION SERVICES, PLEASE CONTACT THE MAYOR'S OFFICE OF CONTRACT SERVICES (MOCS) VIA EMAIL AT DISABILITYAFFAIRS@MOCS.NYC.GOV OR VIA PHONE AT (212) 788-0010. ANY PERSON REQUIRING REASONABLE**

**ACCOMMODATION FOR THE PUBLIC HEARING SHOULD CONTACT MOCS AT LEAST THREE (3) BUSINESS DAYS IN ADVANCE OF THE HEARING TO ENSURE AVAILABILITY.**



**CAMPAIGN FINANCE BOARD**

■ PUBLIC HEARINGS

**NOTICE IS HEREBY GIVEN** that a Contract Public Hearing, will be held at the Campaign Finance Board, 100 Church Street, 12th Floor, New York, NY 10007, on January 7, 2019, commencing at 10:00 A.M. on the following:

**IN THE MATTER OF** the following two proposed contract awards:

A proposed contract between the New York City Campaign Finance Board (CFB) and the Contractor listed below, for the provision of Printing, Binding, and Mailing Services for Voter Guides and Other Projects (RFP PIN# 004201900002). The term of the contract shall be three years from the date of registration, with the possibility of a two-year renewal.

Contractor/Address	PIN #	Amount
Unimac Graphics 350 Michelle Place Carlstadt, NJ	004201900002	Not to exceed \$12,000,000

A proposed contract between the New York City Campaign Finance Board (CFB) and the Contractor listed below, for the provision of Design, Formatting, and Prepress Production Services for NYC Voter Guides 2019-2022 and Other Projects (RFP PIN# 004201900003). The term of the contract shall be three years from the date of registration, with the possibility of a two-year renewal.

Contractor/Address	PIN #	Amount
212/Harakawa Inc DBA Two Twelve 236 West 27th Street, Suite 802 New York, NY 10001	004201900003	Not to exceed \$1,300,000

Both proposed Contractors were selected by means of a Request for Proposals (RFP), pursuant to Section 3-03 of the Procurement Policy Board Rules.

A draft copy of each contract is available for inspection at the CFB, 100 Church Street, 12th Floor, New York, NY 10007, on business days (excluding legal holidays) from December 21, 2018 to January 7, 2019, between 9:00 A.M. and 5:00 P.M.

Anyone who wishes to speak at this public hearing should request to do so in writing. The written request must be received by the Campaign Finance Board within five business days after publication of this notice. Written requests should be sent to Chandler Hart-McGonigle, Campaign Finance Board, 100 Church Street, 12<sup>th</sup> Floor, New York, NY 10007, or CHart-McGonigle@nyccfb.info. If the CFB receives no written requests to speak within the prescribed time, the CFB reserves the right not to conduct the public hearing, pursuant to Section 2-11(c)(3) of the Procurement Policy Board Rules. In such case, a notice will be published in The City Record canceling the public hearing.

Accessibility questions: Chandler Hart-McGonigle, (212) 409-1745, by: Monday, December 31, 2018, 5:00 P.M.



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**AGENCY RULES**

**CONFLICTS OF INTEREST BOARD**

■ NOTICE

Notice of Adoption of Final Rules

**NOTICE IS HEREBY GIVEN PURSUANT TO THE AUTHORITY VESTED IN THE NEW YORK CITY CONFLICTS**

**OF INTEREST BOARD** by Section 1043 of the City Charter and Section 3-907 of the New York City Administrative Code, that the Conflicts of Interest Board has adopted Board Rules that (1) move its Rules regarding annual disclosure to a new Chapter 4; (2) adopt a new rule defining “other similar entity” as used in New York City Charter § 2601(11), which defines the term “firm”; and (3) adopt a new rule defining business or financial relationship for the purposes of Charter § 2604(b)(14).

The proposed Rules were published in the *City Record* on November 1, 2018, and a public hearing was held on December 5, 2018. No testimony or comments were received. The Conflicts of Interest Board now adopts the following Rules, including a conforming amendment in the text of the new § 1-10(a)(2) regarding the limit on purchases and sales of property between superiors and subordinates.

### Statement of Basis and Purpose

#### Reorganization of Rules

In the Section 1 of this rulemaking, the Board moves four sections of the Rules of the Board from Chapter 1, entitled “Conflicts of Interest,” to a new Chapter 4, entitled “Annual Disclosure”: Section 1-08, “Procedures for Obtaining an Extension of Time Within Which to File a Financial Disclosure Report”; Section 1-10, “Retention of Financial Disclosure Reports”; Section 1-14, “City Employees Holding Policymaking Positions for Purposes of the Financial Disclosure Law”; and Section 1-15, “City Employees Whose Duties Involve the Negotiation, Authorization, or Approval of Contracts and of Certain Other Matters”. These four sections, promulgated in 1992, 1994, 2003, and 2005 respectively, are an integral part of the administration of the Annual Disclosure Law set forth in Section 12-110 of the New York City Administrative Code and not relevant to determinations made about “conflicts of interest” under Chapter 68 of the City Charter. By creating a new Chapter 4, the Board’s Rules will be better organized, and each chapter of rules will be more clearly related to the other rules within such chapter. The text of the four relocated Board Rules remain otherwise unchanged.

#### New Definition of “Other Similar Entity” within the definition of “Firm”

The Board adopts a new definition of “other similar entity” within the definition of “firm,” to be numbered § 1-08. Several provisions of the City Charter are relevant to the new definition. At the threshold, City Charter § 2601(11) defines “firm” as follows:

‘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.

Another key term, “interest,” is defined by §2601(12) to mean an “ownership interest in a firm or position with a firm.”

Moreover, the term “firm” is implicated by various provisions of City Charter §§ 2604(a) (“Prohibited interests”) and 2604(b) (“Prohibited conduct”). Charter § 2604(a)(1) proscribes a full-time public servant from having an interest in a firm which such person knows is engaged in business dealings with his or her agency (except as addressed by paragraph (3) of subdivision (a)). Charter § 2604(b)(1) addresses the issue of a public servant taking an action particularly affecting the interest of a firm in which they have an interest; paragraph (b)(3) prohibits a public servant from using or attempting to use his or her position to benefit himself or any person or firm associated with him or her; and paragraph (b)(5) bars a public servant from accepting any valuable gift (as defined by Board Rule § 1-01) from any person or firm which the public servant knows is or intends to become engaged in business dealings with the City.

As noted above, Charter § 2604(a)(1) prohibits a full-time public servant from having an ownership interest or position in a firm that is engaged in business dealings with the City. This means that any full-time public servant who wishes to have a second job with a firm that has business dealings with any City agency must obtain a waiver from the Board to have such an interest or position. Charter § 2601(11) already exempts public benefit corporations and local development corporations from the definition of “firm” and grants the Board the authority to exempt “similar entities” that it defines by rule.

The Board’s new Rule in § 1-08 clarifies the entities with which public servants may take positions, such as by taking a second job at the entity, serving on its board, or teaching a class as an adjunct teacher, without requiring a waiver of Charter § 2604(a)(1). The Board adopts this Rule because over the years it has advised numerous public servants that their proposed activities would not violate Chapter 68 because their prospective employer or ownership interest does not fall within the ambit of “firm” for the purposes of City Charter § 2601(11). See, e.g., A.O. Nos. 1992-20, 1994-10, 1997-1, 1999-6, 2000-1, and 2005-2. The Board includes “New York State local public authorities,” as defined in the New York Public Authorities Law § 2(2), as entities exempted from the definition of “firm.” The Board also limits the definition of “local development corporation,” as used in Charter § 2601(11), to those local development corporations established by, affiliated with, sponsored by, or

created by a unit of New York State government and not to include any private local development corporations. As stated in the Rule, the term “other similar entity” includes, but is not limited to, the listed entities; this list is not exclusive.

Public servants who have second jobs with entities that are not “firms” remain subject to other fundamental requirements of Chapter 68, including, but not limited to: their work for the other employing entity must be conducted at times when they are not required to perform services for the City (Charter § 2604(b)(2), Board Rules § 1-13(a)); they may not use City equipment, letterhead, personnel, or other City resources in connection with their second jobs at the employing entity (Charter § 2604(b)(2), Board Rules § 1-13(b)); they may not use their official City positions or titles to obtain any private advantage for themselves, the employing entity, or any of such entity’s clients (Charter § 2604(b)(3)); they may not disclose or use for private advantage any confidential information concerning the City (Charter § 2604(b)(4)); they may not make any appearances before the City on behalf of the employing entity (Charter § 2604(b)(6)); and lastly, they may not be compensated by the employing entity for performing their official duties (Charter § 2604(b)(13)). Additionally, the Board will make a separate determination whether any given entity is a “local, State or Federal agency” pursuant to Charter § 2604(d)(6) and therefore a public servant’s employment therein would be exempt from the post-employment restrictions of Chapter 68.

#### New Definition of “Business or Financial Relationship” as Used in City Charter § 2604(b)(14)

City Charter § 2604(b)(14) provides as follows: “No public servant shall enter into any business or financial relationship with another public servant who is a superior or subordinate of such public servant.” Charter § 2604(b)(14) recognizes the potential for coercion or favoritism that exists when co-workers who occupy different positions in a City government office hierarchy, in which one person has authority over another, enter into business or financial relationships.

The Board has repeatedly been asked to provide advice about whether public servants may enter into certain relationships with their co-workers, supervisors, and subordinates. Its numerous advisory opinions on this topic include A.O. Nos. 1992-28 (prohibiting a subordinate from representing a superior as his attorney); 1998-12 (prohibiting superiors from selling anything to subordinates but permitting subordinates to sell a limited amount of commercial and charitable projects to a superior); 2001-3 (reiterating that a subordinate and a superior may not enter into an attorney-client relationship); 2003-6 (advising that a public servant may be compensated for voluntarily working on his or her superior’s political campaign); 2004-2 (advising that a superior and subordinate cannot participate in the same savings club); 2004-3 (advising that any financial relationship between a community board member and a member of the community board’s staff is prohibited); 2012-5 (reiterating that a public servant may be compensated for voluntarily working on his or her superior’s political campaign and advising that a superior and subordinate may volunteer on the same campaign and in that capacity one may supervise the other); 2013-1 (advising that while it generally violates Chapter 68 for superiors to solicit or accept gifts from their subordinates, superiors can do so long as such gift-giving is not extremely frequent or extravagant; furthermore, public servants can accept gifts from their peers); 2017-5 (advising that participation by a superior and subordinate in the same lottery pool was an impermissible financial relationship).

Moreover, numerous enforcement actions have been initiated over the years that have resulted in fines for public servants found to have violated this prohibition. Examples include COIB Case Nos. 2016-057 (2017) (a New York City Department of Education (“DOE”) Superintendent paid a \$3,000 fine for having sold her house to a teacher she supervised as her Principal); 2016-600 (2017) (a DOE Principal was issued a public warning letter for being regularly driven to and from work by a subordinate); 2015-858(a) (2017) (a former Director of Contracts and Construction in the New York City Department of Transportation’s Traffic Division paid a \$4,000 fine for, over the course of three years, lending and repaying his subordinate more than \$40,000); and 2016-902 and 902a (2017) (a DOE Assistant Principal and a teacher whom he supervised at the school found to have entered into an impermissible financial relationships by cohabitating and were fined \$3,750 and \$1,752, respectively).

The Board has made one small substantive change to Board Rules § 1-10(a)(2) since its publication in the *City Record*. In this paragraph, it was the Board’s intention to codify the advice given in Advisory Opinion No. 1998-12 regarding the sale of property. In keeping with that intention, and in order to be more consistent with the other provisions of the Rule, Board Rules § 1-10(a)(2) has been revised to remove the one-year cap.

The Board therefore adopts this Rule to clarify which relationships between superiors and their subordinates are deemed to be business or financial relationships for the purposes of Charter § 2604(b)(14) and are therefore prohibited. This section prohibits a public servant from entering into any of the enumerated relationships

with any other public servant who either is supervised by him/her or is supervising his/her work, or who has the power to direct his/her work, or whose work he/she directs, or whose terms and conditions of employment the superior public servant has the power to affect or who could affect the terms and conditions of the subordinate public servant's employment. As stated in the Rule, the term "business or financial relationship" includes, but is not limited to, the listed relationships; this list is not exclusive.

New material is underlined.

[Deleted material is in brackets.]

Section 1. Title 53 of the Rules of the City of New York is amended by adding a new Chapter 4, entitled "Annual Disclosure".

§ 2. Section 1-08 of Title 53 of the Rules of the City of New York, entitled "Procedures for Obtaining an Extension of Time Within Which to File a Financial Disclosure Report", is renumbered as § 4-01 of Chapter 4 of such title, as added by section 1 of this rulemaking.

§ 3. Section 1-10 of Title 53 of the Rules of the City of New York, entitled "Retention of Financial Disclosure Reports", is renumbered as §4-02 of Chapter 4 of such title, as added by section 1 of this rulemaking.

§ 4. Section 1-14 of Title 53 of the Rules of the City of New York, entitled "City Employees Holding Policymaking Positions for Purposes of the Financial Disclosure Law", is renumbered as § 4-03 of Chapter 4 of such title, as added by section 1 of this rulemaking.

§ 5. Section 1-15 of Title 53 of the Rules of the City of New York, entitled "City Employees Whose Duties Involve the Negotiation, Authorization, or Approval of Contracts and of Certain Other Matters", is renumbered as § 4-04 of Chapter 4 of such title, as added by section 1 of this rulemaking.

§ 6. Chapter 1 of Title 53 of the Rules of the City of New York is amended by adding a new § 1-08 to read as follows:

§1-08 Definition of "other similar entity" within the definition of "firm".

(a) For the purposes of Charter § 2601(11), the term "other similar entity" includes, but is not limited to, any of the following entities:

- (1) local, state, and federal governments and their agencies;
- (2) New York State public authorities;
- (3) New York local public authorities;
- (4) the United Nations;
- (5) the United States Postal Service;
- (6) the State University of New York;
- (7) the City University of New York;
- (8) the Brooklyn Public Library;
- (9) the Queens Public Library; and
- (10) charter schools created, pursuant to New York State Education Law Article 56.

(b) For the purposes of Charter § 2601(11), the term "local

development corporation" includes only local development corporations affiliated with, sponsored by, or created by New York State government or by a New York county, city, town, or village.

§ 7. Chapter 1 of Title 53 of the Rules of the City of New York is amended by adding a new § 1-10 to read as follows:

§1-10 Prohibited Business or Financial Relationships Between a Superior and a Subordinate.

(a) For purposes of Charter § 2604(b)(14), the term "business or financial relationship" between a superior and subordinate includes but is not limited to:

- (1) outstanding loans collectively amounting to \$25.00 or more;
- (2) a purchase or sale of any property valued at \$25.00 or more;
- (3) the leasing of any property;
- (4) cohabitation;
- (5) participation in a lottery pool;
- (6) participation in a savings club;
- (7) shared ownership of real property or any other property worth more than \$100.00;
- (8) shared ownership of financial instruments;
- (9) shared ownership interest in a firm other than a publicly traded company;
- (10) shared ownership interest in a cooperative apartment building with fewer than six units;
- (11) employer-employee, consultant, contractor, attorney-client, agent-principal, brokerage, or other similar relationships;
- (12) establishing a trust or serving as a trustee of a trust in which one of them or a person associated with one of them has a beneficial interest; and
- (13) payment of each other's recurring expenses such as rent or payments for a vehicle.

(b) Expenses for activities related to public servants' City jobs which are shared between public servants, including superiors and subordinates, such as expenses related to a carpool or a coffee club, will not be deemed a "business or financial relationship" within the meaning of Charter § 2604(b)(14) if:

- (1) the benefit is shared by the participants; and
- (2) each public servant bears a fair proportion of the expense or effort involved for the activity.

§ 8. The titles of Sections 1-14 and 1-15 of Chapter 1 of Title 53 of the Rules of the City of New York are amended to read, respectively, as follows:

§1-14 [City Employees Holding Policymaking Positions for Purposes of the Financial Disclosure Law] Reserved.

§1-15 [City Employees Whose Duties Involve the Negotiation, Authorization, or Approval of Contracts and of Certain Other Matters] Reserved.

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## SPECIAL MATERIALS

### CITYWIDE ADMINISTRATIVE SERVICES

■ NOTICE

OFFICIAL FUEL PRICE (\$) SCHEDULE NO. 8252  
FUEL OIL AND KEROSENE

CONTR. NO.	ITEM NO.	FUEL/OIL TYPE	DELIVERY	VENDOR	CHANGE (\$)	PRICE (\$) EFF. 12/17/2018
3687331	1.0	#2DULS	CITYWIDE BY TW	SPRAGUE	-0.0337 GAL.	2.0611 GAL.
3687331	2.0	#2DULS	PICK-UP	SPRAGUE	-0.0337 GAL.	1.9564 GAL.
3687331	3.0	#2DULS Winterized	CITYWIDE BY TW	SPRAGUE	-0.0337 GAL.	2.2594 GAL.
3687331	4.0	#2DULS Winterized	PICK-UP	SPRAGUE	-0.0337 GAL.	2.1546 GAL.
3687331	5.0	#1DULS	CITYWIDE BY TW	SPRAGUE	-0.0295 GAL.	2.3451 GAL.

## **New York City Conflicts of Interest Board**

### **Notice of Adoption of Final Rule**

NOTICE IS HEREBY GIVEN PURSUANT TO THE AUTHORITY VESTED IN THE NEW YORK CITY CONFLICTS OF INTEREST BOARD BY Sections 1043 and 2063 of the City Charter that the Conflicts of Interest Board has promulgated Board Rules Sections 4-01, 4-02, and 4-03 which contain the Board's rules on the retention and filing of annual disclosure reports.

The proposed Rules were published in the City Record on July 29, 2020, and a public hearing was held on August 28, 2020. No testimony or comments were received. The Conflicts of Interest Board now adopts the following Rules.

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

New York City Administrative Code § 12-110, the City's Annual Disclosure Law, requires public servants who meet the filing criteria to file reports disclosing certain financial information as well as certain information of their spouse or domestic partner and unemancipated children. In 1992, 2001, and 2004, the Board promulgated Board Rules § 4-01 (to address how filers can obtain an extension of time to file the report); Board Rules § 4-02 (how long reports are retained by the Board); and Board Rules § 4-03 (defining the policymaker criteria for filing), respectively. In the intervening years since these rules were promulgated, the Board has, among other things, transitioned from paper filing to electronic filing of reports. Board Rules §§ 4-01, 4-02, and 4-03 reflect current annual disclosure filing procedures and terminology, including those resulting from the adoption of the electronic filing system.

#### *Board Rules § 4-01: Procedure for Requesting Extensions*

Filers have a four-week period within which to submit annual disclosure reports. Pursuant to Administrative Code § 12-110(c)(4), filers who are unable to submit their reports during this period can request an extension of time. Board Rules § 4-01 allows filers to submit extension requests in writing up to ten calendar days, rather than fifteen days, prior to the filing deadline. With the advent of electronic filing, communications with filers have been conducted by email, which has reduced the time needed to send, receive, review, and make determinations on extension requests. As a result of these more expedient procedures, Board Rules § 4-01 provides filers an additional five days to make an extension request.

Under Board Rules § 4-01, extensions will only be granted if there is a justifiable cause or undue hardship that would prevent filers from completing the report during the four-week filing period. For example, the Board may grant an extension of time to a filer who has requested an extension of time to file a tax return with the Internal Revenue Service or to a filer who has been on an extended medical leave of absence during the filing period. However, most scheduled absences from work, such as vacation and attendance at conferences, or increases in workloads do

not qualify as justifiable causes or undue hardships warranting an extension of time, unless there are extenuating circumstances. In the event that an extension is granted, the new filing deadline would not be more than four months from the original filing deadline.

*Board Rules § 4-02: Retention of Annual Disclosure Reports*

Board Rules § 4-02 maintains the current six-year retention period established by former Board Rules § 1-10, in accordance with Administrative Code § 12-110(f), for all annual disclosure reports. The retention period starts on the date the report was filed with the Board and ends on the sixth anniversary of December 31 of the calendar year to which the report relates. For example, a 2013 report is available for public inspection up to and including December 31, 2019. Board Rules § 4-02 requires the Board to retain reports beyond the six-year retention period only upon a timely request by a law enforcement agency. The retention period would only be extended as necessary or until the law enforcement matter is concluded.

*Board Rules § 4-03: Definition of Policymaker*

Following the amendment to Administrative Code § 12-110(b)(3)(a) by Local Law No. 43 of 2003 that added to the list of required filers those City employees holding a “policymaking position,” Board Rules § 4-03 was promulgated in January 2004 to specify that those holding a “policymaking position” are filers with substantial policy discretion as defined in Board Rules § 1-02. Board Rules § 4-03 includes a revised definition of that term for consistency and clarity.

New material is underlined

Section 1. Board Rules §§ 4-01, 4-02, and 4-03 of Title 53 of the Rules of the City of New York are REPEALED and new Board Rules §§ 4-01, 4-02, and 4-03 are added to read as follows:

**§ 4-01 Procedures for Obtaining an Extension of Time to File an Annual Disclosure Report.**

(a) For the purposes of Administrative Code § 12-110(c)(4), a request for an extension of time within which to file an annual disclosure report must be made in writing, including by email, and received by the Board no later than 10 calendar days prior to the filing deadline set by the Board.

(b) The request for an extension of time must include:

(1) The name of the filer and the filer’s City agency or public entity; and

(2) An explanation of justifiable cause or undue hardship that would warrant an extension, accompanied by any supporting documentation. A justifiable cause or undue hardship shall not be based on periods of annual leave, attendance at conferences or meetings, or other scheduled or voluntary absences from work, unless there are extenuating circumstances detailed in the request.

(c) The Board will review any timely request for an extension and give written notice to the filer of its determination.

(d) If the request for an extension of time is approved, such report must be filed on or prior to the new filing deadline set by the Board in its determination. The new filing deadline will not be greater than four months from the original filing deadline set by the Board.

(e) If the request for an extension of time is denied, such report must be filed by the original filing deadline set by the Board.

#### **§4-02 Retention of Annual Disclosure Reports.**

(a) For the purposes of Administrative Code § 12-110(f), the Board will retain each annual disclosure report filed with the Board for six years after the close of the calendar year to which such report relates.

(b) The Board will retain an annual disclosure report beyond the six-year retention period at the request of the Department of Investigation or any governmental unit, or component thereof, that performs as one of its principal functions any activity pertaining to law enforcement. Such request must be made in writing and received by the Board no later than 10 calendar days prior to the expiration of the six-year retention period. The Board will retain the report only for the additional time necessary or for the law enforcement matter identified in the request to be concluded.

#### **§4-03 City Employees Holding Policymaking Positions for Purposes of the Annual Disclosure Law.**

For purposes of Administrative Code § 12-110(b)(3)(a)(3), a person holds a “policymaking position” if they have been designated as having substantial policy discretion pursuant to Board Rules § 1-02.