



Conflicts of Interest Board

NYC Financial Disclosure Law

Section 12-110 of the Administrative Code

WHAT IS THE FINANCIAL DISCLOSURE LAW?

New York City's financial disclosure law, Section 12-110 of the City's Administrative Code, requires that some 12,000 New York City employees and elected officials file annual reports of their financial affairs, as well as the financial affairs of their spouses or domestic partner and dependent children.

The purpose of the financial disclosure law is to provide accountability on the part of public servants, and to help ensure that there are no prohibited conflicts of interest between City employees' official responsibilities and private interests.

The law is administered and enforced by the New York City Conflicts of Interest Board, as mandated by the New York City Charter.

WHO FILES FINANCIAL DISCLOSURE REPORTS?

Elected Officials - including

- The Mayor
- Members of the City Council
- The Borough Presidents
- The Comptroller
- The Public Advocate
- Local political party officials as defined in the Administrative Code
- All candidates for the above offices
- Any New York City public servant who is an agency head, a deputy agency head, an assistant agency head, a paid member of any board or commission, a member of the Management Pay Plan, a City employee whose salary on

April 30th of the filing year is **\$83,500** or more, or a City employee with direct involvement in contracts, leases, franchises, revocable consents, concessions, or applications for zoning changes, variances, or special permits.

WHEN ARE THE REPORTS FILED?

Except in the case of candidates for elective office, financial disclosure reports must be filed by **May 1st** each year. If May 1st falls on a weekend, the reports are due on the first Monday that follows the weekend.

The reports include financial information from the *previous* calendar year (i.e. a report filed in 2001 covers information from calendar year 2000; reports filed in 2000 cover information from calendar year 1999; etc...)

If a person who is required to file a financial disclosure report leaves City service, he or she must also file a report for that part of the last year in which he or she was a public servant. This report is due within 60 days after the employee or official leaves City service or by May 1st, whichever comes first. For example, an employee who leaves City service on March 15, 2003, will be required to file both a 2002 report and a 2003 report by May 1, 2003. A city employee who leaves City service on November 30, 2002, will be required to file a 2002 financial disclosure report within 60 days after the last day the employee worked, in this case, by January 29, 2003. Furthermore, certain public servants leaving City service must obtain a Certification of Compliance from the Board in order to receive their lump sum payments.

Candidates for elective office must file their financial disclosure reports on or before the last date for filing designating petitions pursuant to the Election Law.

IS IT POSSIBLE TO OBTAIN AN EXTENSION OF TIME TO FILE?

If a person can show justifiable cause or undue hardship, he or she may be able to obtain an extension of time to file his or her financial disclosure report.

Justifiable causes would include serious illness of the public servant, death of a close family member, absence from the office because of military service, or an extension that has been granted to the individual for filing his or her IRS return. Vacations, attendance at conferences or meetings, and scheduled or voluntary absences from work are *not* grounds for an extension.

Requests for an extension of time to file a report that is due on May 1st must be postmarked or delivered to the Board no later than April 15th of the year in which the report is to be filed. For those public servants whose reports are to be filed at some time other than May 1st, the request for an extension must be delivered or postmarked no later than 15 days before the deadline for filing the financial disclosure report.

[For further information about how to file for an extension, please contact the Conflicts of Interest Board at the address, phone, or fax on the last page of this brochure.]

WHAT HAPPENS IF A REPORT IS NOT FILED OR IF FALSE STATEMENTS ARE MADE ON THE REPORT?

Any intentional violation of the financial disclosure law, including a failure to file or a misstatement, such as a misstatement of assets and liabilities, is a misdemeanor punishable by imprisonment for not more than one year or by a fine of up to \$1,000 or both. An intentional violation is also grounds for disciplinary penalties.

In addition, any intentional violation of the law can subject the person required to file a report to assessment by the Conflicts of Interest Board of a civil penalty of up to \$10,000.

WHAT HAPPENS WHEN A REPORT IS FILED LATE?

If a report is not filed within one week after the due date, and the filer has not been granted an extension, the late filer is subject to a fine of \$100.

Failure to pay the fine when requested constitutes an intentional violation of the financial disclosure law. A violation is a misdemeanor, and is also punishable by disciplinary action and a civil fine of up to \$10,000.

MAY A REPORT BE AMENDED?

Occasionally, a public servant unintentionally omits certain information in the report or unintentionally includes incorrect information. In those cases, the filer must amend the financial disclosure report. Amendments must be made on a form available from the Board. Only the person who filed the report may amend it.

MAY THE PUBLIC SEE THE REPORTS?

Under the law, the public is entitled to inspect public servants' financial disclosure reports. The Board is required to notify the filer of any such request to inspect his or her report.

By law, the public servant's home address is withheld from public inspection, unless the home is co-owned with a non-relative. So, too, financial information pertaining solely to the public servant's spouse or domestic partner or dependent children is withheld from public inspection, unless the information involves an actual or potential conflict of interest on the part of the public servant.

WHAT ABOUT PRIVACY REQUESTS?

At the time the report is filed or at any time thereafter, except when a request for inspection is pending, a filer may request that the Board withhold certain items in the report from public inspection. The request must show that

public inspection of the item would be an unwarranted invasion of the filer's privacy. The Board will then review the request. However, it should be noted that the Board rarely grants privacy requests.

HOW LONG ARE THE REPORTS KEPT ON FILE?

Financial disclosure reports must be maintained on file for a period of six years from December 31st of the calendar year to which the report relates. After six years, unless there is an ongoing investigation of the filer, the reports are destroyed

Questions???

Call the Conflicts of Interest Board at (212) 442-1400 or visit the Board at 2 Lafayette Street, Suite 1010, New York, NY 10007 in the City Hall area.