

LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 1986

No. 16

f 564-A

Introduced by the Vice Chairman (Council Member Vallone) and Council Member Lisa and the President (Mr. Stein); also Council Members Ferrer, Foster, Harrison, Leffler, Maloney, Messinger, Michels, Povman, Robles, Dryfoos, DiBrienza, Alter, Gerges and McCaffrey (Passed under a Message of Necessity from the Mayor).

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to annual disclosure of financial interests.

Be it enacted by the Council as follows:

Section one. Paragraph one of subdivision a of section 12-110 of the administrative code, as recodified by chapter nine hundred seven of the laws of nineteen hundred eighty-five, is amended to read as follows:

1. Each elected officer described in sections four, twenty-three, twenty-four, eighty-one and ninety-one of the New York City charter shall file such report not later than May first of each year. Each elected officer described in this paragraph shall, after leaving office, file such report for the previous calendar year, if such officer has not previously filed such report, and shall file such report for the portion of the last calendar year in which he or she served in office, within sixty days of his or her last day in office or on the May first next succeeding, whichever is earlier.

Section two. Paragraph two of subdivision a of section 12-110 of the administrative code is amended to read as follows:

2. Each person, other than any person described in paragraph one, who has declared his or her intention to seek nomination or election and who has filed papers or petitions for nomination or election, or on whose behalf a declaration or nominating paper or petition has been made or filed which has not been declined, for an office described in paragraph one of subdivision a of this section shall file such report on or before the last day for filing his designating petitions pursuant to the election law.

Section 3. Subparagraph a of paragraph three of subdivision a of section 12-110 of the administrative code is amended to read as follows:

(a) (1) Each agency head, deputy agency head, assistant agency head, member of any board or commission, other than a member of a board or a commission who serves without compensation, each city employee who is a member of the management pay plan or whose salary on April thirtieth of each year is forty-seven thousand dollars a year or more, and (2) each city employee whose duties directly involve the negotiation, authorization or approval of contracts, leases, franchises, revocable consents, concessions and applications for zoning changes, variances and special permits, without regard to civil service status, membership in the management pay plan or salary shall file such report not later than May first of each year. The commissioner of investigation, in consultation with each agency head, shall determine which persons occupy positions that are described in clause (2) of this subparagraph, and shall inform such employees of the obligation to report no later than December thirty-first of each year. Each officer and employee described in this paragraph shall, following separation from service, file such report for the portion of the last calendar year in which he or she served in his or her position within sixty days of his or her separation from service or on the May

first next succeeding, whichever is earlier. Each such officer and employee who leaves service prior to May first shall also file a report for the previous calendar year on May first if such person met the criteria of this subparagraph on his or her last day of service.

Section 4. Subdivision a of section 12-110 of the administrative code is amended by adding a new paragraph four to read as follows:

4. Each agency shall file with the city clerk prior to the date required for the filing of reports a list of persons obliged to report pursuant to this subdivision. Any person required to file who has not so filed at the end of one week after the date required for filing shall be subject to a fine of one hundred dollars. In addition, two weeks after the date required for filing, the city clerk shall inform the appropriate agency and the commissioner of investigation of the failure to file of any such person.

Section 5. Paragraph one of subdivision b of section 12-110 of the administrative code is amended to read as follows:

1. List the name, address and type of practice of any business, professional organization or other entity in which the person reporting, or his or her spouse, is an officer, director, partner, proprietor or employee, or serves in any advisory capacity, from which income of one thousand dollars or more was derived during the preceding calendar year.

Section 6. Subparagraphs a and b of paragraph two of subdivision b of section 12-110 of the administrative code are amended to read as follows:

(a) any income for services rendered, including city salary, other than any source of income otherwise disclosed pursuant to paragraph one of this subdivision, of one thousand dollars or more;

(b) any capital gain from a single source of one thousand dollars or more, including the sale or redemption of stocks, bonds or other securities, the sale or exchange of real property and the sale or exchange of other property;

Section 7. Paragraph three of subdivision b of section 12-110 of the administrative code is amended to read as follows:

3. List each creditor to whom the person reporting or his or her spouse was indebted, for a period for ninety consecutive days or more during the preceding calendar year, in an amount of five thousand dollars or more. Debts to be listed include real estate mortgages and other secured and unsecured loans.

Section 8. Paragraph four of subdivision b of section 12-110 of the administrative code is amended to read as follows:

4. List the identity of each investment and each parcel of real property in which a value of ten thousand dollars or more was held by the person reporting, or his or her spouse, at any time during the preceding calendar year, based on the cost thereof, or when acquired by means other than purchase, an estimate of the value at the time of receipt, provided that the address of real property that is the residence of the person reporting need not be stated in the report.

Section 9. Paragraph five of subdivision b of section 12-110 of the administrative code is amended to read as follows:

5. List the identity of each trust or other fiduciary relation in which the person reporting or his her spouse held a beneficial interest having a value of ten thousand dollars or more during the preceding calendar year.

Section 10. Paragraph six of subdivision b of section 12-110 of the administrative code is amended to read as follows:

6. List the identity of each note receivable or other outstanding loan in the amount of five thousand dollars or more held by the person reporting or his or her spouse during the preceding calendar year, including notes secured by a mortgage, and other secured and unsecured notes.

7. (a) Indicate if the total amount of income received from each and every source listed (1) pursuant to the provisions of paragraph one and subparagraphs (a), (b) and (c) of paragraph two of this subdivision, is at least one thousand dollars but less than five thousand dollars; at least five

thousand dollars but less than twenty-five thousand dollars; at least twenty-five thousand dollars but less than sixty thousand dollars; at least sixty thousand dollars but less than one hundred thousand dollars; or one hundred thousand dollars or more and (2) pursuant to the provisions of subparagraphs (d) and (e) of paragraph two of this subdivision is less than one thousand dollars; at least one thousand dollars but less than five thousand dollars; at least five thousand dollars but less than twenty-five thousand dollars; at least twenty-five thousand dollars but less than sixty thousand dollars; at least sixty thousand dollars but less than one hundred thousand dollars; or one hundred thousand dollars or more.

(b) Indicate if the total amount of indebtedness owed each creditor listed pursuant to paragraph three of this subdivision or owed to the person reporting or his or her spouse listed pursuant to paragraph six of this subdivision was at least five thousand dollars but less than twenty-five thousand dollars; at least twenty-five thousand dollars but less than sixty thousand dollars; at least sixty thousand dollars but less than one hundred thousand dollars; at least one hundred thousand dollars but less than three hundred thousand dollars; at least three hundred thousand dollars but less than five hundred thousand dollars; or over five hundred thousand dollars.

(c) Indicate if the total value of each investment and real property interest identified pursuant to paragraph four of this subdivision, and each beneficial interest identified pursuant to paragraph five of this subdivision, was, during the reporting period, at least ten thousand dollars but less than twenty thousand dollars; at least twenty thousand dollars but less than sixty thousand dollars; at least sixty thousand dollars but less than one hundred thousand dollars; at least one hundred thousand dollars but less than three hundred thousand dollars; at least three hundred thousand dollars but less than five hundred thousand dollars; or five hundred thousand dollars or more.

Section 11. Paragraphs one and two of subdivision d of section 12-110 of the administrative code are amended to read as follows:

1. Any person required to file a report pursuant to this section may, at the time the report is filed or at any time thereafter, except when a request for inspection is pending, submit a request to the board of ethics, in such form as the board shall require, to withhold any item disclosed therein from public inspection on the ground that the inspection of such item by the public would constitute an unwarranted invasion of his or her privacy. Such request shall be in writing and shall be in such form as the board of ethics shall prescribe and shall set forth the reason such person believes the item should not be disclosed. The city clerk, upon receiving a written request by a member of the public, on such form as the board of ethics shall prescribe, to examine an item for which a written request to withhold information on the ground of privacy was submitted pursuant to this paragraph shall refer such request to the board of ethics and notify the person who filed the report that a request for inspection has been made. Whenever a request is made by a member of the public to examine a report, whether or not a request for privacy protection has been made, the city clerk shall so notify the person who filed the report, except that no such notification shall be required if the request to examine the report is made by the inspector general of the agency in which the person who filed the report is employed or the commissioner of investigation.

2. The board of ethics shall evaluate such claim and any such item shall be withheld from public inspection upon a finding by the board that the inspection of such item by the public would constitute an unwarranted invasion of privacy. In making this determination, the board shall consider the following factors:

- (a) whether the item is of a highly personal nature;
- (b) whether the item in any way relates to the duties of the positions held by such person;
- (c) whether the time involves an actual or potential conflict of interest.

Any information regarding any financial interests of the spouse of a person filing in which the person filing has no financial interest shall be withheld from public inspection as an unwarranted

invasion of privacy unless the board of ethics determines that such information involves an actual or potential conflict of interest on the part of the person filing.

Section 12. Subdivision g of section 12-110 of the administrative code is amended to read as follows:

g. Any amendments and changes to the report made after filing shall be made on a separate form to be provided by the city clerk and attached to the report. Said form shall contain the corresponding page and item numbers of the report, the amendment, signature of the person making such amendment and the initials of the city clerk or his designee. Amendments shall be made only by the person who originally filed such report.

h. Any intentional violation of the provisions of this section, including but not limited to failure to file, failure to include assets or liabilities, and misstatement of assets or liabilities, shall constitute a misdemeanor punishable by imprisonment for not more than one year or by a fine not to exceed one thousand dollars, or by both, and shall constitute grounds for imposition of disciplinary penalties, including removal from office.

Section 13. Section 1106-5.0 of title A of chapter forty-nine of the administrative code of the city of New York, as last amended by local law number twenty-nine of nineteen hundred eighty-four, is amended to read as follows:

§1106-5.0 Annual disclosure. — a. The following persons shall file with the city clerk a report disclosing certain financial interests as hereinafter provided:

1. Each elected officer described in sections four, twenty-three, twenty-four, eighty-one and ninety-one of the New York city charter shall file such report not later than May first of each year. Each elected officer described in this paragraph shall, upon leaving office, file such report for the previous calendar year, if such officer has not previously filed such report, and shall file such report for the portion of the last calendar year in which he or she served in office, within sixty days of his or her last day in office or on the May first next succeeding, whichever is earlier.

2. Each person, other than any person described in paragraph one, who has declared his or her intention to seek nomination or election and who has filed papers or petitions for nomination or election, or on whose behalf a declaration or nominating paper or petition has been made or filed which has not been declined, for an office described in paragraph one of subdivision a of this section shall file such report on or before the last day for filing his designating petitions pursuant to the election law.

3. (a)(1) Each agency head, deputy agency head, assistant agency head, member of any board or commission, other than a member of a board or a commission who serves without compensation, each city employee who is a member of the management pay plan or whose salary on April 30th of each year is forty-seven thousand dollars a year or more and (2) each city employee whose duties directly involve the negotiation, authorization or approval of contracts, leases, franchises, revocable consents, concessions and applications for zoning changes, variances and special permits, without regard to civil service status, membership in the management pay plan, or salary, shall file such report not later than May first of each year. The commissioner of investigation, in consultation with each agency head, shall determine which persons occupy positions that are described in clause (2) of this subparagraph, and shall inform such employees of the obligation to report no later than December thirty-first of each year. Each officer and employee described in this paragraph shall, following separation from service, file such report for the portion of the last calendar year in which he or she served in his or her position within sixty days of his or her separation from service or on the May first next succeeding, whichever is earlier. Each such officer and employee who leaves service prior to May first shall also file a report for the previous calendar year on May first if such person met the criteria of this subparagraph on his or her last day of service.

(b) As used in this section the term "city employee" shall be defined as an employee of a city, county, borough or other office, position, administration, department, division, bureau, board,

commission, authority, corporation 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 New York city health and hospitals corporation.

4. Each agency shall file with the city clerk prior to the date required for the filing of reports a list of persons obliged to report pursuant to this subdivision. Any person required to file who has not so filed at the end of one week after the date required for filing shall be subject to a fine of one hundred dollars. In addition, two weeks after the date required for filing, the city clerk shall inform the appropriate agency and the commissioner of investigation of the failure to file of any such person.

b. The report shall contain the following information:

1. List the name, address and type of practice of any business, professional organization or other entity in which the person reporting, or his or her spouse, is an officer, director, partner, proprietor or employee, or serves in any advisory capacity, from which income of one thousand dollars or more was derived during the preceding calendar year.

2. List the source of each of the following items received or accrued during the preceding calendar year by the person reporting or his or her spouse:

(a) any income for services rendered, including city salary, other than any source of income otherwise disclosed pursuant to paragraph one of this subdivision, of one thousand dollars or more;

(b) any capital gain from a single source of one thousand dollars or more, including the sale or redemption of stocks, bonds or other securities, the sale or exchange of real property and the sale or exchange of other property;

(c) reimbursement for expenditures of one thousand dollars or more in each instance;

(d) honoraria from a single source in the aggregate amount of five hundred dollars or more;

(e) any gift in the aggregate amount or value of five hundred dollars or more from any single source received during the preceding year, except as otherwise provided under the election law covering campaign contributions.

3. List each creditor to whom the person reporting or his or her spouse was indebted, for a period for ninety consecutive days or more during the preceding calendar year, in an amount of five thousand dollars or more. Debts to be listed include real estate mortgages and other secured and unsecured loans.

4. List the identity of each investment and each parcel of real property in which a value of ten thousand dollars or more was held by the person reporting, or his or her spouse, at any time during the preceding calendar year, based on the cost thereof; or when acquired by means other than purchase, an estimate of the value at the time of receipt, provided that the address of real property that is the residence of the person reporting need not be stated in the report.

5. List the identity of each trust or other fiduciary relation in which the person reporting or his or her spouse held a beneficial interest having a value of ten thousand dollars or more, during the preceding calendar year.

6. List the identity of each note receivable or other outstanding loan in the amount of five thousand dollars or more held by the person reporting or his or her spouse during the preceding calendar year, including notes secured by a mortgage, and other secured and unsecured notes.

7. (a) Indicate if the total amount of income received from each and every source listed (1) pursuant to the provisions of paragraph one and subparagraphs (a), (b) and (c) of paragraph two of this subdivision, is at least one thousand dollars but less than five thousand dollars; at least five thousand dollars but less than twenty-five thousand dollars; at least twenty-five thousand dollars but less than sixty thousand dollars; at least sixty thousand dollars but less than one hundred thousand dollars; or one hundred thousand dollars or more; and (2) pursuant to the provisions of subparagraphs (d) and (e) of paragraph two of this subdivision is less than one thousand dollars; at least one thousand dollars but less than five thousand dollars; at least five thousand dollars but less than twenty-five thousand dollars; at least twenty-five thousand dollars but less than sixty thousand dollars;

at least sixty thousand dollars but less than one hundred thousand dollars; or one hundred thousand dollars or more.

(b) Indicate if the total amount of indebtedness owed each creditor listed pursuant to paragraph three of this subdivision or owed to the person reporting or his or her spouse listed pursuant to paragraph six of this subdivision was at least five thousand dollars but less than twenty-five thousand dollars; at least twenty-five thousand dollars but less than sixty thousand dollars; at least sixty thousand dollars but less than one hundred thousand dollars; at least one hundred thousand dollars but less than three hundred thousand dollars; at least three hundred thousand dollars but less than five hundred thousand dollars; or over five hundred thousand dollars.

(c) Indicate if the total value of each investment and real property interest identified pursuant to paragraph four of this subdivision, and each beneficial interest identified pursuant to paragraph five of this subdivision, was, during the reporting period, at least ten thousand dollars but less than twenty thousand dollars; at least twenty thousand dollars but less than sixty thousand dollars; at least sixty thousand dollars but less than one hundred thousand dollars; at least one hundred thousand dollars but less than three hundred thousand dollars; at least three hundred thousand dollars but less than five hundred thousand dollars; or five hundred thousand dollars or more.

c. Information filed pursuant to the provisions of this section shall be maintained by the city clerk and shall be made available for public inspection subject to the provisions of subdivisions d, e and f of this section.

d. 1. Any person required to file a report pursuant to this section may, at the time the report is filed or at any time thereafter, except when a request for inspection is pending, submit a request to the board of ethics, in such form as the board shall require, to withhold any item disclosed therein from public inspection on the ground that the inspection of such item by the public would constitute an unwarranted invasion of his or her privacy. Such request shall be in writing and shall be in such form as the board of ethics shall prescribe and shall set forth the reason such person believes the item should not be disclosed. The city clerk, upon receiving a written request by a member of the public, on such form as the board of ethics shall prescribe, to examine an item for which a written request to withhold information on the ground of privacy was submitted pursuant to this paragraph shall refer such request to the board of ethics and notify the person who filed the report that a request for inspection has been made. Whenever a request is made by a member of the public to examine a report, whether or not a request for privacy protection has been made, the city clerk shall so notify the person who filed the report, except that no such notification shall be required if the request to examine the report is made by the inspector general of the agency in which the person who filed the report is employed or the commissioner of investigation.

2. The board of ethics shall evaluate such claim and any such item shall be withheld from public inspection upon a finding by the board that the inspection of such item by the public would constitute an unwarranted invasion of privacy. In making this determination, the board shall consider the following factors:

- (a) whether the item is of a highly personal nature;
- (b) whether the item in any way relates to the duties of the positions held by such person;
- (c) whether the item involves an actual or potential conflict of interest.

Any information regarding any financial interests of the spouse of a person filing in which the person filing has no financial interest shall be withheld from public inspection as an unwarranted invasion of privacy unless the board of ethics determines that such information involves an actual or potential conflict of interest on the part of the person filing.

3. The board of ethics shall establish procedures for the consideration of requests for withholding information on the ground of privacy. Such procedures shall include provision for the person who filed the information to appear in person to set forth, or submit a written statement setting forth, the reasons why the information should be withheld from public inspection.

4. The determination of the board of ethics shall be in writing and shall set forth the reasons for such determination. The board shall forward its determination to the city clerk. Except for those items, if any, that the board of ethics finds would constitute an unwarranted invasion of privacy if disclosed, the city clerk shall make available to the person making such request the information requested.

e. Reports filed pursuant to this section shall be retained by the city clerk for a period of two years following the termination of the public employment of the person who filed the report. In the case of candidates for office who have filed reports pursuant to this section, and who were not elected, the reports shall be retained by the city clerk for a period of two years following the day of an election on which the candidates were defeated. Such reports shall thereafter be destroyed by the city clerk unless a request for public disclosure of an item contained in such report is pending. In lieu of the destruction of such reports, the city clerk, in his discretion, may establish procedures providing for their return to the persons who filed them.

f. For the purposes of this section, the board of ethics shall mean the public members of the board of ethics appointed pursuant to section twenty-six hundred of the charter. Neither the corporation counsel nor the director of personnel shall participate in any determination made pursuant to this section.

g. Any amendments and changes to a report made after filing shall be made on a separate form to be provided by the city clerk and attached to the report. Said form shall contain the corresponding page and item numbers of the report, the amendment, the signature of the person making such amendment and the initials of the city clerk or his designee. Amendments shall only be made by the person who originally filed such report.

h. Any intentional violation of the provisions of this section, including but not limited to failure to file, failure to include assets or liabilities, and misstatement of assets or liabilities, shall constitute a misdemeanor punishable by imprisonment for not more than one year or by a fine not to exceed one thousand dollars, or by both, and shall constitute grounds for imposition of disciplinary penalties, including removal from office.

i. If any provision of this section shall be held invalid or ineffective in whole or in part or inapplicable to any person or situation, it is the purpose and intent of this section that all other provisions hereof shall nevertheless be separately and fully effective and that the application of any such provision to other persons or situations shall not be affected.

Section 14. Notwithstanding the provisions of sections 1106-5.0 and 12-110 of the administrative code of the city of New York, reports shall be filed in nineteen hundred eighty-six for the previous calendar year no later than ninety days after the effective date of this local law. The commissioner of investigation shall inform employees described in clause (2) of subparagraph a of paragraph three of subdivision a sections 1106-5.0 and 12-110 of the administrative code of their obligation to report no later than thirty days after the effective date of this local law.

Section 15. This local law shall take effect immediately.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, S.S.:

I hereby certify that the foregoing is a true copy of a local law of The City of New York, passed by the Council on May 22, 1986, and approved by the Mayor on June 20, 1986.

CARLOS CUEVAS, City Clerk, Clerk of the Council.

CERTIFICATION PURSUANT TO MUNICIPAL HOME RULE LAW § 27

Pursuant to the provisions of Municipal Home Rule Law § 27, I hereby certify that the enclosed local law (Local Law 16 of 1986, Council Int. No. 564-A) contains the correct text and, received the following vote at the meeting of the New York City Council on May 22, 1986: 35 for, 0 against.

Was approved by the Mayor on June 20, 1986.

Was returned to the City Clerk on June 20, 1986.

LEONARD KREPNER, Acting Corporation Counsel.