



STAFF REPORT
9/11/2024

TO: Honorable Mayor and City Council Members

FROM: Delia Granados, Deputy City Clerk

SUBJECT: Direct Staff to Conduct the Biennial Review of the City's Conflict of Interest Code (Form 700 Filers)

STAFF RECOMMENDATION:

It is recommended that the City Council direct the review of the City's Conflict of Interest Code and the filing of a Biennial Notice with the City Clerk regarding such review, as required by the Political Reform Act.

EXECUTIVE SUMMARY:

The proposed action is pursuant to the requirements set forth in section 87306.5 of the Political Reform Act and placed upon the City Council as the City's code-reviewing body.

BACKGROUND:

The Political Reform Act of 1974 (Government Code Sections 81000 et seq.) provides that certain municipal officials must disclose their economic interests. These officials are members of:

- The City Council
 - City Manager
 - City Treasurer
 - And any other City official who manage public investments
 - Planning Commission
 - City Attorney
- In addition, the Act requires the City to determine which of its other officials, commission members, and employees have duties that involve potential conflicts of interests. These persons are called designated employees.

The primary effect of the code is to establish disclosure requirements for various government positions involved in the requisite level of decision-making as set forth in the Act. The Act requires each city to adopt a local conflict of interest code designating city positions not otherwise designated in the Act itself, that are involved in making or participating in the making of city decisions at all levels of city government.

The Act further requires that agencies, including cities, regularly review and update their codes as necessary as directed by their code-reviewing bodies or when change is necessitated by changed circumstances. (Gov. Code §§ 87306, 87306.5.)

The Act provides that no later than July 1 of each even-numbered year, code-reviewing bodies shall direct the review of all agency codes under their jurisdiction and requires that the agency head, no later than October 1, shall file a statement regarding the results of that review. The City Council is the code reviewing body for the City's Code and on or before July 1, it must direct the biennial review of the City's Conflict of Interest Code ("Code"). (Gov. Code § 82011(c), 87306.5)

The Act also requires that the City Manager file a statement regarding the results of the review no later than October 1 of the same year. If a change in the Code is necessitated by this review, it must be submitted to the City Council for approval within ninety (90) days of the filing of the Local Agency Biennial Notice with the City Clerk. (Gov. Code § 87303, 87306.5)

Following its review, it is expected that the updated Code will be presented to the City Council no later than December for adoption.

FISCAL IMPACT:

There is no fiscal impact.