

**GENERAL MUNICIPAL LAW ARTICLE 18
(SECTIONS 800-813)
CONFLICTS OF INTEREST**

**SESSION LAWS AND
LEGISLATIVE HISTORY
1964-2009**

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When interpreting Article 18 of the General Municipal Law, the state conflicts of interest law applicable to all municipalities in the state outside New York City, municipal counsel may have need to consult the legislative history of the amendments to that law. But tracking that material down can be laborious. Following are the session laws and available legislative and executive memoranda for all amendments to Article 18 since its enactment in 1964.

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1964 NY LAWS Ch. 946

Additions are indicated by *Text*; deletions by [Text].

CHAPTER 946*

AN ACT to amend the general municipal law, education law, general city law, local finance law, mental hygiene law, penal law, second class cities law, town law and village law, in relation to conflicts of interest of municipal officers and employees

Became a law April 24, 1964, with the approval of the Governor. Passed, by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Declaration of policy and purpose. As government becomes increasingly complex, as our democratic processes draw citizens from every walk of life, there is increasing need for known standards of ethical conduct as a guide for public officers. These standards must rest primarily on personal integrity and on community vigilance: law cannot in itself create moral fiber, nor can law quicken the civic conscience. In support of these basic standards, it is the purpose of this chapter to define areas of conflicts of interest in municipal transactions, leaving to each community the expression of its own code of ethics.

The need for the statute does not spring from widespread malfeasance on the part of municipal officers; rather, the Legislature recognizes their integrity as a group, their culpability in only a few instances. But lest the few brand the many, the discernment of the offending case must be made certain, its elimination sure. Existing law is too complex, too inconsistent, too overgrown with exceptions, for such a clarity of understanding to be possible. Basic concepts must be retained, but something more than recodification is needed.

There is another and equally important objective: a formula of conduct which is not only clear but reasonable, one which will permit governmental employees to share the normal benefits of the democratic society and economy they serve. If government is to attract and hold competent administrators, public service must not require a complete divesting of all proprietary interests. Real conflict must be rooted out, without condemning the inconsequential.

The chapter, then, has a trinity of purposes: to protect the public from municipal contracts influenced by avaricious officers, to protect innocent public officers from unwarranted assaults on their integrity and to encourage each community to adopt an appropriate code of ethics to supplement this chapter. The Legislature declares that each purpose is a matter of State concern and adopts the following chapter accordingly, with the intention that it shall be the generic law in relation to conflicts of interest in municipal transactions, not to be superseded by local law of any municipality subject to its provisions.

§ 2. The general municipal law is hereby amended by adding thereto a new article, to be article eighteen, to read as follows:

ARTICLE 18

CONFLICTS OF INTEREST OF MUNICIPAL OFFICERS AND EMPLOYEES

Section 800. Definitions.

801. Conflicts of interest prohibited.

- 802. *Exceptions.*
- 803. *Disclosure of interest.*
- 804. *Contracts void.*
- 805. *Violations.*
- 806. *Code of ethics authorized.*
- 807. *Distribution of statute.*
- 808. *Boards of ethics.*

§ 800. *Definitions. When used in this article and unless otherwise expressly stated or unless the context otherwise requires:*

1. *“Chief fiscal officer” means a comptroller, commissioner of finance, director of finance or other officer possessing similar powers and duties.*

2. *“Contract” means any claim, account or demand against or agreement with a municipality, express or implied, and shall include the designation of a depository of public funds and the designation of an official newspaper.*

3. *“Interest” means a pecuniary or material benefit accruing to a municipal officer or employee as the result of a business or professional transaction with the municipality which such officer or employee serves. For the purposes of this article a municipal officer or employee shall be deemed to have an interest in the affairs of (a) his spouse, minor children and dependents, (b) a firm, partnership or association of which such officer or employee is a member or employee, (c) a corporation of which such officer or employee is an officer, director or employee and (d) a corporation any stock of which is owned or controlled directly or indirectly by such officer or employee.*

4. *“Municipality” means a county, city, town, village, school district, consolidated health district, county vocational education and extension board, public library, board of cooperative educational services, urban renewal agency, or a town or county improvement district, district corporation, or other district or a joint service established for the purpose of carrying on, performing or financing one or more improvements or services intended to benefit the health, welfare, safety or convenience of the inhabitants of such governmental units or to benefit the real property within such units, but shall have no application to a city having a population of one million or more or to a county, school district, or other public agency or facility therein.*

5. *“Municipal officer or employee” means an officer or employee of a municipality, whether paid or unpaid, including members of any administrative board, commission or other agency thereof and in the case of a county, shall be deemed to also include any officer or employee paid from county funds. No person shall be deemed to be a municipal officer or employee solely by reason of being a volunteer fireman or civil defense volunteer, except a chief engineer or assistant chief engineer.*

6. *“Treasurer” means a county treasurer, city treasurer, town supervisor, village treasurer, school district treasurer, fire district treasurer, improvement district treasurer, president of a board of health of a consolidated health district, county vocational educational and extension board treasurer, treasurer of a board of cooperative educational services, public general hospital treasurer, or other officer possessing similar powers and duties.*

§ 801. *Conflicts of interest prohibited. Except as provided in section eight hundred two of this chapter, (1) no municipal officer or employee shall have an interest, direct or indirect, in any contract with the municipality of which he is an officer or employee, when such officer or employee, individually or as a member of a board, has the power or duty to (a) negotiate,*

prepare, authorize or approve the contract or authorize or approve payment thereunder, (b) audit bills or claims under the contract, or (c) appoint an officer or employee who has any of the powers or duties set forth above and (2) no chief fiscal officer, treasurer, or his deputy or employee, shall have an interest, direct or indirect, in a bank or trust company designated as a depository, paying agent, or for investment of funds of the municipality of which he is an officer or employee. The provisions of this section shall in no event be construed to preclude the payment of lawful compensation and necessary expenses of any municipal officer or employee in one or more public offices or positions of employment, the holding of which is not prohibited by law.

§ 802. Exceptions. The provisions of section eight hundred one of this chapter shall not apply to:

1. a. The designation of a bank or trust company as a depository, paying agent or for investment of funds of a municipality except when the chief fiscal officer, treasurer, or his deputy or employee, has an interest in such bank or trust company; provided, however, that where designation of a bank or trust company outside the municipality would be required because of the foregoing restriction, a bank or trust company within the municipality may nevertheless be so designated;

b. A contract with a person, firm, corporation or association in which a municipal officer or employee has an interest solely by reason of employment as an officer or employee thereof, if the remuneration of such employment will not be directly affected as a result of such contract and the duties of such employment do not directly involve the procurement, preparation or performance of any part of such contract;

c. The designation of an official newspaper;

d. The purchase by a municipality of real property or an interest therein, provided the purchase and the consideration therefor is approved by order of the supreme court upon petition of the governing board;

e. The acquisition of real property or an interest therein, through condemnation proceedings according to law;

f. A contract with a membership corporation or other voluntary non-profit corporation or association;

g. The sale of bonds and notes pursuant to section 60.10 of the local finance law;

h. A contract in which a municipal officer or employee has an interest if such contract was entered into prior to the time he was elected or appointed as such officer or employee, but this paragraph shall in no event authorize a renewal of any such contract:

2. a. A contract with a corporation in which a municipal officer or employee has an interest by reason of stockholdings when (1) the stock of the corporation is listed on either the New York or American stock exchange or (2) less than five per centum of the outstanding stock of the corporation is owned or controlled directly or indirectly by such officer or employee; provided, however, that this paragraph shall not apply to stockholdings of a chief fiscal officer, treasurer, or his deputy or employee, in a bank or trust company designated as a depository of funds of the municipality of which he is an officer or employee;

b. A contract with a hospital, clinic, laboratory or other similar institution for services and facilities under article eight-A of the mental hygiene law;

c. A contract for the furnishing of public utility services when the rates or charges therefor are fixed or regulated by the public service commission;

d. A contract for the payment of a reasonable rental of a room or rooms owned or leased by an officer or employee when the same are used in the performance of official duties and are so designated as an office or chamber;

e. A contract for the payment of a portion of the compensation of a private employee of an officer when such employee performs part time service in the official duties of the office;

f. A contract in which a municipal officer or employee has an interest if the total consideration payable thereunder, when added to the aggregate amount of all consideration payable under contracts in which such person had an interest during the fiscal year, does not exceed the sum of one hundred dollars.

§ 803. Disclosure of interest. 1. Any municipal officer or employee who has, will have, or later acquires an interest, direct or indirect, in any actual or proposed contract with the municipality of which he is an officer or employee, shall publicly disclose the nature and extent of such interest in writing to the governing body thereof as soon as he has knowledge of such actual or prospective interest. Such written disclosure shall be made part of and set forth in the official record of the proceedings of such body. Once disclosure has been made by an officer or employee with respect to an interest in a contract with a particular person, firm, corporation or association, no further disclosures need be made by such officer or employee with respect to additional contracts with the same party during the remainder of the fiscal year.

2. Notwithstanding the provisions of subdivision one of this section, disclosure shall not be required in the case of an interest in a contract described in subdivision two of section eight hundred two hereof.

§ 804. Contracts void. Any contract willfully entered into by or with a municipality in which there is an interest prohibited by this article shall be null, void and wholly unenforceable.

§ 805. Violations. Any municipal officer or employee who willfully and knowingly violates the foregoing provisions of this article shall be guilty of a misdemeanor.

§ 806. Code of ethics authorized. The governing body of any municipality may by local law, ordinance or resolution adopt a code of ethics setting forth for the guidance of its officers and employees the standards of conduct reasonably expected of them. Any such code may provide standards for officers and employees with respect to (a) representation of private interests before municipal agencies and courts, (b) disclosure of interest in legislation before the local governing body, (c) acceptance of gifts and favors, (d) disclosure of confidential information, (e) holding of investments in conflict with official duties, (f) incompatible employment, (g) future employment and (h) such other standards relating to the conduct of officers and employees as may be deemed advisable; provided, however, that no provision which in any way conflicts with the provisions of this article shall be authorized.

§ 807. Distribution of statute. The chief executive officer of each municipality shall cause a copy of this article and any code of ethics adopted pursuant thereto to be distributed to every officer and employee of his municipality. Each officer and employee elected or appointed on and after the effective date of this act shall be furnished such copy before entering upon the duties of his office or employment. Failure to distribute any such copy or failure of any officer or employee to receive such copy shall have no effect on the duty of compliance with this article, nor with the enforcement of the provisions thereof.

§ 808. *Boards of ethics. 1. The board of supervisors of any county may establish a county board of ethics and appropriate moneys for maintenance and personal services in connection there with. The members of such board shall be appointed by the board of supervisors and shall consist of an officer or employee of a town, a village, a school district and a city, if there be a city in such county. In addition, there shall be at least one member not a municipal officer or employee. The county attorney shall be a member ex officio of such board. A supervisor shall be eligible for appointment to such board. The members of such board shall receive no salary or compensation for their services as members of such board and shall serve at the pleasure of the board of supervisors.*

2. The board shall render advisory opinions to municipal officers and employees within the county with respect to article eighteen of the general municipal law and any code of ethics adopted pursuant thereto. Such advisory opinions shall be rendered pursuant to the written request of any such officer or employee under such rules and regulations as the board may deem advisable and shall have the approval of counsel employed by the board, or if none, the county attorney. In addition, it may make recommendations with respect to the drafting and adoption of a code of ethics or amendments thereto upon the request of the governing body of any municipality in the county.

3. The governing body of any city, town or village may establish a local board of ethics and appropriate moneys for maintenance and personal services in connection therewith. A local board shall have all the powers and duties of and shall be governed by the same conditions as a county board of ethics, except that it shall act only with respect to officers and employees of the city, town or village that has established such board. The members of a local board of a municipality shall be appointed by the governing body thereof and shall include at least one member not a municipal officer or employee. The attorney representing the municipality shall be a member ex officio of the local board.

4. The county board of ethics shall not act with respect to the officers and employees of any municipality having its own board of ethics, except that the local board may at its option refer matters to the county board.

§ 3. Existing article eighteen of the general municipal law, embracing sections eight hundred and eight hundred one, such article and sections having been thus renumbered by chapter eight hundred forty-four of the laws of nineteen hundred sixty-three, are hereby renumbered article nineteen and sections nine hundred and nine hundred one, respectively.

§ 13. Laws superseded. The provisions of article eighteen of the general municipal law, as added by this act, shall supersede any local law, charter, ordinance, resolution, rule or regulation of any municipality to the extent that such local law, charter, ordinance, resolution, rule or regulation is inconsistent with the provisions thereof. No local law, ordinance, resolution, rule or regulation shall modify or dispense with any provision of article eighteen of the general municipal law, as added by this act; provided, however, that nothing herein contained shall prohibit a code of ethics adopted pursuant thereto from supplementing the provisions of this act.

§ 14. Pending actions and proceedings. No action or proceeding pending at the time when this act shall take into effect shall be affected by any provision of this act, but the same may be prosecuted, defended or enforced as if this act had not been enacted.

§ 15. Existing rights and remedies preserved. No existing right or remedy of any character shall be lost, impaired or affected by reason of this act, nor shall the validity of any action taken by any public official under the law in force immediately prior to the time this act shall take effect be affected by the enactment of this act.

§ 16. Laws repealed. Of the laws enumerated in the schedule hereto annexed, that portion specified in the last column is hereby repealed.

§ 17. Effective date. This act shall take effect September first, nineteen hundred sixty-four.

SCHEDULE OF LAWS REPEALED	
County Law	Section 412
Education Law	Section 1617
General Municipal Law	Section 88
Local Finance Law	Section 60.20
Social Welfare Law	Section 147
	Section 186-a
	Section 186-b
	Section 186-c
Town Law	Section 104
	Subdivision 31 of section 176
Village Law	Subdivision 5 of section 128
	Section 332

1965 NY LAWS Ch. 1043

Additions are indicated by *Text*; deletions by [Text].

CHAPTER 1043*

AN ACT to amend the general municipal law and the local finance law, in relation to conflicts of interest of municipal officers and employees and the repeal of certain acts inconsistent therewith

Became a law July 20, 1965, with the approval of the Governor. Passed by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section eight hundred of the general municipal law, as added by chapter nine hundred forty-six of the laws of nineteen hundred sixty-four, is hereby amended to read as follows:

§ 800. Definitions. When used in this article and unless otherwise expressly stated or unless the context otherwise requires:

1. "Chief fiscal officer" means a comptroller, commissioner of finance, director of finance or other officer possessing similar powers and duties, *except that in a school district the term shall not mean a member of the board of education or a trustee thereof.*

2. "Contract" means any claim, account or demand against or agreement with a municipality, express or implied, and shall include the designation of a [depository] *depository* of public funds and the designation of a *newspaper, including but not limited to an official newspaper, for the publication of any notice, resolution, ordinance, or other proceeding where such publication is required or authorized by law.*

3. "Interest" means a *direct or indirect* pecuniary or material benefit accruing to a municipal officer or employee as the result of

a [business or professional transaction] contract with the municipality which such officer or employee serves. For the purposes of this article a municipal officer or employee shall be deemed to have an interest in the [affairs] contract of (a) his spouse, minor children and dependents, *except a contract of employment with the municipality which such officer or employee serves*, (b) a firm, partnership or association of which such officer or employee is a member or employee, (c) a corporation of which such officer or employee is an officer, director or employee and (d) a corporation any stock of which is owned or controlled directly or indirectly by such officer or employee.

4. "Municipality" means a county, city, town, village, school district, consolidated health district, county vocational education and extension board, public library, board of cooperative educational services, urban renewal agency, *a joint water works system established pursuant to chapter six hundred fifty-four of the laws of nineteen hundred twenty-seven*, or a town or county improvement district, district corporation, or other district or a joint service established for the purpose of carrying on, performing or financing one or more improvements or services intended to benefit the health, welfare, safety or convenience of the inhabitants of such governmental units or to benefit the real property within such units, but shall have no application to a city having a population of one million or more or to a county, school district, or other public agency or facility therein.

5. "Municipal officer or employee" means an officer or employee of a municipality, whether paid or unpaid, including members of any administrative board, commission or other agency thereof and in the case of a county, shall be deemed to also include any officer or employee paid from county funds. No person shall be deemed to be a municipal officer or employee solely by reason of being a volunteer fireman or civil defense volunteer, except a chief engineer or assistant chief engineer.

6. "Treasurer" means a county treasurer, city treasurer, town supervisor, village treasurer, school district treasurer, fire district treasurer, improvement district treasurer, president of a board of health of a consolidated health district, county vocational educational and extension board treasurer, treasurer of a board of cooperative educational services, public general hospital treasurer, or other officer possessing similar powers and duties.

§ 2. Section eight hundred one of such law, as added by chapter nine hundred forty-six of the laws of nineteen hundred sixty-four, is hereby amended to read as follows:

§ 801. Conflicts of interest prohibited. Except as provided in section eight hundred two of this chapter, (1) no municipal officer or employee shall have an interest [direct or indirect] in any contract with the municipality of which he is an officer or employee, when such officer or employee, individually or as a member of a board, has the power or duty to (a) negotiate, prepare, authorize or approve the contract or authorize or approve payment there-

under (b) audit bills or claims under the contract, or (c) appoint an officer or employee who has any of the powers or duties set forth above and (2) no chief fiscal officer, treasurer, or his deputy or employee, shall have an interest [direct or indirect] in a bank or trust company designated as a depository, paying agent, registration agent or for investment of funds of the municipality of which he is an officer or employee. The provisions of this section shall in no event be construed to preclude the payment of lawful compensation and necessary expenses of any municipal officer or employee in one or more [public offices or] positions of public employment, the holding of which is not prohibited by law.

§ 3. Section eight hundred two of such law, as added by chapter nine hundred forty-six of the laws of nineteen hundred sixty-four, is hereby amended to read as follows:

§ 802. Exceptions. The provisions of section eight hundred one of this chapter shall not apply to:

1. a. The designation of a bank or trust company as a depository, paying agent, registration agent or for investment of funds of a municipality except when the chief fiscal officer, treasurer, or his deputy or employee, has an interest in such bank or trust company; provided, however, that where designation of a bank or trust company outside the municipality would be required because of the foregoing restriction, a bank or trust company within the municipality may nevertheless be so designated;

b. A contract with a person, firm, corporation or association in which a municipal officer or employee has an interest which is prohibited solely by reason of employment as an officer or employee thereof, if the remuneration of such employment will not be directly affected as a result of such contract and the duties of such employment do not directly involve the procurement, preparation or performance of any part of such contract;

c. The designation of a newspaper, including but not limited to an official newspaper, for the publication of any notice, resolution, ordinance or other proceeding where such publication is required or authorized by law;

d. The purchase by a municipality of real property or an interest therein, provided the purchase and the consideration therefor is approved by order of the supreme court upon petition of the governing board;

e. The acquisition of real property or an interest therein, through condemnation proceedings according to law;

f. A contract with a membership corporation or other voluntary non-profit corporation or association;

g. The sale of bonds and notes pursuant to section 60.10 of the local finance law;

h. A contract in which a municipal officer or employee has an interest if such contract was entered into prior to the time he was

elected or appointed as such officer or employee, but this paragraph shall in no event authorize a renewal of any such contract;

2. a. A contract with a corporation in which a municipal officer or employee has an interest by reason of stockholdings when (1) in the case of a corporation other than a bank or trust company, the stock of the corporation is listed on either the New York or American stock exchange or (2) less than five per centum of the outstanding stock of the corporation is owned or controlled directly or indirectly by such officer or employee; provided, however, that this paragraph shall not apply to stockholdings of a chief fiscal officer, treasurer, or his deputy or employee, in the case of the designation of a bank or trust company [designated] as a [depository] depository of funds of the municipality of which he is an officer or employee;

b. A contract with a hospital, clinic, laboratory or other similar institution for services and facilities under article eight-A of the mental hygiene law;

c. A contract for the furnishing of public utility services when the rates or charges therefor are fixed or regulated by the public service commission;

d. A contract for the payment of a reasonable rental of a room or rooms owned or leased by an officer or employee when the same are used in the performance of his official duties and are so designated as an office or chamber;

e. A contract for the payment of a portion of the compensation of a private employee of an officer when such employee performs part time service in the official duties of the office;

f. A contract in which a municipal officer or employee has an interest if the total consideration payable thereunder, when added to the aggregate amount of all consideration payable under contracts in which such person had an interest during the fiscal year, does not exceed the sum of one hundred dollars.

§ 4. Subdivision one of section eight hundred three of such law, as added by chapter nine hundred forty-six of the laws of nineteen hundred sixty-four, is hereby amended to read as follows:

§ 803. Disclosure of interest. 1. Any municipal officer or employee who has, will have, or later acquires an interest [direct or indirect,] in any actual or proposed contract with the municipality of which he is an officer or employee, shall publicly disclose the nature and extent of such interest in writing to the governing body thereof as soon as he has knowledge of such actual or prospective interest. Such written disclosure shall be made part of and set forth in the official record of the proceedings of such body. Once disclosure has been made by an officer or employee with respect to an interest in a contract with a particular person, firm, corporation or association, no further disclosures need be made by such officer or employee with respect to additional contracts with the same party during the remainder of the fiscal year.

§ 5. Section eight hundred eight of such law, as added by chapter nine hundred forty-six of the laws of nineteen hundred sixty-four, is hereby amended to read as follows:

§ 808. Boards of ethics. 1. The board of supervisors of any county may establish a county board of ethics and appropriate moneys for maintenance and personal services in connection [there with] therewith. The members of such board shall be appointed by the board of supervisors *except in the case of a county operating under an optional or alternative form of county government or county charter, in which case the members shall be appointed by the county executive or county manager, as the case may be, subject to confirmation by the board of supervisors.* [and] Such board shall consist of an officer or employee of a town, a village, a school district and a city, if there be a city in such county. In addition, there shall be at least one member not a municipal officer or employee. The county attorney shall be a member *ex officio* of such board. A supervisor shall be eligible for appointment to such board. The members of such board shall receive no salary or compensation for their services as members of such board and shall serve at the pleasure of the [board of supervisors] appointing authority.

2. The board shall render advisory opinions to [municipal] officers and employees of municipalities wholly or partly within the county with respect to article eighteen of the general municipal law and any code of ethics adopted pursuant thereto. Such advisory opinions shall be rendered pursuant to the written request of any such officer or employee under such rules and regulations as the board may deem advisable and shall have the approval of counsel employed by the board, or if none, the county attorney. In addition, it may make recommendations with respect to the drafting and adoption of a code of ethics or amendments thereto upon the request of the governing body of any municipality in the county.

3. The governing body of any city, town or village may establish a local board of ethics and appropriate moneys for maintenance and personal services in connection therewith. A local board shall have all the powers and duties of and shall be governed by the same conditions as a county board of ethics, except that it shall act only with respect to officers and employees of the city, town or village, or agencies thereof, that has established such board. The members of a local board of a municipality shall be appointed by the governing body thereof and such board shall consist of at least three members. Such board shall include at least one member not a municipal officer or employee. The attorney representing the municipality shall be a member *ex officio* of the local board.

4. The county board of ethics shall not act with respect to the officers and employees of any [municipality having] city, town or village, or agency thereof, where such city, town or village has established its own board of ethics, except that the local board may at its option refer matters to the county board.

§ 6. Section 60.10 of the local finance law, such section having been added by chapter seven hundred sixty-one of the laws of nineteen hundred sixty, subdivisions a and b thereof having been last amended by chapter nine hundred forty-six of the laws of nineteen hundred sixty-four, is hereby amended to read as follows:

§ 60.10. Sale of obligations to certain banks and trust companies authorized. a. The agency selling notes of a municipality, school district or district corporation may sell such notes at private sale to a bank or trust company of which an officer or employee of the municipality, school district or district corporation has an interest [as defined in section eight hundred] which is otherwise prohibited by the provisions of article eighteen of the general municipal law, provided that such notes shall bear interest at a rate not in excess of two and one-half per centum per annum, except that until June first, nineteen hundred sixty-five, they may be sold at rate of interest not to exceed three and one-half per centum per annum. Disclosure of any such actual or prospective sale shall be made as provided in section eight hundred three of the general municipal law. Where any such relationship exists, however, no such sales shall be authorized in the event that:

1. During the current fiscal year of the municipality, school district or district corporation the bank or trust company has purchased, or by virtue of the sale would purchase, at private sale from the municipality, school district or district corporation, notes of such issuer, the aggregate principal amount of which is or would exceed, sixty thousand dollars; or

2. The bank or trust company then is, or by virtue of the sale would become, the holder of notes of the municipality, school district or district corporation, purchased at private sale from such issuer, the aggregate principal amount of which is, or would exceed, sixty thousand dollars.

The foregoing limitations of this paragraph a shall not be applicable to notes renewed at private sale where such notes were originally sold at public sale, pursuant to the requirements of former section 60.20 of this chapter, and are renewed by the original buyer thereof at the same or lower rate of interest.

b. The agency selling bonds of a municipality, school district, or district corporation may, subject to the limitations of section 63.00 of this chapter, sell such bonds at private sale to a bank or trust company of which an officer or employee of the municipality, school district or district corporation has an interest [as defined in section eight hundred] which is otherwise prohibited by the provisions of article eighteen of the general municipal law. Disclosure of any such actual or prospective sale shall be made as provided in section eight hundred three of the general municipal law. Where any such relationship exists, however, no such sales shall be authorized in the event that the bank or trust company then is, or by virtue of the sale would become, the holder of bonds of the municipality, school district or district corporation, purchased at private sale from such

issuer, the aggregate principal amount of which is, or would exceed eighty thousand dollars.

c. Any officer of a municipality, school district or district corporation who wilfully participates in authorizing the sale of, or in selling, obligations of the municipality, school district or district corporation in violation of the foregoing provisions of this section shall be guilty of a misdemeanor.

[d. The provisions of this section shall become effective on and after June first, nineteen hundred sixty in any municipality, school district or district corporation in which a resolution shall be adopted by the finance board so providing. Any such resolution may be adopted prior to June first, nineteen hundred sixty. The provisions of this paragraph shall not impair or prohibit the exercise of powers of local legislation granted by section 170.00 of this chapter.]

§ 7. The schedule of laws repealed by chapter nine hundred forty-six of the laws of nineteen hundred sixty-four, entitled "An act to amend the general municipal law, education law, general city law, local finance law, mental hygiene law, penal law, second class cities law, town law and village law, in relation to conflicts of interest of municipal officers and employees", is hereby amended to read as follows:

SCHEDULE OF LAWS REPEALED

County Law	Section 412
Education Law	Section 1617
General Municipal Law	Section 88
Local Finance Law	Section 60.20
Social Welfare Law	Section 147 Section 186-a Section 186-b Section 186-c Section 186-d
Town Law	Section 104 Subdivision 31 of section 176
Village Law	Subdivision 5 of section 128 Section 332
Optional County Government Law	Section 1020
Chapter 654 of the Laws of 1927	Section 13, subd. 6

§ 8. This act shall take effect July first, nineteen hundred sixty-five.

1966 NY LAWS Ch. 135

Additions are indicated by *Text*; deletions by [Text].

CHAPTER 135

AN ACT to amend the general municipal law, in relation to conflicts of interest of municipal officers and employees

Became a law April 5, 1966, with the approval of the Governor. Passed by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Paragraph a of subdivision two of section eight hundred two of the general municipal law, as amended by chapter ten hundred forty-three of the laws of nineteen hundred sixty-five, is hereby amended to read as follows:

a. A contract with a corporation in which a municipal officer or employee has an interest by reason of stockholdings when (1) in the case of a corporation other than a bank or trust company, the stock of the corporation is listed on either the New York or American stock exchange or (2) less than five per centum of the outstanding

stock of the corporation is owned or controlled directly or indirectly by such officer or employee; **[provided, however, that this paragraph shall not apply to stockholdings of a chief fiscal officer, treasurer, or his deputy or employee, in the case of the designation of a bank or trust company as a depository of funds of the municipality of which he is an officer or employee:]**

§ 2. This act shall take effect immediately.

1968 NY LAWS Ch. 105

Additions are indicated by *Text*; deletions by [Text].

CHAPTER 105

AN ACT to amend the general municipal law, in relation to the designation of a school physician

Became a law April 2, 1968, with the approval of the Governor. Passed by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision one of section eight hundred two of the general municipal law is hereby amended by adding thereto a new paragraph, to be paragraph i., to read as follows:

i. Employment of a duly licensed physician as school physician for a school district upon authorization by a two-thirds vote of the board of education of such school district, notwithstanding the fact that such physician shall have an interest, as defined in section eight hundred one of this chapter, in such employment.

§ 2. This act shall take effect immediately.

1969 NY LAWS Ch. 646

Additions are indicated by *Text*; deletions by [Text].

CHAPTER 646*

AN ACT to amend the general municipal law, in relation to the disclosure of interests in transactions involving applications made in connection with the zoning or planning regulations of a municipality and the filing of codes of ethics and to repeal section two hundred sixty of the town law

Became a law May 21, 1969, with the approval of the Governor. Passed on message of necessity pursuant to article III, section 14 of the Constitution by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section two hundred sixty of the town law is hereby repealed.

§ 2. Section eight hundred six of the general municipal law, as added by chapter nine hundred forty-six of the laws of nineteen hundred sixty-four, is hereby amended to read as follows:

§ 806. Code of ethics authorized. 1. The governing body of any municipality may by local law, ordinance or resolution adopt a code of ethics setting forth for the guidance of its officers and employees the standards of conduct reasonably expected of them. Any such code may provide standards for officers and employees with respect to (a) representation of private interest before municipal agencies and courts, (b) disclosure of interest in legislation before the local governing body, (c) acceptance of gifts and favors, (d) disclosure of confidential information, (e) holding of investments in conflict with official duties, (f) incompatible employment, (g) future employment and (h) such other standards relating to the conduct of officers and employees as may be deemed advisable; provided, however, that no provision which in any way conflicts with the provisions of this article shall be authorized.

2. The clerk of each municipality shall file in the office of the state comptroller

(a) a copy of the code of ethics, if any, of such municipality adopted on or before September first, nineteen hundred sixty-nine, provided such filing shall be made on or before October first, nineteen hundred sixty-nine, and

(b) a copy of any code of ethics or any amendments to any code of ethics adopted after September first, nineteen hundred sixty-nine, provided such filing shall be made within thirty days after the adoption of such code or such amendment,

(c) a statement as to whether such municipality has established a board of ethics, in accordance with section eight hundred eight, and the composition of such board, provided that such statement shall be filed by October first, nineteen hundred sixty-nine with respect to any such board of ethics in existence on September first, nineteen hundred sixty-nine and within thirty days after the establishment of such board if such board is established thereafter.

§ 3. Such law is hereby amended by adding a new section thereto, to be section eight hundred nine, to read as follows:

§ 809. Disclosure in certain applications. 1. Every application, petition or request submitted for a variance, amendment, change of zoning, approval of a plat, exemption from a plat or official map, license or permit, pursuant to the provisions of any ordinance, local law, rule or regulation constituting the zoning and planning regulations of a municipality shall state the name, residence and the nature and extent of the interest of any state officer or any officer or employee of such municipality or of a municipality of which such municipality is a part, in the person, partnership or association making such application, petition or request (hereinafter called the applicant) to the extent known to such applicant.

2. For the purpose of this section an officer or employee shall be deemed to have an interest in the applicant when he, his spouse, or their brothers, sisters, parents, children, grandchildren, or the spouse of any of them

(a) is the applicant, or

(b) is an officer, director, partner or employee of the applicant,
or

(c) legally or beneficially owns or controls stock of a corporate applicant or is a member of a partnership or association applicant,
or

(d) is a party to an agreement with such an applicant, express or implied, whereby he may receive any payment or other benefit, whether or not for services rendered, dependent or contingent upon the favorable approval of such application, petition or request.

3. Ownership of less than five per cent of the stock of a corporation whose stock is listed on the New York or American Stock Exchanges shall not constitute an interest for the purposes of this section.

4. A person who knowingly and intentionally violates this section shall be guilty of a misdemeanor.

§ 4. Section eight hundred six of the general municipal law added by this act, shall apply only to applications, petitions or requests as described therein which are submitted on or after the effective date of this act.

§ 5. This act shall take effect September first, nineteen hundred sixty-nine.

Additions are indicated by *Text*; deletions by [Text].

CHAPTER 720

AN ACT to amend the general municipal law and the membership corporations law, in relation to prohibiting certain persons from being interested in the development or operation of real property in Nassau County under certain circumstances and providing for disclosure of certain persons interested in any contracts relating thereto

Became a law May 12, 1970, with the approval of the Governor. Passed by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The general municipal law is hereby amended by adding thereto a new section, to be section eight hundred four-a to read as follows:

§ 804-a. Certain interests prohibited. No member of the governing board, of a municipality shall have any interest in the development or operation of any real property located within Nassau County and developed or operated by any membership corporation originally formed for purposes among which are the following:

1. to plan for, advise, recommend, promote and in all ways encourage, alone or in concert with public officials and bodies and interested local associations, the development and establishment of any lands in Nassau County publically owned with particular emphasis on industrial, business, commercial, residential and public

uses, the augmentation of public revenues and furtherance of the public interest of the citizens of Nassau County;

2. to conduct studies to ascertain the needs of Nassau County as pertains to such publically owned lands and supporting facilities and in Nassau County generally for the purpose of aiding the County of Nassau in attracting new business, commerce and industry to it and in encouraging the development and retention of business, commerce and industry;

3. to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities and instruct or train individuals to improve or develop their capabilities for such jobs;

4. to implement and engage itself in plans of development of such publically owned lands and other areas in connection with private companies and citizens and with public bodies and officials, and to participate in such operations, leaseholds, loans, ownerships with respect to land, buildings or public facilities or interest therein as may be lawful and desirable to effectuate its corporate purposes and the best interests of the people of Nassau County.

§ 2. Section forty-seven of the membership corporations law is hereby amended to read as follows:

§ 47. Prohibitions on officers. (a) No director or other officer of a membership corporation shall receive, directly or indirectly, any salary, compensation or emolument from such corporation, either as such officer or director or in any other capacity, unless authorized by the by-laws of the corporation, or by the concurring vote of two-thirds of all the directors.

(b) No director or other officer of a membership corporation shall be interested, directly or indirectly, in any contract relating to the operations conducted by the corporation, nor in any contract for furnishing supplies thereto, unless authorized by the by-laws, of the corporation, or by the concurring vote of two-thirds of the directors.

(c) Notwithstanding the foregoing, no director or officer of a membership corporation having any direct or indirect financial interest in the development of any real property located in Nassau County originally formed for the purposes set forth in Section 804-a of the general municipal law, his spouse, minor children and dependents shall have any direct or indirect financial interest in any contract entered into by such membership corporation, provided that contracts where the total consideration therefor does not exceed one thousand (\$1,000.) dollars in any fiscal year shall not be prohibited hereby.

§ 3. Such law is hereby amended by adding thereto a new section, to be section forty-eight, to read as follows:

§ 48. *Disclosure.* (a) *The directors of a membership corporation having any interest in the development of real property in Nassau County originally formed for the purposes defined in section eight hundred four-a of the general municipal law shall require every party to a contract with the corporation to state in the contract the name, residence and the nature and extent of the interest in the contracting party of any director or officer of the corporation, any state or local officer or employee, or party officer to the extent known to such contracting party. Upon execution of the contract by all parties thereto, the contract shall be a public record and shall be open, subject to reasonable regulations to be prescribed by the board of directors of the corporation, to the inspection of any person.*

(b) *As used in this section, the terms: (i) "state or local officer or employee" shall include any elected or appointed state, county, city, town or village official or employee and members of boards and commissioners of local public authorities or other corporations but shall not include volunteer firemen or civil defense volunteers, and (ii) "party officer" shall mean any person holding any position or office, whether by election, appointment or otherwise, in any party as defined by subsection four of section two of the election law.*

(c) *For the purposes of this section, a director or officer of the corporation, a state or local officer or employee, or party officer shall be deemed to have an interest in a contract when he, his spouse, or their brothers, sisters, parents, children, grandchildren, or the spouse of any of them*

(i) is a party to the contract, or

(ii) is an officer, director or partner of a party to the contract, or

(iii) legally or beneficially owns or controls stock of a corporation which is a party to the contract or is a member of a partnership or association which is a party to the contract, or

(iv) has an agreement, expressed or implied, with a party to the contract whereby he may receive any payment or other benefit, whether or not for services rendered, dependent or contingent upon the favorable approval of such contract.

(d) *Ownership of less than five per cent of the stock of a corporation whose stock is listed on the New York or American Stock Exchange shall not constitute an interest for the purposes of this section.*

(e) *A person who knowingly and intentionally violates this section shall be guilty of a misdemeanor.*

§ 4. *This act shall take effect July first next succeeding the date on which it shall have become a law.*

1970 NY LAWS Ch. 825

Additions are indicated by *Text*; deletions by [Text].

CHAPTER 825

AN ACT to amend the general municipal law, in relation to disclosure of interests of party officers in certain applications in the county of Nassau
Became a law May 18, 1970, with the approval of the Governor. Passed by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section eight hundred nine of the general municipal law is hereby amended by inserting therein a new subdivision, to be subdivision three, to read as follows:

3. In the county of Nassau the provisions of subdivisions one and two of this section shall also apply to a party officer. "Party officer" shall mean any person holding any position or office, whether by election, appointment or otherwise, in any party as defined by subdivision four of section two of the election law.

§ 2. Subdivisions three and four of section eight hundred nine of such law are hereby renumbered to be, respectively, subdivisions four and five.

§ 3. This act shall take effect September first, nineteen hundred seventy.

1970 NY LAWS Ch. 1019

Additions are indicated by *Text*; deletions by [Text].

CHAPTER 1019

AN ACT to amend the general municipal law, in relation to conflicts of interests of municipal officers and employees

Became a law May 20, 1970, with the approval of the Governor. Passed by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Paragraph a of subdivision two of section eight hundred two of the general municipal law, as last amended by chapter one hundred thirty-five of the laws of nineteen hundred sixty-six, is hereby amended to read as follows:

a. A contract with a corporation in which a municipal officer or employee has an interest by reason of stockholdings when [(1) in the case of a corporation other than a bank or trust company, the stock of the corporation is listed on either the New York or American stock exchange or (2)] less than five per centum of the outstanding stock of the corporation is owned or controlled directly or indirectly by such officer or employee;

§ 2. Such law is hereby amended by adding thereto a new section, to be section eight hundred five-a, to read as follows:

§ 805-a. *Certain action prohibited.* 1. *No municipal officer or employee shall: a. directly or indirectly, solicit any gift, or accept or receive any gift having a value of twenty-five dollars or more, whether in the form of money, service, loan, travel, entertainment, hospitality, thing or promise, or in any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence him, or could reasonably be expected to influence him, in the performance of his official duties or was intended as a reward for any official action on his part;*

b. disclose confidential information acquired by him in the course of his official duties or use such information to further his personal interests;

c. receive, or enter into any agreement, express or implied, for compensation for services to be rendered in relation to any matter before any municipal agency of which he is an officer, member or employee or of any municipal agency over which he has jurisdiction or to which he has the power to appoint any member, officer or employee; or

d. receive, or enter into any agreement, express or implied, for compensation for services to be rendered in relation to any matter before any agency of his municipality, whereby his compensation is to be dependent or contingent upon any action by such agency with respect to such matter, provided that this paragraph shall not prohibit the fixing at any time of fees based upon the reasonable value of the services rendered.

2. *In addition to any penalty contained in any other provision of law, any person who shall knowingly and intentionally violate this section may be fined, suspended or removed from office or employment in the manner provided by law.*

§ 3. Section eight hundred six of such law, as amended by chapter six hundred forty-six of the laws of nineteen hundred sixty-nine, is hereby amended to read as follows:

§ 806. Code of ethics **[authorized]**. 1. The governing body of **[any] each county, city, town, village and school district shall and the governing body of any other municipality may by local law, ordinance or resolution adopt a code of ethics setting forth for the guidance of its officers and employees the standards of conduct reasonably expected of them. [Any such] Such code [may] shall provide standards for officers and employees with respect to [(a) representation of private interest before municipal agencies and courts, (b)] disclosure of interest in legislation before the local governing body, [(c) acceptance of gifts and favors, (d) disclosure of confidential information, (e)] holding of investments in conflict with official duties, [(f) incompatible] private employment in conflict with official duties, [(g)] future employment and [(h)] such other standards relating to the conduct of officers and employees as may be deemed advisable[; provided, however, that no provision which in any way conflicts with the provisions of this article shall be authorized]. Such codes may regulate or prescribe conduct which is not expressly prohibited by this article but may not authorize conduct otherwise prohibited. Such codes may provide for the prohibition of conduct or disclosure of information and the classification of employees or officers.**

2. *The chief executive officer of a municipality adopting a code of ethics shall cause a copy thereof to be distributed to every officer and employee of his municipality. Failure to distribute any such copy or failure of any officer or employee to receive such copy shall have no effect on the duty of compliance with such code, nor the enforcement of provisions thereof.*

[2.] 3. The clerk of each municipality shall file in the office of the state comptroller

(a) **[a copy of the code of ethics, if any, of such municipality adopted on or before September first, nineteen hundred sixty-nine, provided such filing shall be made on or before October first, nineteen hundred sixty-nine, and**

(b) **] a copy of any code of ethics or any amendments to any code of ethics adopted [after September first, nineteen hundred sixty-nine, provided such filing shall be made] within thirty days after the adoption of such code or such amendment,**

[(c)] (b) a statement [as to whether] that such municipality has established a board of ethics, in accordance with section eight hundred eight, and the composition of such board, [provided that such statement shall be filed by October first, nineteen hundred

sixty-nine with respect to any such board of ethics in existence on September first, nineteen hundred sixty-nine and] within thirty days after the establishment of such board [if such board is established thereafter].

(c) on or before the fifteenth day of February in each year, the comptroller shall submit to the legislature a report listing the name of each county, city, town, village and school district which has as of the thirty-first day of December next preceding, failed to so file with him a code of ethics.

§ 4. Section eight hundred seven of such law, as added by chapter nine hundred forty-six of the laws of nineteen hundred sixty-four, is hereby amended to read as follows:

§ 807. [Distribution of statute] *Posting of statute.* The chief executive officer of each municipality shall cause a copy of this article [and any code of ethics adopted pursuant thereto to be distributed to every officer and employee of his municipality. Each officer and employee elected or appointed on and after the effective date of this act shall be furnished such copy before entering upon the duties of his office or employment] *to be kept posted in each public building under the jurisdiction of his municipality in a place conspicuous to its officers and employees.* Failure to [distribute] post any such copy [or failure of any officer or employee to receive such copy] shall have no effect on the duty of compliance with this article, nor with the enforcement of the provisions thereof.

§ 5. Section eight hundred eight of such law, as amended by chapter ten hundred forty-three of the laws of nineteen hundred sixty-five, is hereby amended to read as follows:

§ 808. Boards of ethics. 1. The [board of supervisors] *governing body* of any county may establish a county board of ethics and appropriate moneys for maintenance and personal services in connection therewith. The members of such board of ethics shall be appointed by [the board of supervisors] *such governing body* except in the case of a county operating under an optional or alternative form of county government or county charter, in which case the members shall be appointed by the county executive or county manager, as the case may be, subject to confirmation by [the board of supervisors] *such governing body.* Such board of ethics shall consist of [an officer or employee of a town, a village, a school district and a city, if there be a city] *at least three members, a majority of whom shall not be officers or employees of such county or municipalities wholly or partially located in such county.* In addition, there shall be at] *and at least one [member not a municipal] of whom shall be an elected or appointed officer or employee of the county or a municipality located within such county.* [The county attorney shall be a member ex officio of such board. A supervisor shall be eligible for appointment to such board.] The

members of such board shall receive no salary or compensation for their services as members of such board and shall serve at the pleasure of the appointing authority.

2. The board shall render advisory opinions to officers and employees of municipalities wholly or partly within the county with respect to *this* article [eighteen of the general municipal law] and any code of ethics adopted pursuant [thereto] *hereto*. Such advisory opinions shall be rendered pursuant to the written request of any such officer or employee under such rules and regulations as the board may [deem advisable] prescribe and shall have the [approval] *advice* of counsel employed by the board, or if none, the county attorney. In addition, it may make recommendations with respect to the drafting and adoption of a code of ethics or amendments thereto upon the request of the governing body of any municipality in the county.

3. The governing body of any [city, town or village] *municipality other than a county* may establish a local board of ethics and, *where such governing body is so authorized*, appropriate moneys for maintenance and personal services in connection therewith. A local board shall have all the powers and duties of and shall be governed by the same conditions as a county board of ethics, except that it shall act only with respect to officers and employees of the [city, town or village, or agencies thereof,] *municipality that has established such board or of its agencies*. The members of a local board [of a municipality] shall be appointed by *such person or body as may be designated by the governing body [thereof] of the municipality to serve at the pleasure of the appointing authority* and such board shall consist of at least three members, a majority of whom are not otherwise officers or employees of such municipality. Such board shall include at least one member [not a] *who is an elected or appointed municipal officer or employee*. [The attorney representing the municipality shall be a member ex officio of the local board.]

4. The county board of ethics shall not act with respect to the officers and employees of any [city, town or village,] *municipality located within such county or agency thereof*, where such [city, town or village] *municipality has established its own board of ethics*, except that the local board may at its option refer matters to the county board.

§ 6. This act shall take effect on the first day of July, nineteen hundred seventy but any duly constituted board of ethics of a county, city, town or village in existence as of such date may continue to function as a board of ethics hereunder until replaced by a new board of ethics established pursuant to this act, but in no event later than the first day of January, nineteen hundred seventy-one.

1971 NY LAWS Ch. 179

Additions are indicated by *Text*; deletions by [Text].

CHAPTER 179

AN ACT to amend the general municipal law, in relation to the definition of a municipality under the provisions of article eighteen of such law

Became a law April 21, 1971, with the approval of the Governor. Passed by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision four of section eight hundred of the general municipal law, as amended by chapter ten hundred forty-three of the laws of nineteen hundred sixty-five, is hereby amended to read as follows:

4. "Municipality" means a county, city, town, village, school district, consolidated health district, county vocational education and extension board, public library, board of cooperative educational services, urban renewal agency, a joint water works system established pursuant to chapter six hundred fifty-four of the laws of nineteen hundred twenty-seven, or a town or county improvement district, district corporation, or other district or a joint service established for the purpose of carrying on, performing or

financing one or more improvements or services intended to benefit the health, welfare, safety or convenience of the inhabitants of such governmental units or to benefit the real property within such units, *an industrial development agency* but shall have no application to a city having a population of one million or more or to a county, school district, or other public agency or facility therein.

§ 2. This act shall take effect on the first day of September next succeeding the date on which it shall have become a law.

1973 NY LAWS Ch. 195

Additions are indicated by *Text*; deletions by [Text].

CHAPTER 195*

AN ACT to amend the banking law, the correction law, the county law, the criminal procedure law, the domestic relations law, the estates, powers and trusts law, the general municipal law, the family court act, the surrogate's court procedure act, the optional county government law, the penal law, the private housing finance law, the public buildings law, the public health law, the real property actions and proceedings law, the real property tax law, the retirement and social security law, the social services law, the state finance law, the tax law, the town law, the health and mental hygiene facilities improvement corporation act, and chapter nine hundred ten of the laws of nineteen hundred fifty-eight, entitled "An act to establish a demonstration community center for mental retardates under the jurisdiction of the interdepartmental health resources board, and making an appropriation therefor," in relation to conforming and harmonizing certain provisions thereof to corresponding provisions of the mental hygiene law, and repealing paragraphs r, s, and t of subdivision one of section two hundred thirty-three-a of the county law relating thereto

Became a law April 25, 1973, with the approval of the Governor. Passed by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 18. Paragraph b of subdivision two of section eight hundred two of the general municipal law, as last amended by chapter one thousand forty-three of the laws of nineteen hundred sixty-five, is hereby amended to read as follows:

b. A contract with a hospital, clinic, laboratory or other similar institution for services and facilities under article [eight-A] *eleven* of the mental hygiene law;

§ 72. This act shall take effect immediately.

1977 NY LAWS Ch. 28

Additions are indicated by Text; deletions by ~~Text~~.

LAWS OF NEW YORK, 1977

CHAPTER 28

AN ACT to repeal paragraph b of subdivision two of section eight hundred two of the general municipal law, in relation to an exception from the prohibition on conflict of interest for certain contracts entered into pursuant to article eleven of the mental hygiene law

Became a law March 29, 1977, with the approval of the Governor. Passed by a majority vote, three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Paragraph b of subdivision two of section eight hundred two of the general municipal law is hereby **repealed** and paragraphs c, d, e and f thereof are hereby relettered to be paragraphs b, c, d, and e respectively.

§ 2. This act shall take effect on the first day of July, nineteen hundred seventy-eight.

1980 NY LAWS Ch. 88

Additions are indicated by Text; deletions by ~~Text~~.

Municipalities—Titles of “Chief Engineer” and
“Assistant Engineer”

Memorandum relating to this chapter, see page 1724

CHAPTER 88

An Act to amend the village law, the general city law and the general municipal law, in relation to the titles “chief engineer” and “assistant engineer.”

Approved and effective April 28, 1980.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 10-1012 of the village law, as amended by chapter eight hundred ninety-four of the laws of nineteen hundred seventy-two, is amended to read as follows:

§ 3. Subdivision five of section eight hundred of the general municipal law, as amended by chapter ten hundred forty-three of the laws of nineteen hundred sixty-five, is amended to read as follows:

5. “Municipal officer or employee” means an officer or employee of a municipality, whether paid or unpaid, including members of any administrative board, commission or other agency thereof and in the case of a county, shall be deemed to also include any officer or employee paid from county funds. No person shall be deemed to be a municipal officer or employee solely by reason of being a volunteer fireman or civil defense volunteer, except a fire chief ~~engineer~~ or assistant fire chief ~~engineer~~.

§ 4. This act shall take effect immediately.

1980 NY LAWS Ch. 88 – MEMORANDUM

MUNICIPALITIES—TITLES OF “CHIEF ENGINEER”
AND “ASSISTANT ENGINEER”

Text of Law, see Ch. 88

Memorandum of Department of State

Purpose

The bill will replace references in several laws to “chief engineer” and “assistant engineer” with “chief” and “assistant chief”, respectively, the proper designations for the head and the second in command of fire departments.

Summary of provisions

The bill amends section 10-1012 of the Village Law, section 15 of the General City Law, and section 800(5) of the General Municipal Law so that each reference therein to “chief engineer” and “assistant engineer” is changed to “chief” and “assistant chief”.

Existing law

Each of the sections cited above improperly retains the terms “chief engineer” and “assistant engineer”. Changing the terms to the proper designations will have no effect on the substance of those sections being amended.

Statement in support

In 1974 the Town Law, General Municipal Law and the Executive Law were amended to change the terms “chief engineer” and “assistant engineer” to “chief” and “assistant chief”. (Laws of 1974, c. 511). In 1979 another section of the General Municipal Law was amended to make similar changes (S. 3592, Laws of 1979, c. 112), correcting an apparent oversight in the 1974 legislation. This department did not object to the 1979 bill, but did recommend that additional sections had yet to be amended in order to uniformly apply the terms, namely the sections of the Village Law, General Municipal Law and General City Law which this proposal will amend.

Budget implications

None.

1983 NY LAWS Ch. 433

Additions are indicated by Text; deletions by ~~Text~~.

OFFICIALS SOLEMNIZING MARRIAGES—
ACCEPTANCE OF GIFTS

CHAPTER 433

Approved and effective July 12, 1983

AN ACT to amend the general municipal law, in relation to the value of gifts accepted by public officers in the solemnization of marriages

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The general municipal law is amended by adding a new section eight hundred five-b to read as follows:

§ 805-b. Solemnization of marriages. Notwithstanding any statute, law or rule to the contrary, no public officer listed in section eleven of the domestic relations law shall be prohibited from accepting any gift or benefit having a value of fifty dollars or less, whether in the form of money, property, services or entertainment, for the solemnization of a marriage by such public officer at a time and place other than the public officer's normal public place of business, during normal hours of business. For the purpose of this section, a town or village judge's normal hours of business shall mean those hours only which are officially scheduled by the court for the performing of the judicial function.

§ 2. This act shall take effect immediately.

1983 NY LAWS Ch. 440

Additions are indicated by Text; deletions by ~~Text~~.

MUNICIPAL OFFICERS AND EMPLOYEES—
CONFLICTS OF INTEREST

CHAPTER 440

Approved and effective July 12, 1983

AN ACT to amend the general municipal law, in relation to contracts with members of private industry councils

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision two of section eight hundred two of the general municipal law is amended by adding a new paragraph f to read as follows:
f. A contract with a member of a private industry council established in accordance with the federal job training partnership act¹ or any firm, corporation or association in which such member holds an interest, provided the member discloses such interest to the council and the member does not vote on the contract.

¹ 29 U.S.C.A. § 1501 note.

§ 2. This act shall take effect immediately.

1987 NY LAWS Ch. 813

Additions are indicated by Text; deletions by ~~Text~~.

CHAPTER 813
S. 6441, A. 8528
ETHICS IN GOVERNMENT ACT

Approved Aug. 7, 1987, effective as provided in section 26

Message of necessity, pursuant to Art. III, sec. 14, of Const.

AN ACT to amend the public officers law, the executive law and the legislative law, in relation to regulating business or professional activities of, and requiring financial disclosure by, statewide elected officials, members of the legislature, legislative employees and state officers and employees and certain political party chairmen, creating an ethics commission and committee in connection therewith; to amend the judiciary law, in relation to providing for financial disclosure by certain judges, officers and employees of the courts of record of the unified court system; to amend the general municipal law, in relation to requiring financial disclosure statements for elected officials and certain officers and employees of certain counties, cities, towns and villages and for certain state and local political party officials and creating a temporary state commission on local government ethics; to amend the lobbying act, in relation to the threshold for listing of expenses in the aggregate; to amend chapter one thousand forty of the laws of nineteen hundred eighty-one relating to the New York temporary state commission on lobbying, in relation to extending the expiration date of such chapter; and repealing paragraph (d) of subdivision two of section eighty-eight of the public officers law, relating to public inspection of financial disclosure statements, and section eighty of the legislative law, relating to the creation of a legislative committee on ethics

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 1. Short title. Sections two through seventeen of this act shall be known and may be cited as the "Ethics in Government Act".

§ 10. Subdivision one of section eight hundred six of the general municipal law, as amended by chapter one thousand nineteen of the laws of nineteen hundred seventy, is amended to read as follows:

1. (a) The governing body of each county, city, town, village and school district shall and the governing body of any other municipality may by local law, ordinance or resolution adopt a code of ethics setting forth for the guidance of its officers and employees the standards of conduct reasonably expected of them. Such code shall provide standards for officers and employees with respect to disclosure of interest in legislation before the local governing body, holding of investments in conflict with official duties, private employment in conflict with official duties, future employment and such other standards relating to the conduct of officers and employees as

may be deemed advisable. Such codes may regulate or prescribe conduct which is not expressly prohibited by this article but may not authorize conduct otherwise prohibited. Such codes may provide for the prohibition of conduct or disclosure of information and the classification of employees or officers.

(b) Effective on and after January first, nineteen hundred ninety-one, such codes of political subdivisions, as defined in section eight hundred ten of this article, may contain provisions which require the filing of completed annual statements of financial disclosure with the appropriate body, as defined in section eight hundred ten of this article. Nothing herein shall be construed to restrict any political subdivision or any other municipality from requiring such a filing prior to January first, nineteen hundred ninety-one. Other than as required by subdivision two of section eight hundred eleven of this article, the governing body of any such political subdivision or other municipality may at any time subsequent to the effective date of this paragraph (b), adopt a local law, ordinance or resolution pursuant to subdivision one of section eight hundred eleven of this article and any such political subdivision or municipality, acting by its governing body, may take such other action as is authorized in such subdivision. Any political subdivision or other municipality to which all of the provisions of section eight hundred twelve of this article apply may elect to remove itself from the ambit of all (but not some) provisions of such section in the manner authorized in subdivision three of such section eight hundred twelve. In such event any such political subdivision or municipality shall be subject to certain conditions and limitations set forth in paragraphs (a), (b) and (c) of such subdivision three which shall include, but not be limited to, the promulgation of a form of an annual statement of financial disclosure described in subdivision one of such section eight hundred eleven.

§ 11. Subdivision three of section eight hundred six of such law, as amended by chapter one thousand nineteen of the laws of nineteen hundred seventy, is amended to read as follows:

3. ~~The~~ Until January first, nineteen hundred ninety-one, the clerk of each municipality shall file in the office of the state comptroller and on or after January first, nineteen hundred ninety-one, the clerk of each municipality and of each political subdivision, as defined in section eight hundred ten of this article, shall file with the temporary state commission on local government ethics established by section eight hundred thirteen of this article, if such temporary state commission be in existence, and in all events shall maintain as a record subject to public inspection:

(a) a copy of any code of ethics or any amendments to any code of ethics adopted within thirty days after the adoption of such code or such amendment,

(b) a statement that such municipality or political subdivision has established a board of ethics, in accordance with section eight hundred eight and/or pursuant to other law, charter, code, local law, ordinance or resolution, and the composition of such board, within thirty days after the establishment of such board.

(c) a copy of the form of annual statement of financial disclosure described in subdivision one of section eight hundred eleven of this article and either a statement of the date such annual statement form was promulgated by local law, ordinance or resolution of the governing body, if adopted pursuant to subparagraph (i) of paragraph (a) of subdivision one of section eight hundred eleven of this article, or a statement that the governing body has, by local law, ordinance or resolution, resolved to continue the use of an authorized form of annual statement of financial disclosure in use on the date such local law, ordinance or resolution is adopted, if adopted pursuant to subparagraph (ii) of paragraph (a) of subdivision one of section eight hundred eleven

of this article, and if as of January first, nineteen hundred ninety-one, no such form was promulgated and no such resolve was made to continue using an existing annual statement form, a statement that the provisions of section eight hundred twelve of this article apply or that it is a municipality which is not subject to the provisions of section eight hundred twelve of this article because it is not a political subdivision as defined in section eight hundred ten of this article.

(d) on or before the fifteenth day of February in each year, the comptroller or the temporary state commission on local government ethics if such commission be in existence, or the clerk of the municipality or political subdivision during or after calendar year nineteen hundred ninety-one if such commission not be in existence, as the case may be, shall submit to the legislature a report listing the name of each county, city, town, village and school district which has as of the thirty-first day of December next preceding, failed to so file with him or with it, as the case may be, a code of ethics, or in the case of a filing by the clerk of the municipality or political subdivision, stating whether or not the municipality or political subdivision has in effect as of the filing date, a code of ethics.

(e) not later than April first, nineteen hundred ninety-one, the comptroller shall submit to the temporary state commission on local government ethics:

(i) a report that sets forth, (A) the name of each political subdivision, as such term is defined in section eight hundred ten of this article, the governing body of which has elected to satisfy the requirements of subdivision one of section eight hundred eleven of this article by continuing to use the annual statement form in existence at the time such election is made as authorized by subdivision one of section eight hundred eleven of this article, and (B) the name of each political subdivision, as so defined, other than those listed in clause (A) of this subparagraph (i), that timely promulgated an annual statement form of financial disclosure in accordance with subdivision one of section eight hundred eleven of this article, and (C) in a separate category, sets forth the name of those political subdivisions that failed to continue using its existing form or to promulgate a form and which, therefore, by operation of subdivision two of section eight hundred eleven of this article have become subject, as of January first, nineteen hundred ninety-one, to the provisions of section eight hundred twelve of this article. The comptroller shall, at the same time such report is submitted to the temporary state commission on local government ethics, notify each political subdivision which is contained in the latter category that it is subject to section eight hundred twelve of this article; and

(ii) a copy of the most recent filing by all municipalities and political subdivisions, made pursuant to paragraphs (a), (b), (c) and (d) of this subdivision.

§ 12. Section eight hundred eight of such law is amended by adding a new subdivision five to read as follows:

5. A board of ethics of a political subdivision (as defined in section eight hundred ten of this article) and of any other municipality, which is required by local law, ordinance or resolution to be, or which pursuant to legal authority, in practice is, the repository for completed annual statements of financial disclosure shall notify the temporary state commission on local government ethics if such commission be in existence and if not, shall file a statement with the clerk of its municipality, that it is the authorized repository for completed annual statements of financial disclosure and that on account thereof, such completed statements will be filed with it and not with the commission. Should any local law, ordinance or resolution be adopted which provides for the filing of such completed annual statements with the temporary state commission

on local government ethics instead of with such board of ethics, such board of ethics shall notify the temporary state commission on local government ethics of that fact.

§ 13. Such law is amended by adding a new section eight hundred ten to read as follows:

§ 810. Additional definitions

As used in sections eight hundred eleven, eight hundred twelve and eight hundred thirteen of this article:

1. The term "political subdivision" shall mean a county, city, town or village having a population of fifty thousand or more and shall include a city with a population of one million or more.

2. The term "local elected official" shall mean an elected official of the political subdivision, except judges or justices of the unified court system.

3. The term "local officer or employee" shall mean the heads (other than local elected officials) of any agency, department, division, council, board, commission, or bureau of a political subdivision and their deputies and assistants, and the officers and employees of such agencies, departments, divisions, boards, bureaus, commissions or councils who hold policy-making positions, as annually determined by the appointing authority and set forth in a written instrument which shall be filed with the appropriate body during the month of February; except that the term "local officer or employee" shall not mean a judge, justice, officer or employee of the unified court system.

4. The term "state agency" shall mean any state department, or division, board, commission, or bureau of any state department, any public benefit corporation, public authority or commission at least one of whose members is appointed by the governor, or the state university of New York or the city university of New York, including all their constituent units except community colleges and the independent institutions operating statutory or contract colleges on behalf of the state.

5. The term "spouse" shall mean the husband or wife of the reporting individual unless living separate and apart from the reporting individual with the intention of terminating the marriage or providing for permanent separation or unless separated pursuant to: (a) a judicial order, decree or judgment, or (b) a legally binding separation agreement.

6. The term "local political party official" shall mean:

(a) any chairman of a county committee elected pursuant to section 2-112 of the election law, or his or her successor in office, who received compensation or expenses, or both, from constituted committee or political committee funds, or both, during the reporting period aggregating thirty thousand dollars or more;

(b) that person (usually designated by the rules of a county committee as the "county leader" or "chairman of the executive committee") by whatever title designated, who pursuant to the rules of a county committee or in actual practice, possesses or performs any or all of the following duties or roles, provided that such person received compensation or expenses, or both, from constituted committee or political committee funds, or both, during the reporting period aggregating thirty thousand dollars or more:

(i) the principal political, executive and administrative officer of the county committee;

(ii) the power of general management over the affairs of the county committee;

(iii) the power to exercise the powers of the chairman of the county committee as

provided for in the rules of the county committee;

(iv) the power to preside at all meetings of the county executive committee, if such a committee is created by the rules of the county committee or exists de facto, or any other

committee or subcommittee of the county committee vested by such rules with or having de facto the power of general management over the affairs of the county committee at times when the county committee is not in actual session;

(v) the power to call a meeting of the county committee or of any committee or subcommittee vested with the rights, powers, duties or privileges of the county committee pursuant to the rules of the county committee, for the purpose of filling an office at a special election in accordance with section 6-114 of the election law, for the purpose of filling a vacancy in accordance with section 6-116 of such law or for the purpose of filling a vacancy or vacancies in the county committee which exist by reason of an increase in the number of election districts within the county occasioned by a change of the boundaries of one or more election districts, taking effect after the election of its members, or for the purpose of determining the districts that the elected members shall represent until the next election at which such members of such committee are elected; provided, however, that in no event shall such power encompass the power of a chairperson of an assembly district committee or other district committee smaller than a county and created by the rules of the county committee, to call a meeting of such district committee for such purpose;

(vi) the power to direct the treasurer of the party to expend funds of the county committee; or

(vii) the power to procure from one or more bank accounts of the county committee the necessary funds to defray the expenses of the county committee; and

(c) the city, town or village chairman or leader of a city, town or village committee of a party as the term party is defined in section 1-104 of the election law, but only with respect to a city, town or village having a population of fifty thousand or more, and only if such chairman or leader received compensation or expenses, or both, from constituted committee or political committee funds, or both, during the reporting period aggregating thirty thousand dollars or more. The term chairman or leader is intended to refer to the person who performs the functions and duties of the chief official of a party in the city, town or village by whatever title designated. The terms "constituted committee" and "political committee", as used in this subdivision six, shall have the same meanings as those contained in section 14-100 of the election law.

7. The term "relative" shall mean such individual's spouse, child, stepchild, stepparent, or any person who is a direct descendant of the grandparents of the reporting individual or of the reporting individual's spouse.

8. The term "unemancipated child" shall mean any son, daughter, stepson or stepdaughter who is under age eighteen, unmarried and living in the household of the reporting individual.

9. The term "appropriate body" or "appropriate bodies" shall mean:

(a) in the case of any political subdivision which has created or hereafter creates a board of ethics which is in existence at the time an annual statement of financial disclosure is due, and which has been designated by local law, ordinance or resolution to be the repository for such completed statements, such board of ethics;

(b) in the case of any political subdivision which has created or hereafter creates a board of ethics which is in existence at the time an annual statement of financial disclosure is due, and which has not been designated by local law, ordinance or resolution to be the repository for such completed statements, the temporary state commission on local government ethics;

(c) in the case of any political subdivision for which no board of ethics is in existence at the time an annual statement of financial disclosure is due, the temporary state commission on local government ethics.

10. The term "regulatory agency" shall have the same meaning as ascribed to such term by subdivision one of section seventy-three of the public officers law.

11. The term "ministerial matter" shall have the same meaning as ascribed to such term by subdivision one of section seventy-three of the public officers law.

12. The term "local agency" shall mean:

(a) any county, city, town, village, school district or district corporation, or any agency, department, division, board, commission or bureau thereof; and

(b) any public benefit corporation or public authority not included in the definition of a state agency.

§ 14. Such law is amended by adding a new section eight hundred eleven to read as follows:

§ 811. Promulgation of form of annual statement of financial disclosure; authority of governing body with respect to persons subject thereto

1. (a) the governing body of each political subdivision may, not later than January first, nineteen hundred ninety-one, and the governing body of any other municipality may at any time subsequent to the effective date of this section, adopt a local law, ordinance, or resolution: (i) wherein it promulgates a form of annual statement of financial disclosure which is designed to assure disclosure by municipal officers and employees, which for the purposes of this section, the definition for which shall be modified so as to also include a city with a population of one million or more, and (in the case of a political subdivision or any other county, city, town or village) which is designed to assure disclosure by local elected officials and/or by local political party officials of such financial information as is determined necessary by the governing body, or (ii) wherein it resolves to continue the use of an authorized form of annual statement of financial disclosure in use on the date such local law, ordinance or resolution is adopted. In either event, such local law, ordinance or resolution if and when adopted shall specify by name of office or by title or classification those municipal officers and employees and (in the case of a political subdivision or any other county, city, town or village) those local elected officials and/or those local political party officials which shall be required to complete and file such annual statement. In a city with a population of one million or more, such local law, ordinance or resolution shall be at least as stringent in scope and substance as the provisions of section eight hundred twelve of this article.

(b) the governing body of a political subdivision or any other county, city, town or village, which requires the completion and filing of either of such forms of annual statements of financial disclosure by local or municipal officers and employees and/or by local elected officials shall have the power, if it so chooses, to require the completion and filing of such annual statements of financial disclosure by local political party officials as if such officials were officers or employees of such county, city, town or village, provided however, that a person who is subject to the filing requirements of both subdivision two of section seventy-three-a of the public officers law and of this subdivision may satisfy the requirements of this subdivision by filing a copy of the statement filed pursuant to section seventy-three-a of the public officers law with the appropriate body, as defined in section eight hundred ten of this article, on or before the filing deadline provided in such section seventy-three-a, notwithstanding the filing deadline otherwise imposed by this subdivision.

(c) the governing body of a political subdivision or any other county, city, town or village which requires any local or municipal officer or employee or any local elected official or any local

political party official to complete and file either of such annual statements of financial disclosure shall have, possess, exercise and enjoy all the rights, powers and privileges attendant thereto which are necessary and proper to the enforcement of such requirement, including but not limited to, the promulgation of rules and regulations pursuant to local law, ordinance or resolution, which rules or regulations may provide for the public availability of items of information to be contained on such form of statement of financial disclosure, the determination of penalties for violation of such rules or regulations, and such other powers as are conferred upon the temporary state commission on local government ethics pursuant to section eight hundred thirteen of this article as such local governing body determines are warranted under the circumstances existing in its county, city, town or village.

(d) the local law, ordinance or resolution, if and when adopted, shall provide for the annual filing of completed statements with either the temporary state commission on local government ethics or with the board of ethics of the political subdivision or other municipality and shall contain the procedure for filing such statements and the date by which such filing shall be required. If the board of ethics is designated as the appropriate body, then such local law, ordinance or resolution shall confer upon the board appropriate authority to enforce such filing requirement, including the authority to promulgate rules and regulations of the same import as those which the temporary state commission on local government ethics enjoys under section eight hundred thirteen of this article. Any such local law, ordinance or resolution shall authorize exceptions with respect to complying with timely filing of such disclosure statements due to justifiable cause or undue hardship. The appropriate body shall prescribe rules and regulations related to such exceptions with respect to extensions and additional periods of time within which to file such statement including the imposition of a time limitation upon such extensions.

(e) nothing herein shall be construed to prohibit a political subdivision or other municipality from promulgating the form of annual financial disclosure statement set forth in section eight hundred twelve of this article. Promulgation of the same form of annual financial disclosure statement set forth in section eight hundred twelve of this article shall not be deemed an automatic election to be subject to the provisions of such section.

2. In the event that a political subdivision fails by January first, nineteen hundred ninety-one to promulgate, or fails by such date to elect to continue using, a form of annual statement of financial disclosure in the manner authorized in subdivision one of this section then the provisions of section eight hundred twelve of this article shall apply on and after such date to any such political subdivision subject to the provisions of subdivision three of such section eight hundred twelve.

§ 15. Such law is amended by adding a new section eight hundred twelve to read as follows:

§ 812. Financial disclosure for local elected officials and certain officers and employees of counties, cities, towns and villages

1. (a) any political subdivision or other county, city, town or village to which all of the provisions of this section are made applicable, whether as the result of the provisions contained in subdivision two of section eight hundred eleven of this article or as a result of an election to be subject to the provisions of this section as permitted by subdivision two of this section, shall require (i) each of its local elected officials and local officers and employees, (ii) each local political party official and (iii) each candidate for local elected official with respect to such political subdivision, to file an annual statement of financial disclosure containing the

information and in the form set forth in subdivision five hereof. Such statement shall be filed on or before the fifteenth day of May with respect to the preceding calendar year, except that:

(i) a person who is subject to the reporting requirements of this subdivision and who timely filed with the internal revenue service an application for automatic extension of time in which to file his or her individual income tax return for the immediately preceding calendar or fiscal year shall be required to file such financial disclosure statement on or before May fifteenth but may, without being subjected to any civil penalty on account of a deficient statement, indicate with respect to any item of the disclosure statement that information with respect thereto is lacking but will be supplied in a supplementary statement of financial disclosure, which shall be filed on or before the seventh day after the expiration of the period of such automatic extension of time within which to file such individual income tax return, provided that failure to file or to timely file such supplementary statement of financial disclosure or the filing of an incomplete or deficient supplementary statement of financial disclosure shall be subject to the notice and penalty provisions of this section respecting annual statements of financial disclosure as if such supplementary statement were an annual statement;

(ii) a person who is required to file an annual financial disclosure statement with the temporary state commission on local government ethics, and who is granted an additional period of time within which to file such statement due to justifiable cause or undue hardship, in accordance with required rules and regulations on the subject adopted pursuant to paragraph c of subdivision nine of section eight hundred thirteen of this article, shall file such statement within the additional period of time granted;

(iii) candidates for local elected official who file designating petitions for nomination at a primary election shall file such statement within seven days after the last day allowed by law for the filing of designating petitions naming them as candidates for the next succeeding primary election;

(iv) candidates for independent nomination for local elected official who have not been designated by a party to receive a nomination shall file such statement within seven days after the last day allowed by law for the filing of independent nominating petitions naming them as candidates for local elected official in the next succeeding general or special or village election; and

(v) candidates for local elected official who receive the nomination of a party for a special election or who receive the nomination of a party other than at a primary election (whether or not for an uncontested office) shall file such statement within seven days after the date of the meeting of the party committee at which they are nominated.

(b) as used in this subdivision, the terms "party", "committee" (when used in conjunction with the term "party"), "designation", "primary", "primary election", "nomination", "independent nomination", "ballot" and "uncontested office" shall have the same meanings as those contained in section 1-104 of the election law.

(c) such statement shall be filed with the appropriate body, as defined in section eight hundred ten of this article.

(d) the appropriate body, as defined in section eight hundred ten of this article, shall obtain from the "board of elections", as such term is defined in section 1-104 of the election law, lists of all candidates for local elected official, and from such lists, shall determine and publish lists of those candidates who have not, within ten days after the required date for filing such statement, filed the statement required by this subdivision.

(e) local political party officials and any person required to file such statement who commences employment after May fifteenth of any year shall file such statement within thirty days after

commencing employment or of taking the position of local political party official, as the case may be.

(f) a person who is subject to the filing requirements of both subdivision two of section seventy-three-a of the public officers law and of this subdivision may satisfy the requirements of this subdivision by filing a copy of the statement filed pursuant to section seventy-three-a of the public officers law with the appropriate body, as defined in section eight hundred ten of this article, on or before the filing deadline provided in such section seventy-three-a, notwithstanding the filing deadline otherwise imposed by this subdivision.

(g) a person who is subject to the filing requirements of this subdivision from more than one political subdivision within the same county may satisfy the requirements of this subdivision by filing only one annual statement of financial disclosure with the appropriate body (as is required in that county) for the county in which such political subdivisions are located or if such political subdivisions cross one or more county boundary lines, then such single filing may be made for any of the counties in which one of such political subdivisions is located provided, however, that the appropriate bodies (as required by such other counties) are notified of the name of the county of such compliance by the person who is subjected to the filing requirements of this subdivision, within the time limit for filing specified in this subdivision.

(h) a local elected official who is simultaneously a candidate for local elected official shall satisfy the filing deadline requirements of this subdivision by complying only with the deadline applicable to one who holds such local elected office.

(i) a candidate whose name will appear on both a party designating petition and on an independent nominating petition for the same office or who will be listed on the election ballot for the same office more than once shall satisfy the filing deadline requirements of this subdivision by complying with the earliest applicable deadline only.

2. The governing body of a county, city, town or village having a population of less than fifty thousand may by local law or ordinance elect to be subject to the provisions of this section. In such event, any such city, county, town or village shall be deemed to be a political subdivision under this section.

3. Any political subdivision or other county, city, town or village to which all of the provisions of this section are made applicable, whether as a result of the provisions contained in subdivision two of section eight hundred eleven of this article or as a result of an election to be subject to the provisions of this section as permitted by subdivision two of this section, may elect to remove itself from the ambit of all (but not some) provisions of this section (other than this subdivision) by adopting a local law, ordinance or resolution specifically referring to the authority conferred by this subdivision. Provided, however, that the terms of such local law, ordinance or resolution shall be subject to the following conditions and limitations:

(a) such local law, ordinance or resolution must provide for the promulgation of a form of an annual statement of financial disclosure described in subdivision one of section eight hundred eleven of this article for use with respect to information the governing body requires to be reported for the calendar year next succeeding the year in which such local law, ordinance or resolution is adopted and for use with respect to information required to be reported for subsequent calendar years; and shall provide for the filing of completed statements with either the temporary state commission on local government ethics or with the board of ethics of the political subdivision or other municipality, as specified in subdivision one of section eight hundred eleven of this article.

(b) such removal shall not be effective with respect to the annual financial disclosure statement for the calendar year in which the local law, ordinance or resolution is adopted (the filing of

which statement is due on May fifteenth of the next succeeding year with certain exceptions), nor shall such removal be effective with respect to any required annual financial disclosure statement for the immediately preceding calendar year (the filing of which statement is due on May fifteenth (with certain exceptions) of the calendar year in which such local law, ordinance or resolution is adopted), nor shall such removal be effective with respect to any other preceding year but such removal shall apply first to the statement which would have been due on May fifteenth (with certain exceptions) of the second year next succeeding the year in which such local law, ordinance or resolution is adopted, and such removal shall apply thereafter to subsequent statements otherwise due pursuant to this section.

(c) such removal shall not affect the power to impose, or the imposition of, a penalty for failure to file, or for false filing, of any required annual financial disclosure statement.

(d) the local law, ordinance or resolution referred to in paragraph (a) of this subdivision or any other such local law, ordinance or resolution so adopted may make provision for any other right, power or privilege granted by subdivision one of such section eight hundred eleven.

4. Nothing contained in this section shall be construed as precluding the governing body of a political subdivision from requiring additional and/or more detailed items of financial disclosure than are set forth in subdivision five hereinbelow.

5. The annual statement of financial disclosure shall contain the information and shall be in the form set forth hereinbelow:

ANNUAL STATEMENT OF FINANCIAL DISCLOSURE FOR
(Insert Name of Political Subdivision)--(For calendar year _____)

1. Name _____

2. (a) Title of Position _____

(b) Department, Agency or other Governmental Entity _____

(c) Address of Present Office _____

(d) Office Telephone Number _____

3. (a) Marital Status . If married, please give spouse's full name including maiden name where applicable. _____.

(b) List the names of all unemancipated children.

Answer each of the following questions completely, with respect to calendar year _____, unless another period or date is otherwise specified. If additional space is needed, attach additional pages.

Whenever a "value" or "amount" is required to be reported herein, such value or amount shall be reported as being within one of the following categories: category A--under \$5,000; category B--\$5,000 to under \$20,000; category C--\$20,000 to under \$60,000; category D--\$60,000 to under \$100,000; category E--\$100,000 to under \$250,000; and category F--\$250,000 or over. A reporting individual shall indicate the category by letter only.

For the purposes of this statement, anywhere the term "local agency" shall appear such term shall mean a local agency, as defined in section eight hundred ten of the general municipal law, of the political subdivision for which this financial disclosure statement has been filed.

4. (a) List any office, trusteeship, directorship, partnership, or position of any nature including honorary positions, if known, and excluding membership positions, whether compensated or not, held by the reporting individual with any firm, corporation, association, partnership, or other organization other than the State of New York or (insert name of political subdivision). If said entity was licensed by any state or local agency, was regulated by any state regulatory agency or local agency, or, as a regular and significant part of the business or activity of said entity, did business with, or had matters other than ministerial matters before, any state or local agency, list the name of any such agency.

<u>Position</u>	<u>Organization</u>	<u>State or Local Agency</u>

(b) List any office, trusteeship, directorship, partnership, or position of any nature including honorary positions, if known, and excluding membership positions, whether compensated or not, held by the spouse or unemancipated child of the reporting individual, with any firm, corporation, association, partnership, or other organization other than the State of New York. If said entity was licensed by any state or local agency, was regulated by any state regulatory agency or local agency, or, as a regular and significant part of the business or activity of said entity, did business with, or had matters other than ministerial matters before, any state or local agency, list the name of any such agency.

<u>Position</u>	<u>Organization</u>	<u>State or Local Agency</u>

5. (a) List the name, address and description of any occupation, employment, trade, business or profession engaged in by the reporting individual. If such activity was licensed by any state or local agency, was regulated by any state regulatory agency or local agency, or, as a regular and significant part of the business or activity of said entity, did business with, or had matters other than ministerial matters before, any state or local agency, list the name of any such agency.

<u>Position</u>	<u>Name & Address of Organization</u>	<u>Description</u>	<u>State or Local Agency</u>

(b) If the spouse or unemancipated child of the reporting individual was engaged in any occupation, employment, trade, business or profession which activity was licensed by any state or local agency, was regulated by any state regulatory agency or local agency, or, as a regular and significant part of the business or activity of said entity, did business with, or had matters other than ministerial matters before, any state or local agency, list the name, address and description of such occupation, employment, trade, business or profession and the name of any such agency.

<u>Position</u>	<u>Name & Address of Organization</u>	<u>Description</u>	<u>State or Local Agency</u>
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6. List any interest, in excess of \$1,000, excluding bonds and notes, held by the reporting individual, such individual's spouse or unemancipated child, or partnership of which any such person is a member, or corporation, ten per centum or more of the stock of which is owned or controlled by any such person, whether vested or contingent, in any contract made or executed by a state or local agency and include the name of the entity which holds such interest and the relationship of the reporting individual or such individual's spouse or such child to such entity and the interest in such contract. Do not list any interest in any such contract on which final payment has been made and all obligations under the contract except from guarantees and warranties have been performed, provided, however, that such an interest must be listed if there has been an ongoing dispute during the calendar year for which this statement is filed with respect to any such guarantees or warranties. Do not list any interest in a contract made or executed by a state agency after public notice and pursuant to a process for competitive bidding or a process for competitive requests for proposals.

<u>Self, Spouse or Child</u>	<u>Entity Which Held Interest in Contract</u>	<u>Relationship to Entity and Interest in Contract</u>	<u>Contracting State or Local Agency</u>	<u>Category of Value of Contract</u>
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7. List any position the reporting individual held as an officer of any political party or political organization, as a member of any political party committee, or as a political party district leader. The term "party" shall have the same meaning as "party" in the election law. The term "political organization" means any party or independent body as defined in the election law or any organization that is affiliated with or a subsidiary of a party or independent body.

8. (a) If the reporting individual practices law, is licensed by the department of state as a real estate broker or agent or practices a profession licensed by the department of education, give a general description of the principal subject areas of matters undertaken by such individual. Additionally, if such an individual practices with a firm or corporation and is a partner or shareholder of the firm or corporation, give a general description of principal subject areas of matters undertaken by such firm or corporation. Do not list the name of the individual clients, customers or patients.

(b) List the name, principal address and general description or the nature of the business activity of any entity in which the reporting individual or such individual's spouse had an investment in excess of \$1,000 excluding investments in securities and interests in real property.

9. List each source of gifts, excluding campaign contributions, in excess of \$1,000, received during the reporting period for which this statement is filed by the reporting individual or such individual's spouse or unemancipated child from the same donor, excluding gifts from a relative. Include the name and address of the donor. The term "gifts" does not include reimbursements, which term is defined in item 10. Indicate the value and nature of each such gift.

<u>Self, Spouse</u>	<u>Name of Donor</u>	<u>Address</u>	<u>Nature of Gift</u>	<u>Category of Value of</u>
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or
Child

Gift

10. Identify and briefly describe the source of any reimbursements for expenditures, excluding campaign expenditures and expenditures in connection with official duties reimbursed by the political subdivision for which this statement has been filed, in excess of \$1,000 from each such source. For purposes of this item, the term "reimbursements" shall mean any travel-related expenses provided by nongovernmental sources and for activities related to the reporting individual's official duties such as, speaking engagements, conferences, or factfinding events. The term "reimbursements" does not include gifts reported under item 9.

Source

Description

11. List the identity and value, if reasonably ascertainable, of each interest in a trust, estate or other beneficial interest, including retirement plans other than retirement plans of the state of New York or the city of New York, and deferred compensation plans established in accordance with the internal revenue code, in which the reporting individual held a beneficial interest in excess of \$1,000 at any time during the preceding year. Do not report interests in a trust, estate or other beneficial interest established by or for, or the estate of, a relative.

Identity

Category of Value *

* The value of such interest shall be reported only if reasonably ascertainable.

12. (a) Describe the terms of, and the parties to, any contract, promise, or other agreement between the reporting individual and any person, firm, or corporation with respect to the employment of such individual after leaving office or position (other than a leave of absence).

(b) Describe the parties to and the terms of any agreement providing for continuation of payments or benefits to the reporting individual in excess of \$1,000 from a prior employer other than the political subdivision for which this statement is filed. (This includes interests in or contributions to a pension fund, profit-sharing plan, or life or health insurance; buy-out agreements; severance payments; etc.)

13. List below the nature and amount of any income in excess of \$1,000 from each source for the reporting individual and such individual's spouse for the taxable year last occurring prior to the date of filing. Nature of income includes, but is not limited to, salary for government employment, income from other compensated employment whether public or private, directorships and other fiduciary positions, contractual arrangements, teaching income, partnerships, honorariums, lecture fees, consultant fees, bank and bond interest, dividends, income derived from a trust, real estate rents, and recognized gains from the sale or exchange of real or other property. Income from a business or profession and real estate rents shall be reported with the source identified by the building address in the case of real estate rents and otherwise by the name of the entity and not by the name of the individual customers, clients or tenants, with the aggregate net income before taxes for each building address or entity. The receipt of maintenance received in connection with a matrimonial action, alimony and child support payments shall not be listed.

<u>Self/Spouse</u>	<u>Source</u>	<u>Nature</u>	<u>Category of Amount</u>
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14. List the sources of any deferred income in excess of \$1,000 from each source to be paid to the reporting individual following the close of the calendar year for which this disclosure statement is filed, other than deferred compensation reported in item 11 hereinabove. Deferred income derived from the practice of a profession shall be listed in the aggregate and shall identify as the source, the name of the firm, corporation, partnership or association through which the income was derived, but shall not identify individual clients.

<u>Source</u>	<u>Category of Amount</u>
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15. List each assignment of income in excess of \$1000, and each transfer other than to a relative during the reporting period for which this statement is filed for less than fair consideration of an interest in a trust, estate or other beneficial interest, securities or real property, by the reporting individual, in excess of \$1000, which would otherwise be required to be reported herein and is not or has not been so reported.

<u>Item Assigned or Transferred</u>	<u>Assigned or Transferred to</u>	<u>Category of Value</u>
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16. List below the type and market value of securities held by the reporting individual or such individual's spouse from each issuing entity in excess of \$1,000 at the close of the taxable year last occurring prior to the date of filing, including the name of the issuing entity exclusive of securities held by the reporting individual issued by a professional corporation. Whenever an interest in securities exists through a beneficial interest in a trust, the securities held in such trust shall be listed only if the reporting individual has knowledge thereof except where the reporting individual or the reporting individual's spouse has transferred assets to such trust for his or her benefit in which event such securities shall be listed unless they are not ascertainable by the reporting individual because the trustee is under an obligation or has been instructed in writing not to disclose the contents of the trust to the reporting individual. Securities of which the reporting individual or the reporting individual's spouse is the owner of record but in which such individual or the reporting individual's spouse has no beneficial interest shall not be listed. Indicate percentage of ownership if the reporting person or the reporting person's spouse holds more than five percent of the stock of a corporation in which the stock is publicly traded or more than ten percent of the stock of a corporation in which the stock is not publicly traded. Also list securities owned for investment purposes by a corporation more than fifty percent of the stock of which is owned or controlled by the reporting individual or such individual's spouse. For the purpose of this item the term "securities" shall mean bonds, mortgages, notes, obligations, warrants and stocks of any class, investment interests in limited or general partnerships and certificates of deposits and such other evidences of indebtedness and certificates of interest as are usually referred to as securities. The market value for such securities shall be reported only if reasonably ascertainable and shall not be reported if the security is an interest in a general partnership that was listed in item 8(a) or if the security is corporate stock, not publicly traded, in a trade or business of a reporting individual or a reporting individual's spouse.

<u>Self/ Spouse</u>	<u>Issuing Entity</u>	<u>Type of Security</u>	<u>Category of Market Value as of the close of the taxable year last occurring prior to the filing of this statement</u>	<u>Percentage of corporate stock owned or controlled</u>

17. List below the location, size, general nature, acquisition date, market value and percentage of ownership of any real property in which any vested or contingent interest in excess of \$1,000 is held by the reporting individual or the reporting individual's spouse. Also list real property owned for investment purposes by a corporation more than fifty percent of the stock of which is owned or controlled by the reporting individual or such individual's spouse. Do not list any real property which is the primary or secondary personal residence of the reporting individual or the reporting individual's spouse, except where there is a co-owner who is other than a relative.

<u>Self/ Spouse/ Other Party</u>	<u>Location</u>	<u>Size</u>	<u>General Nature</u>	<u>Acquisition Date</u>	<u>Category of Market Value</u>	<u>Percentage of Ownership</u>

18. List below all notes and accounts receivable, other than from goods or services sold, held by the reporting individual at the close of the taxable year last occurring prior to the date of filing and other debts owed to such individual at the close of the taxable year last occurring prior to the date of filing, in excess of \$1,000, including the name of the debtor, type of obligation, date due and the nature of the collateral securing payment of each, if any, excluding securities reported in item 16 hereinabove. Debts, notes and accounts receivable owed to the individual by a relative shall not be reported.

<u>Name of Debtor</u>	<u>Type of Obligation, Date Due, and Nature of Collateral, if any</u>	<u>Category of Amount</u>

19. List below all liabilities of the reporting individual and such

individual's spouse, in excess of \$5,000 as of the date of filing of this statement, other than liabilities to a relative. Do not list liabilities incurred by, or guarantees made by, the reporting individual or such individual's spouse or by any proprietorship, partnership or corporation in which the reporting individual or such individual's spouse has an interest, when incurred or made in the ordinary course of the trade, business or professional practice of the reporting individual or such individual's spouse. Include the name of the creditor and any collateral pledged by such individual to secure payment of any such liability. A reporting individual shall not list any obligation to pay maintenance in connection with a matrimonial action, alimony or child support payments. Revolving charge account information shall only be set forth if liability thereon is in excess of \$5,000 at the time of filing. Any loan issued in the ordinary course of business by a financial institution to finance educational costs, the cost of home purchase or improvements for a primary or secondary residence, or purchase of a personally owned motor vehicle, household furniture or appliances shall be excluded. If any such reportable liability has been guaranteed by any third person, list the liability and name the guarantor.

<u>Name of Creditor or Guarantor</u>	<u>Type of Liability and Collateral, if any</u>	<u>Category of Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

The requirements of law relating to the reporting of financial interests are in the public interest and no adverse inference of unethical or illegal conduct or behavior will be drawn merely from compliance with these requirements.

 (Signature of Reporting Individual)

 Date (month/day/year)

6. A reporting individual who knowingly and wilfully fails to file an annual statement of financial disclosure or who knowingly and wilfully with intent to deceive makes a false statement or gives information which such individual knows to be false on such statement of financial disclosure filed pursuant to this section shall be assessed a civil penalty in an amount not to exceed ten thousand dollars. Assessment of a civil penalty hereunder shall be made by the appropriate body, as such term is defined in section eight hundred ten of this article. For a violation of this subdivision, other than for conduct which constitutes a violation of subdivision twelve of section seventy-three of the public officers law, the board of ethics of the political subdivision or other municipality may, in lieu of a civil penalty, refer a violation to the appropriate prosecutor and upon such conviction, but only after such referral, such violation shall be punishable as a class a misdemeanor. A civil penalty for false filing may not be imposed hereunder in the event a category of "value" or "amount" reported hereunder is incorrect unless such reported information is falsely understated. Notwithstanding any other provision of law to

the contrary, no other penalty, civil or criminal may be imposed for a failure to file, or for a false filing, of such statement, except that the appointing authority may impose disciplinary action as otherwise provided by law. Each appropriate body, as such term is defined in section eight hundred ten of this article, shall adopt rules governing the conduct of adjudicatory proceedings and appeals relating to the assessment of the civil penalties herein authorized. Such rules shall provide for due process procedural mechanisms substantially similar to those set forth in article three of the state administrative procedure act [FN1] but such mechanisms need not be identical in terms or scope. Assessment of a civil penalty shall be final unless modified, suspended or vacated within thirty days of imposition and upon becoming final shall be subject to review at the instance of the affected reporting individual in a proceeding commenced against the appropriate body, pursuant to article seventy-eight of the civil practice law and rules. [FN2]

[FN1] State Administrative Procedure Act § 20 et seq.

[FN2] CPLR 7801 et seq.

§ 16. Such law is amended by adding a new section eight hundred thirteen to read as follows:

§ 813. Temporary state commission on local government ethics; functions, powers and duties; review of financial disclosure statements; advisory opinions; investigation and enforcement

1. There is established a temporary state commission on local government ethics which shall consist of nine members and shall have and exercise the powers and duties set forth in this section.
2. The members of the commission shall be appointed by the governor, provided, however, that one member shall be appointed on the nomination of the temporary president of the senate; one on the nomination of the minority leader of the senate; one on the nomination of the speaker of the assembly; and one on the nomination of the minority leader of the assembly. Of the five members appointed by the governor without prior nomination, No more than three members shall belong to the same political party and at least three members shall not be public officers or employees or hold any public office, elected or appointed. no member shall hold office in any political party or be employed as a lobbyist.
3. Members of the commission shall serve for terms of four years.
4. The governor shall designate the chairman of the commission from among the members thereof, who shall serve as chairman at the pleasure of the governor. The chairman or any five members of the commission may call a meeting.
5. Any vacancy occurring on the commission shall be filled within sixty days of its occurrence, by the governor, in the same manner as the member whose vacancy is being filled was appointed. A person appointed to fill a vacancy shall be appointed for the unexpired term of the member he succeeds.
6. Five members of the commission shall constitute a quorum, and the commission shall have power to act by majority vote of the total number of members of the commission without vacancy.
7. Members of the commission may be removed by the governor for substantial neglect of duty, gross misconduct in office, inability to discharge the powers or duties of office or violation of this section, after written notice and opportunity for a reply.

8. The members of the commission shall not receive compensation but shall be reimbursed for reasonable expenses incurred in the performance of their official duties.

9. The commission shall:

a. Appoint an executive director who shall act in accordance with the policies of the commission. The commission may delegate authority to the executive director to act in the name of the commission between meetings of the commission provided such delegation is in writing and the specific powers to be delegated are enumerated;

b. Appoint such other staff as are necessary to carry out its duties under this section;

c. Adopt, amend, and rescind rules and regulations to govern procedures of the commission, which shall include, but not be limited to, the procedure whereby a person who is required to file an annual financial disclosure statement with the commission may request an additional period of time within which to file such statement, due to justifiable cause or undue hardship; such rules or regulations shall provide for a date beyond which in all cases of justifiable cause or undue hardship no further extension of time will be granted. The commission may utilize or modify such rules or regulations or adopt separate rules or regulations for the purposes of paragraph (d) of subdivision one of section eight hundred eleven of this article;

d. Promulgate guidelines to assist appointing authorities in determining which persons hold policy-making positions for purposes of sections eight hundred eleven and eight hundred twelve of this article;

e. Make available forms for annual statements of financial disclosure required to be filed pursuant to section eight hundred twelve of this article;

f. Review completed financial disclosure statements in accordance with the provisions of sections eight hundred eleven, eight hundred twelve and this section, and in the case of a political subdivision which has elected to require the filing of completed statements with the commission, in accordance with the criteria established by duly adopted code of ethics, local law, ordinance or resolution, provided however, that the commission may delegate all or part of this review function to the executive director who shall be responsible for completing staff review of such statements in a manner consistent with the terms of the commission's delegation;

g. Receive complaints alleging a violation of section eight hundred eleven or eight hundred twelve of this article or a violation of the criteria for reporting requirements established by duly adopted code of ethics, local law, ordinance or resolution with respect to political subdivisions which have elected to require the filing of completed statements with the commission;

h. Permit any person required to file a financial disclosure statement to request the commission to delete from the copy thereof made available for public inspection one or more items of information, which may be deleted by the commission, after denial of a request for deletion made to the local government advisory council as provided in subdivision seventeen of this section, upon a finding by a majority of the total number of members of the commission without vacancy that the information which would otherwise be required to be disclosed will have no material bearing on the discharge of the reporting person's official duties. If such request for deletion is denied, the commission, in its notification of denial, shall inform the person of his or her right to appeal the commission's determination pursuant to its rules governing adjudicatory proceedings and appeals adopted pursuant to subdivision twelve of this section. The commission shall promulgate rules and regulations governing the issuance of written decisions in connection with appeals from the advisory council;

i. Permit any person required to file a financial disclosure statement to request an exemption from any requirement to report one or more items of information which pertain to such person's spouse or unemancipated children which item or items may be exempted by the commission,

after denial of a request for exemption made to the local government advisory council as provided in subdivision seventeen of this section, upon a finding by a majority of the total number of members of the commission without vacancy that the reporting individual's spouse, on his or her own behalf or on behalf of an unemancipated child, objects to providing the information necessary to make such disclosure and that the information which would otherwise be required to be reported will have no material bearing on the discharge of the reporting person's official duties. If such request for exemption is denied, the commission, in its notification of denial, shall inform the person of his or her right to appeal the commission's determination pursuant to its rules governing adjudicatory proceedings and appeals adopted pursuant to subdivision twelve of this section. The commission shall promulgate rules and regulations governing the issuance of written decisions in connection with appeals from the advisory council;

j. Advise and assist any local agency in establishing rules and regulations relating to possible conflicts between private interests and official duties of present or former local elected officials, local political party officials and local officers and employees;

k. Permit any person who has not been determined by his or her appointing authority to hold a policy-making position but who is otherwise required to file a financial disclosure statement to request an exemption from such requirement in accordance with rules and regulations governing such exemptions. Such rules and regulations shall provide for exemptions to be granted either on the application of an individual or on behalf of persons who share the same job title or employment classification which the commission deems to be comparable for purposes of this section. Such rules and regulations may permit the granting of an exemption where, in the discretion of the commission, the public interest does not require disclosure and the applicant's duties do not involve the negotiation, authorization or approval of:

(i) contracts, leases, franchises, revocable consents, concessions, variances, special permits, or licenses as defined in section seventy-three of the public officers law;

(ii) the purchase, sale, rental or lease of real property, goods or services, or a contract therefor;

(iii) the obtaining of grants of money or loans; or

(iv) the adoption or repeal of any rule or regulation having the force and effect of law;

l. Prepare an annual report to the governor and the legislature summarizing the activities of the commission and recommending changes in the laws governing the conduct of local elected officials, local political party officials and local officers and employees. In addition, such report shall list the names of political subdivisions which have created boards of ethics, adopted codes of ethics and adopted forms of annual statements of financial disclosure;

m. Act as a repository for completed financial disclosure forms filed pursuant to section eight hundred eleven or eight hundred twelve of this article;

n. Upon certification of a question by the public advisory council to the commission, as provided in paragraph (k) of subdivision seventeen of this section, the commission may determine a question common to a class or defined category of persons or items of information required to be disclosed, where determination of the question will prevent undue repetition of requests for exemption or deletion or prevent undue complication in complying with the requirements of such section.

10. The commission, or the executive director and staff of the commission if responsibility therefor has been delegated, shall inspect all financial disclosure statements filed with the commission to ascertain whether any person subject to the reporting requirements of section eight hundred eleven or eight hundred twelve of this article, and in the case of a political

subdivision which has elected to require the filing of completed annual financial statements with the commission, subject to the reporting requirements contained in duly adopted code of ethics, local law, ordinance or resolution, has failed to file such a statement, has filed a deficient statement or has filed a statement which reveals a possible violation of section eight hundred eleven or eight hundred twelve of this article, or of duly adopted code of ethics, local law, ordinance or resolution, as the case may be.

11. If a person required to file a financial disclosure statement with the commission has failed to file a disclosure statement or has filed a deficient statement, the commission shall notify the reporting person in writing, state the failure to file or detail the deficiency, provide the person with a fifteen day period to cure the deficiency, and advise the person of the penalties for failure to comply with the reporting requirements. Such notice shall be confidential. If the person fails to make such filing or fails to cure the deficiency within the specified time period, the commission shall send a notice of delinquency: (a) to the reporting person; and (b) in the case of a local officer or employee, to the appointing authority for such person.

12. a. If a reporting person has filed a statement which reveals a possible violation of duly adopted code of ethics, local law, ordinance or resolution or of section eight hundred eleven or eight hundred twelve of this article, or the commission receives a sworn complaint alleging such a violation, or if the commission determines on its own initiative to investigate a possible violation, the commission shall notify the reporting person in writing, describe the possible or alleged violation of such code of ethics, local law, ordinance or resolution or of such section eight hundred eleven or eight hundred twelve of this article and provide the person with a fifteen day period in which to submit a written response setting forth information relating to the activities cited as a possible or alleged violation of law. If the commission thereafter makes a determination that further inquiry is justified, it shall give the reporting person an opportunity to be heard. The commission shall also inform the reporting individual of its rules regarding the conduct of adjudicatory proceedings and appeals and the due process procedural mechanisms available to such individual. If the commission determines at any stage of the proceeding, that there is no violation or that any potential conflict of interest violation has been rectified, it shall so advise the reporting person and the complainant, if any. All of the foregoing proceedings shall be confidential.

b. If the commission determines that there is reasonable cause to believe that a violation has occurred, it shall send a notice of reasonable cause: (i) to the reporting person; (ii) to the complainant if any; and (iii) in the case of a local officer or employee, to the appointing authority for such person.

13. A reporting individual who knowingly and wilfully fails to file an annual statement of financial disclosure or who knowingly and wilfully with intent to deceive makes a false statement or gives information which such individual knows to be false on such statement of financial disclosure filed pursuant to this section shall be assessed a civil penalty in an amount not to exceed ten thousand dollars. Assessment of a civil penalty hereunder shall be made by the commission with respect to persons subject to its jurisdiction. For a violation of this subdivision, other than for conduct which constitutes a violation of subdivision twelve of section seventy-three of the public officers law, the temporary state commission on local government ethics may, in lieu of a civil penalty, refer a violation to the appropriate prosecutor and upon such conviction, but only after such referral, such violation shall be punishable as a class a misdemeanor. A civil penalty for false filing may not be imposed hereunder in the event a category of "value" or "amount" reported hereunder is incorrect unless such reported information is falsely understated. Notwithstanding any other provision of law to the contrary, no other penalty, civil or criminal

may be imposed for a failure to file, or for a false filing, of such statement, except that the appointing authority may impose disciplinary action as otherwise provided by law. The commission shall be deemed to be an agency within the meaning of article three of the state administrative procedure act [FN1] and shall adopt rules governing the conduct of adjudicatory proceedings and appeals taken pursuant to a proceeding commenced under article seventy-eight of the civil practice law and rules [FN2] relating to the assessment of the civil penalties herein authorized and commission denials of requests for certain deletions or exemptions to be made from a financial disclosure statement as authorized in paragraph h or paragraph i of subdivision nine of this section. Such rules, which shall not be subject to the approval requirements of the state administrative procedure act, shall provide for due process procedural mechanisms substantially similar to those set forth in such article three but such mechanisms need not be identical in terms or scope. Assessment of a civil penalty or commission denial of such a request shall be final unless modified, suspended or vacated within thirty days of imposition, with respect to the assessment of such penalty, or unless such denial of request is reversed within such time period, and upon becoming final shall be subject to review at the instance of the affected reporting individuals in a proceeding commenced against the temporary state commission on local government ethics, pursuant to article seventy-eight of the civil practice law and rules.

14. A copy of any notice of delinquency or notice of reasonable cause sent pursuant to subdivisions eleven and twelve of this section shall be included in the reporting person's file and be available for public inspection.

15. Upon written request from any person who is subject to the jurisdiction of the commission, the commission shall render advisory opinions on the requirements of said provisions. An opinion rendered by the commission, until and unless amended or revoked, shall be binding on the commission in any subsequent proceeding concerning the person who requested the opinion and who acted in good faith, unless material facts were omitted or misstated by the person in the request for an opinion. Such opinion may also be relied upon by such person, and may be introduced and shall be a defense, in any criminal or civil action. Such requests shall be confidential, but the commission may publish such opinions provided that the name of the requesting person and other identifying details shall not be included in the publication.

16. In addition to any other powers and duties specified by law, the commission shall have the power and duty to:

a. Administer and enforce all the provisions of this section;

b. Conduct any investigation necessary to carry out the provisions of this section. Pursuant to this power and duty, the commission may administer oaths or affirmations, subpoena witnesses, compel their attendance and require the production of any books or records which it may deem relevant or material.

17. (a) There is established within the temporary state commission on local government ethics a public advisory council which shall consist of five members and shall have and exercise the powers and duties set forth in this subdivision.

(b) The members of the public advisory council shall be appointed by the governor provided, however, that one member shall be appointed on the nomination of the temporary president of the senate and one member shall be appointed on the nomination of the speaker of the assembly. Of the three members appointed by the governor without prior nomination, no more than two members shall belong to the same political party and at least two members shall not be public officers or employees or hold any public office, elected or appointed. No member shall hold office in any political party or be employed as a lobbyist.

- (c) Members of the public advisory council shall serve for terms of four years concurrent with the term of office of the governor.
- (d) The governor shall designate the chairman of the public advisory council from among the members thereof, who shall serve as chairman at the pleasure of the governor. The chairman or any three members of the public advisory council may call a meeting.
- (e) Any vacancy occurring on the public advisory council shall be filled within sixty days of its occurrence, by the governor, in the same manner as the member whose vacancy is being filled was appointed. A person appointed to fill a vacancy occurring other than by expiration of a term of office shall be appointed for the unexpired term of the member he succeeds.
- (f) Three members of the public advisory council shall constitute a quorum, and the public advisory council shall have power to act by majority vote of the total number of members of the public advisory council without vacancy. Members of the council may be removed by the governor for substantial neglect of duty, gross misconduct in office, inability to discharge the powers or duties of office or violation of this section after written notice and opportunity for reply.
- (g) The members of the public advisory council shall not receive compensation but shall be reimbursed for reasonable expenses incurred in the performance of their official duties.
- (h) The public advisory council shall: (1) Permit any person required to file a financial disclosure statement to request the public advisory council to delete from the copy thereof made available for public inspection one or more items of information which may be deleted upon a finding by a majority of the total number of members of the public advisory council without vacancy that the information which would otherwise be available for public inspection will have no material bearing on the discharge of the reporting person's official duties. If such request for deletion is denied, the public advisory council, in its notification of denial, shall inform the person of his or her right to appeal the public advisory council's determination to the commission pursuant to the commission's rules governing adjudicatory proceedings and appeals adopted pursuant to subdivision thirteen of this section; and
- (2) Permit any person required to file a financial disclosure statement to request an exemption from any requirement to report one or more items of information which pertain to such person's spouse or unemancipated children which item or items may be exempted upon a finding by a majority of the total number of members of the public advisory council without vacancy that the reporting individual's spouse, on his or her own behalf or on behalf of an unemancipated child, objects to providing the information necessary to make such disclosure and that the information which would otherwise be required to be reported will have no material bearing on the discharge of the reporting person's official duties. If such request for exemption is denied, the public advisory council, in its notification of denial, shall inform the person of his or her right to appeal the public advisory council's determination to the commission pursuant to the commission's rules governing adjudicatory proceedings and appeals adopted pursuant to subdivision thirteen of this section.
- (i) Pending any application for deletion or exemption either to the public advisory council or to the commission upon appeal of an adverse determination by the public advisory council, all information which is the subject or a part of the application shall remain confidential. Upon an adverse determination by the commission, the reporting individual may request, and upon such request the commission shall provide, that any information which is the subject or part of the application remain confidential for a period of thirty days following notice of such determination. In the event that the reporting individual resigns his office and holds no other

office subject to the jurisdiction of the commission, the information shall not be made public and shall be expunged in its entirety.

(j) Notwithstanding the provisions of article seven of the public officers law, [FN3] no meeting or proceeding, including any such proceeding contemplated under paragraph h or i of subdivision nine of this section, of the commission shall be open to the public, except if expressly provided otherwise by the public advisory council.

(k) Where the council is of the opinion that a determination of a question common to a class or defined category of persons or items of information with respect to requests for deletion or exemption will prevent undue repetition of such requests or undue complication, the council may certify the question to the commission for resolution and disposition in accordance with paragraph (n) of subdivision nine of this section.

18. a. Notwithstanding the provisions of article six of the public officers law, [FN4] the only records of the commission which shall be available for public inspection are:

(1) the information set forth in an annual statement of financial disclosure filed pursuant to local law, ordinance or resolution or filed pursuant to section eight hundred eleven or eight hundred twelve of this article except the categories of value or amount which shall remain confidential and any other item of information deleted pursuant to paragraph h of subdivision nine of this section, as the case may be;

(2) notices of delinquency sent under subdivision eleven of this section;

(3) notices of reasonable cause sent under paragraph b of subdivision twelve of this section; and

(4) notices of civil assessments imposed under this section.

b. Notwithstanding the provisions of article seven of the public officers law, no meeting or proceeding of the commission shall be open to the public, except if expressly provided otherwise by the commission.

19. There is hereby established a local government advisory board to assist the commission in the performance of its powers and duties. Such board shall consist of twelve members to be appointed by the governor; four shall be appointed on the nomination of the state conference of mayors; four shall be appointed on the nomination of the state association of towns; and four shall be appointed on the nomination of the state association of counties. The board shall inform the commission of policies and concerns of local governments with respect to the administration of the provisions of this article and disseminate information to local governments with respect to the operations of the commission.

[FN1] State Administrative Procedure Act § 20 et seq.

[FN2] CPLR 7801 et seq.

[FN3] Public Officers Law § 100 et seq.

[FN4] Public Officers Law § 84 et seq.

§ 21. Subdivision one of section eight hundred five-a of the general municipal law, as added by chapter one thousand nineteen of the laws of nineteen hundred seventy, is amended to read as follows:

1. No municipal officer or employee shall:
 - a. directly or indirectly, solicit any gift, or accept or receive any gift having a value of ~~twenty-five~~ seventy-five dollars or more, whether in the form of money, service, loan, travel, entertainment, hospitality, thing or promise, or in any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence him, or could reasonably be expected to influence him, in the performance of his official duties or was intended as a reward for any official action on his part;
 - b. disclose confidential information acquired by him in the course of his official duties or use such information to further his personal interests;
 - c. receive, or enter into any agreement, express or implied, for compensation for services to be rendered in relation to any matter before any municipal agency of which he is an officer, member or employee or of any municipal agency over which he has jurisdiction or to which he has the power to appoint any member, officer or employee; or
 - d. receive, or enter into any agreement, express or implied, for compensation for services to be rendered in relation to any matter before any agency of his municipality, whereby his compensation is to be dependent or contingent upon any action by such agency with respect to such matter, provided that this paragraph shall not prohibit the fixing at any time of fees based upon the reasonable value of the services rendered.

§ 26. This act shall take effect immediately, except that sections two through sixteen and sections eighteen and nineteen of this act shall take effect January first, nineteen hundred eighty-nine and sections twenty through twenty-five of this act shall take effect December thirty-first, nineteen hundred eighty-seven; provided, however, that:

- (a) the provisions of subdivision eight of section seventy-three of the public officers law, as renumbered and amended by section two of this act, with respect to legislative employees shall apply only to such employees who terminate their service or employment on or after January first, nineteen hundred eighty-nine;
- (b) the provisions of section eight hundred thirteen of the general municipal law, as added by section sixteen of this act, shall remain in effect until and including December thirty-first, nineteen hundred ninety-two; upon the expiration of such provisions, the powers, duties and functions of the temporary state commission on local government ethics shall be transferred, assigned and devolved upon the respective board of ethics, if there be one, or if not, upon the governing body, of political subdivisions which are required by the provisions of sections eight hundred eleven and eight hundred twelve of the general municipal law, or which have elected pursuant to such sections, to be subject to the jurisdiction of such temporary state commission;
- (c) the amendments made by sections twenty-two, twenty-three and twenty-four of this act shall apply to reports required to be filed after December thirty-first, nineteen hundred eighty-seven; and
- (d) the provisions of sections twenty-two, twenty-three and twenty-four of this act shall remain in full force and effect for only so long as the lobbying act remains in effect pursuant to section five of chapter one thousand forty of the laws of nineteen hundred eighty-one as from time to time amended.

1987 NY LAWS Ch. 813 – EXECUTIVE MEMORANDUM

**ETHICS IN GOVERNMENT ACT AND NEW YORK STATE
GOVERNMENTAL ACCOUNTABILITY, AUDIT AND
INTERNAL CONTROL ACT OF 1987**

On approving L.1987, cs. 813 and 814, the Governor stated:

August 7, 1987

Today, I am signing into law two sweeping reforms that constitute the foundation of our efforts to restore public trust and confidence in government.

The "Ethics in Government Act" (S.6441) establishes strong ethical standards to govern the conduct of public officers and employees in all three branches of government. Specifically, the Act provides for:

- Ethics commissions with the power to receive complaints, conduct investigations, issue subpoenas and refer matters for prosecution.
- Restrictions on dealings with government, which will bar public officers and employees from representing private clients before State agencies, doing business with the State in the absence of competitive bidding, and dealing with the State after leaving government service.
- Disclosure of financial interests by all elected and appointed officials, including judges, and by employees earning more than \$30,000 per year.

The "Accountability, Audit and Internal Control Act of 1987" (S.6442) establishes a comprehensive system of internal controls to ensure the integrity of governmental operations in all three branches of government. Specifically, the Act provides for:

- Internal administrative and accounting control systems for all State governmental entities to safeguard assets, check the accuracy and reliability of accounting data, deter and detect fraud, waste, abuse and error, and assure that personnel actually perform the services for which they are being paid.
- Periodic audits by the State Comptroller of the internal control systems of State agencies and major public authorities.
- External audits by independent accounting firms at least once every two years of the Governor's office, the Division of the Budget, the Department of Law, the Department of Audit and Control and the Legislature.

These laws establish a firm foundation for reform. With their enactment, New York moves from a position lagging far behind other States to a position in the forefront. This, however, does not absolve us from further responsibility. Rather, it constitutes an important new beginning in perfecting the laws that protect the integrity of our government. Constant vigilance and continuing efforts to secure reform are necessary to ensure that we achieve all that remains to be done.

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These laws can be a turning point for New York State. They demonstrate our deep commitment to the honesty, integrity and accountability of our government and its officials. They reaffirm our dedication to the rule of law, our ability to achieve fundamental reforms through changes in our laws, and our insistence on laws that will protect the important processes of our government.

The bills are approved.

Mario M. Cuomo

1990 NY LAWS Ch. 238

Additions are indicated by Text; deletions by ~~Text~~

CHAPTER 238

S. 7460

SOLEMNIZATION OF MARRIAGE BY PUBLIC OFFICIAL--MAXIMUM FEE

Approved and effective June 15, 1990

AN ACT to amend the general municipal law, in relation to increasing the gratuity permitted for the solemnization of a marriage by a public officer

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 1. Section 805-b of the general municipal law, as added by chapter 433 of the laws of 1983, is amended to read as follows:

§ 805-b. Solemnization of marriages

Notwithstanding any statute, law or rule to the contrary, no public officer listed in section eleven of the domestic relations law shall be prohibited from accepting any gift or benefit having a value of ~~fifty~~ seventy-five dollars or less, whether in the form of money, property, services or entertainment, for the solemnization of a marriage by such public officer at a time and place other than the public officer's normal public place of business, during normal hours of business. For the purpose of this section, a town or village judge's normal hours of business shall mean those hours only which are officially scheduled by the court for the performing of the judicial function.

§ 2. This act shall take effect immediately.

1993 NY LAWS Ch. 356

Additions are indicated by Text; deletions by ~~Text~~

CHAPTER 356

S. 5705-C

FINANCIAL DISCLOSURE BY IDAs (GEN. MUN. LAW § 810)

Approved July 21, 1993, effective as provided in section 38

AN ACT to amend the general municipal law and the public authorities law, in relation to industrial development agencies and industrial development authorities, and to amend chapter 905 of the laws of 1986, amending the general municipal law relating to authorizing financing assistance for civic facilities by industrial development agencies, in relation to making the provisions of such chapter permanent and to amend the real property tax law, in relation to industrial development agencies

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 1. Paragraph a of subdivision 1 of section 10 of the general municipal law, as amended by chapter 708 of the laws of 1992, is amended to read as follows:

a. "Local government" shall mean any municipal corporation, school district, board of cooperative educational services, district corporation, special improvement district governed by a separate board of commissioners, industrial development agency or authority or a public library.

§ 1-a. Subdivision 6 of section 30 of the general municipal law, as added by chapter 692 of the laws of 1989, is amended to read as follows:

6. Annually, each industrial development agency, the Troy industrial development authority established pursuant to title eleven of article eight of the public authorities law, [FN1] and the Auburn industrial development authority established pursuant to title fifteen of article eight of the public authorities law, [FN2] shall file a financial report pursuant to section eight hundred fifty-nine of this chapter.

[FN1] Pub. Auth. Law § 1950 et seq.

[FN2] Pub. Auth. Law § 2300 et seq.

§ 2. Subdivision 3 of section 810 of the general municipal law, as added by chapter 813 of the laws of 1987, is amended to read as follows:

3. The term "local officer or employee" shall mean the heads (other than local elected officials) of any agency, department, division, council, board, commission, or bureau of a political subdivision and their deputies and assistants, and the officers and employees of such agencies, departments, divisions, boards, bureaus, commissions or councils who hold policy-making

positions, as annually determined by the appointing authority and set forth in a written instrument which shall be filed with the appropriate body during the month of February; except that the term "local officer or employee" shall not mean a judge, justice, officer or employee of the unified court system. Members, officers and employees of each industrial development agency and authority shall be deemed officers or employees of the county, city, village or town for whose benefit such agency or authority is established.

§ 38. This act shall take effect on the sixtieth day after it shall have become a law provided, however, that sections twenty-one and twenty-nine of this act shall take effect one year after the date on which this act shall have become a law; provided, further, that subdivision 13 of section 854 of the general municipal law, as amended by section three of this act and subdivision 10 of section 1951 of the public authorities law, as amended by section nineteen of this act, shall take effect immediately and provided further that subdivision 15 of section 858 of the general municipal law, as added by section seven of this act, subdivision 14 of section 1953 of the public authorities law as added by section twenty-three of this act and subdivision 14 of section 2306 of the public authorities law as added by section thirty-one of this act shall take effect on January 1, 1994; provided further however that the provisions of section fifteen of this act shall remain in full force and effect until July 1, 1996, and provided further that sections twenty-two and thirty of this act shall remain in full force and effect until July 1, 1996 when upon such date the provisions of the opening paragraph of sections 1953 and 2306 of the public authorities law shall revert to and be read as set out in law on the date immediately preceding the effective date of this act; provided further, however, that this act shall not apply to projects for which an agency, through the issuance of its bonds, execution of leases, or the passage of an inducement resolution or bond resolution, has authorized any assistance prior to the date on which this act shall have become a law whether or not such projects are thereafter modified; provided further, however, that nothing contained herein shall be deemed to affect the application, qualification, expiration or repeal of any provision of law amended by any section of this act and such provisions shall be applied or qualified or shall expire or be deemed repealed in the same manner, to the same extent and on the same date as the case may be as otherwise provided by law.

1996 NY LAWS Ch. 364

Additions are indicated by Text; deletions by ~~Text~~

CHAPTER 364
S. 3377-A
EXCEPTIONS FOR SMALL PURCHASES (GEN. MUN. LAW § 802)

Approved July 30, 1996

Effective Oct. 28, 1996

AN ACT to amend the general municipal law, in relation to conflict of interest relating to the purchase of goods or services

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 1. Subdivision 1 of section 802 of the general municipal law is amended by adding a new paragraph j to read as follows:

j. Purchases or public work by a municipality, other than a county, located wholly or partly within a county with a population of two hundred thousand or less pursuant to a contract in which a member of the governing body or board has a prohibited interest, where:

(1) the member of the governing body or board is elected and serves without salary;

(2) the purchases, in the aggregate, are less than five thousand dollars in one fiscal year and the governing body or board has followed its procurement policies and procedures adopted in accordance with the provisions of section one hundred four-b of this chapter and the procurement process indicates that the contract is with the lowest dollar offer;

(3) the contract for the purchases or public work is approved by resolution of the body or board by the affirmative vote of each member of the body or board except the interested member who shall abstain.

§ 2. Paragraph e of subdivision 2 of section 802 of the general municipal law, as amended by chapter 1043 of the laws of 1965 and as relettered by chapter 28 of the laws of 1977, is amended to read as follows:

e. A contract in which a municipal officer or employee has an interest if the total consideration payable thereunder, when added to the aggregate amount of all consideration payable under contracts in which such person had an interest during the fiscal year, does not exceed the sum of ~~one~~ seven hundred fifty dollars.

§ 3. This act shall take effect on the ninetieth day after it shall have become a law.

1996 NY LAWS Ch. 364 – LEGISLATIVE MEMORANDUM

Memorandum in Support, New York State Senate

SUMMARY: This bill will amend paragraph e of subdivision 2 of section 802 of the GML, raising the amount for which it is legal to purchase goods or services from \$100 to \$750, where the purchase is one in which a municipal officer has an interest.

In addition, the bill amends subdivision 1 of section 802 of the General Municipal Law (GML) by adding a new paragraph j. This new paragraph allows municipalities located within a county with a population of two hundred thousand or less to purchase goods or services, according to several guidelines, from a supplier in which a member of the governing body has a prohibited interest. Specifically: the member of the governing body who is interested in providing the good or service must be elected and serve without pay; purchases must be between \$750 and \$5000 in one fiscal year; the governing body must follow the procedures in 104-b of the GML; the price submitted by the member in question must have been determined to be the lowest; the contract must be approved by resolution of the body and will be carried out only if the resolution is unanimous, with the interested member abstaining.

JUSTIFICATION: The case which inspired this bill involved a fire district. When the district needed to update their communications equipment, they attempted to obtain price quotations from several suppliers in the area. Given that they were limited in their choice of suppliers in that the county had standardized the communications equipment to one brand, they were further limited by their location in a rural setting. It happened that the cheapest quotation for the equipment came from an individual who was a fire commissioner. The purchase was made based on this and the fire district was later cited during an examination by the State Comptroller's Office for a conflict of interest violation.

Many municipalities, particularly fire districts, in rural areas must purchase goods and services available from a limited number of sources. Knowing that this is the case, it often happens that a member of the governing board of a municipality may be the sole supplier of the goods or service in the area. According to the conflict of interest clause in the General Municipal Laws, a member of the governing board may not supply goods or services to a municipality where the price of the good or service exceeds \$100. This amount has been in place since 1964 and has never been raised: this bill would raise the amount to \$750. This, then exempts from the conflict of interest clause any purchase up to \$750.

In addition, knowing that a member of the board may be the sole or cheapest supplier in the surrounding area, and in the interest of efficiency and cost effectiveness, the bill also creates a new set of guidelines for municipalities to follow regarding purchases of \$750 to \$5000 within one fiscal year. In this case, the municipality must have followed procedures contained in 104-b of the GML. This section outlines procurement procedures for goods and services which are not required by law to be obtained through competitive bidding. The municipality must have determined that the price submitted by the member of the governing board is indeed the lowest. Finally, the contract for the purchase must also be approved by unanimous resolution of the governing body, with the interested member abstaining from voting.

This legislation is aimed at areas who, due to their rural nature, are limited in resources. It seems an irresponsible waste of both resources and talent to force someone who may supply a needed good or service at the lowest price to be only one thing to a community: a member of a governing board or a supplier of a good or service. In an age where we need to fully utilize scarce resources, we as a legislature must ensure that rural areas, within a defined set of reasonable guidelines, have access to those resources.

FISCAL IMPLICATIONS: None.

PRIOR LEGISLATION: New bill 1995.

EFFECTIVE DATE: This act shall take effect on the ninetieth day after it becomes law.

2003 NY LAWS Ch. 548

Additions are indicated by Text; deletions by ~~Text~~.

CHAPTER 548
A. 3803-A
FINANCIAL DISCLOSURE FOR TAX ASSESSORS
[MODIFIED BY 2004 NY LAWS Ch. 85]

Approved September 17, 2003

Effective January 1, 2004

AN ACT to amend the real property tax law, in relation to the filing of a statement of financial disclosure by assessors

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 1. Section 334 of the real property tax law is amended by adding a new subdivision 3 to read as follows:

3. Notwithstanding the provisions of subdivision one of this section, the provisions of section three hundred thirty-six of this title shall apply to every assessing unit and consolidated assessing unit in this state.

§ 2. The real property tax law is amended by adding a new section 336 to read as follows:

§ 336. Statement of financial disclosure for assessors

1. Definitions. When used in this section and unless otherwise expressly stated or unless the context otherwise requires:

a. The term "appropriate body" or "appropriate bodies" shall mean:

(i) in the case of any municipality which has created or hereafter creates a board of ethics or conflicts of interests board which is in existence at the time an annual statement of financial disclosure is due, and which has been designated by local law, ordinance, or resolution to be the repository for such completed statements, such board of ethics or conflicts of interests board;

(ii) in the case of any municipality which has created or hereafter creates a board of ethics or conflicts of interests board which is in existence at the time an annual statement of financial disclosure is due, and which has not been designated by local law, ordinance, or resolution to be the repository for such completed statements, such board of ethics or conflicts of interests board;

(iii) in the case of any municipality for which no board of ethics or conflicts of interests board is in existence at the time an annual statement of financial disclosure is due, the clerk of such municipality; and

(iv) in the case of a consolidated assessing unit, the board of directors thereof.

b. "Assessor" has the meaning defined therefor in subdivision three of section one hundred two

of this chapter and includes any other municipal officer or employee engaged in the assessment of real property for purposes of taxation and also includes a municipal officer or employee assigned professional appraisal duties which relate to the assessment of real property for purposes of taxation.

2. Posting of statute. The chief executive officer of each municipality shall cause a copy of this section to be kept posted in each public building under the jurisdiction of his or her municipality in which assessors work in a place conspicuous to such assessors. Failure to post any such copy shall have no effect on the duty of compliance with this section, nor with the enforcement of the provisions thereof.

3. Filing of statement of financial disclosure by assessors. Notwithstanding the provisions of any general, special, or local law to the contrary, each assessor shall file an annual statement of financial disclosure with the appropriate body, as defined in this section, as provided for in article eighteen of the general municipal law, whether or not such assessor is required to file such a statement pursuant to such article eighteen or any local law, ordinance, or resolution adopted pursuant thereto.

4. Other laws. No local law, ordinance, or resolution shall be adopted which is inconsistent with the provisions of this section.

§ 3. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.

2003 NY LAWS Ch. 548 – LEGISLATIVE MEMORANDUM

Memorandum in Support, New York State Assembly

BILL NUMBER: A3803A

TITLE OF BILL: An act to amend the real property tax law, in relation to the filing of a statement of financial disclosure by assessors

PURPOSE OR GENERAL IDEA OF BILL: To subject assessors to financial disclosure ethics laws.

SUMMARY OF SPECIFIC PROVISIONS: This bill would add a new § 336 to the Real Property Tax Law and amend § 334(3) thereof to require every New York State assessors and personnel assigned to assessing duties to file an annual statement of financial disclosure. Such statement would be filed in the locality where the assessor is appointed under Article 18 of the General Municipal Law. A notice of this statute would be posted in each municipality informing the public of such requirement.

JUSTIFICATION: Assessors are public officials who have the power to affect the amount of real property taxes which property owners are required to pay. While most assessors are honest and hard working, they should be subject to current ethics laws which require public disclosure of their finances. However, the recent federal indictments of 18 former and current assessors in New York City for bribery and the suicide under suspicious circumstances of an assessor in upstate New York demonstrate that assessors can abuse their positions of trust. By requiring public disclosure of their financial condition, assessors would know that they are subject to public scrutiny and are held accountable for their actions.

PRIOR LEGISLATIVE HISTORY: 2002 Session: A.11407 - Passed Assembly; Senate Rules Comm.

FISCAL IMPLICATIONS: None to the State; minimal to local governments.

EFFECTIVE DATE: January first following enactment.

2003 NY LAWS Ch. 548 – LEGISLATIVE MEMORANDUM

Memorandum of Legislative Representative of City of New York

AN ACT to amend the real property tax law, in relation to the filing of a statement of financial disclosure by assessors

This bill amends the Real Property Tax Law (RPTL) by adding a new Section 336 to require all assessors within New York State to file a statement of financial disclosure. Section 1 of the bill amends RPTL Article 3, Title 2 to ensure that the newly added financial disclosure section applies to all assessors within the State, including those in New York City.

Section 2 of the bill adds Section 336, which requires that an annual statement of financial disclosure be filed by every New York State assessor and other personnel assigned to assessing duties. The statement would be filed with the local board of ethics, conflict of interests board or the clerk, whichever is applicable, in the locality where the assessor is serving. Section 336 also requires the locality to post a copy of this section in each public building in which assessors work so as to inform the public of this requirement.

Section 3 makes the bill take effect immediately.

Currently, some localities require certain public officials and other employees to file annual financial disclosure statements. In New York City, for example, an employee is required to file if his or her salary is at least \$83,500 or, if regardless of salary, he or she is managerial staff or his or her duties involve negotiation or approval of contracts, leases, franchises, revocable consents, concessions and applications for zoning changes, variances and special permits. Statewide, assessors and other staff that perform assessment functions have not been required to file annual financial disclosure statements although, by their actions, they have the power to affect the amount of real property taxes owners are required to pay. The provisions of Section 336 would correct this omission. As a result, municipalities can become aware of any potential conflicts of interest that may lead to wrongdoing. It will also assist localities to find improper transactions more rapidly and bring to justice those who abuse their positions of trust for personal gain.

Accordingly, it is urged that this bill be approved.

2004 NY LAWS Ch. 85

Additions are indicated by Text; deletions by ~~Text~~.

CHAPTER 85
A. 10844
FINANCIAL DISCLOSURE FOR TAX ASSESSORS

Approved May 18, 2004, effective as provided in section 4

AN ACT to amend the general municipal law, in relation to financial disclosure for certain elected officials; and to amend the real property tax law, in relation to requiring assessors to file a statement of disclosure; and to amend chapter 548 of the laws of 2003 amending the real property tax law relating to the filing of a statement of financial disclosure by assessors, in relation to the effectiveness thereof

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 1. The opening paragraph of paragraph (a) of subdivision one of section 812 of the general municipal law, as added by chapter 813 of the laws of 1987, is amended to read as follows:

Any political subdivision or other county, city, town or village to which all of the provisions of this section are made applicable, whether as the result of the provisions contained in subdivision two of section eight hundred eleven of this article or as a result of an election to be subject to the provisions of this section as permitted by subdivision two of this section, shall require (i) each of its local elected officials and local officers and employees, (ii) each local political party official and (iii) each candidate for local elected official with respect to such political subdivision, to file an annual statement of financial disclosure containing the information and in the form set forth in subdivision five ~~hereof~~ of this section except that disclosure requirements for assessors who are not covered by this article shall be governed by the requirements of section three hundred thirty-six of the real property tax law. Such statement shall be filed on or before the fifteenth day of May with respect to the preceding calendar year, except that:

§ 2. Section 336 of the real property tax law, as added by chapter 548 of the laws of 2003, is amended to read as follows:

§ 336. Statement of ~~financial~~ disclosure for assessors

1. Definitions. When used in this section and unless otherwise expressly stated or unless the context otherwise requires:

a. The term "appropriate body" or "appropriate bodies" shall mean:

(i) in the case of any ~~municipality~~ municipal corporation which has created or hereafter creates a board of ethics or conflicts of interests board which is in existence at the time an annual statement of ~~financial~~ disclosure is due, and which has been designated by local law, ordinance,

or resolution to be the repository for ~~such~~ completed statements of financial disclosure, such board of ethics or conflicts of interests board;

(ii) in the case of any ~~municipality~~ municipal corporation which has created or hereafter creates a board of ethics or conflicts of interests board which is in existence at the time an annual statement of ~~financial~~ disclosure is due, and which has not been designated by local law, ordinance, or resolution to be the repository for ~~such~~ completed statements of financial disclosure, such board of ethics or conflicts of interests board;

(iii) in the case of any ~~municipality~~ municipal corporation for which no board of ethics or conflicts of interests board is in existence at the time an annual statement of ~~financial~~ disclosure is due, the clerk of the county in which such municipality municipal corporation is located; and

(iv) in the case of a consolidated assessing unit, the board of directors thereof.

b. "Assessor" has the meaning defined therefor in subdivision three of section one hundred two of this chapter and includes any other municipal officer or employee engaged in the assessment of real property for purposes of taxation and also includes a municipal officer or employee assigned professional appraisal duties which relate to the assessment of real property for purposes of taxation.

c. "Statement of disclosure" shall mean a statement disclosing (i) the description of any real property owned by the assessor in the assessing unit or in any contiguous municipal corporation. For purposes of this subparagraph of disclosure, "property owned by" means any property in which the assessor has a financial interest in excess of one thousand dollars, whether such property is owned by the assessor directly or through a corporation in which the assessor is an officer or in which the assessor owns more than five percent of the shares. It shall be sufficient to meet the requirements for this item of disclosure if the assessor shall state the acreage of the property, the square footage of any structure on the property, the use whether residential or commercial to which the structure is put, the municipal corporation in which it is located, and the general section of the municipal corporation (north, south, east, west, center); (ii) the name of any employer and the position held; (iii) the name of any corporation of which the assessor is (A) an officer, director or employee, or (B) in which the assessor owns more than five percent of the shares and the position of the assessor; (iv) a description of any self-employment (if it provided more than two thousand dollars of gross income in the previous calendar year); (v) if the assessor is licensed to practice any profession by the state of New York, and the assessor practices such profession, the nature of the practice and the types of business in which the clients engage. For the purposes of this subparagraph of disclosure, it shall be sufficient to describe the types of business in which the clients engage as a broad category encompassing the majority of the assessor's clients; (vi) types of gifts, except gifts from relatives, of more than fifty dollars in value; (vii) persons or firms to whom money in the amount of more than one thousand dollars is owed not including credit cards or bank loans; and (viii) persons or firms, except relatives, who owe the assessor an amount in excess of one thousand dollars. With respect to any such subparagraph of disclosure, the assessor shall also provide information with respect to the members of the assessor's immediate family, unless, after a reasonable effort by the assessor, the spouse or other immediate family member refused to disclose such information, in which case, the statement shall so state such refusal. Such statement shall not require the disclosure of any values of property or amounts of compensation.

2. Posting of statute. The chief executive officer of each ~~municipality~~ municipal corporation shall cause a copy of this section to be kept posted in each a public building under the jurisdiction of his or her municipality in which assessors work in a place conspicuous to such assessors municipal corporation where public notices are generally posted in the municipal corporation.

Failure to post any such copy shall have no effect on the duty of compliance with this section, nor with the enforcement of the provisions thereof.

3. Filing of statement of ~~financial~~ disclosure by assessors. Notwithstanding the provisions of any general, special, or local law to the contrary, each assessor, except an assessor who is compensated in an amount of less than twenty thousand dollars annually in the aggregate for serving as an assessor or who is required to file an annual statement of financial disclosure by an appropriate body as provided for in article eighteen of the general municipal law, shall file an annual statement of ~~financial~~ disclosure with the appropriate body, as defined in this section, ~~as provided for in article eighteen of the general municipal law, whether or not such assessor is required to file such a statement pursuant to such article eighteen or any local law, ordinance, or resolution adopted pursuant thereto~~ on the fifteenth day of May. Such statement of disclosure shall contain the information and shall be in the form set forth hereinbelow:

1. Name

2. (a) Title of Position

(b) Department, Agency or other Governmental Entity

(c) Address of Present Office

(d) Office Telephone Number

3. (a) If married, please give spouse's full name including maiden name where applicable.

(b) List the names of all unemancipated children.

Answer each of the following questions completely, with respect to the calendar year ending the December 31st preceding the date of filing of this statement of disclosure unless another period or date is otherwise specified. If additional space is needed, attach additional pages. 1. Describe any real property in which you have a financial interest greater than \$1,000 (whether owned by you or owned through a corporation in which you are an officer or in which you own more than 5% of the shares) in the assessing unit or in any contiguous municipal corporation: a. Acreage of the property: b. Square footage of any structure or structures on the property: c. Municipal corporation in which located: d. General area of municipal corporation in which the property is located (north, south, east, west, central): e. Use of structure (residential, commercial, industrial): 2. Name any employer other than the municipal corporation in which you are employed as assessor and the position you hold: 3. Name any corporation in which a) you are an officer, director or employee, or b) in which you own more than five percent of the shares and give your position in it: 4. Describe any self-employment (if it provided more than two thousand dollars of gross income in the previous calendar year): 5. If you are licensed to practice any profession by the state of New York, and you practice that profession, give the nature of the practice and the general types of business in which your clients engage: a. Type of profession (e.g., lawyer, real estate broker, pharmacist): b. General types of business in which a majority of your clients engage (e.g., real estate development, general practice, healthcare, general business): 6. Types of gifts, except gifts from immediate family or relatives with-in the third degree of consanguinity or affinity, of more than fifty dollars in value: 7. Persons or firms to whom money in the amount of more than one thousand dollars is owed not including credit cards or bank loans; and 8. Persons or firms, except relatives, who owe you an amount in excess of one thousand dollars.

4. Other laws. No local law, ordinance, or resolution shall be adopted which is inconsistent with the provisions of this section.

§ 3. Section 3 of chapter 548 of the laws of 2003, amending the real property tax law relating to the filing of a statement of financial disclosure by assessors, is amended to read as follows:

§ 3. This act shall take effect on the first of January ~~next succeeding the date on which it shall have become a law~~, 2005.

§ 4. This act shall take effect immediately; provided, however, that the amendments made to section 336 of the real property tax law by section two of this act shall take effect on the same date as chapter 548 of the laws of 2003, takes effect, as amended, and provided further, that section three of this act shall be deemed to have been in full force and effect on and after January 1, 2004.

2004 NY LAWS Ch. 85 – LEGISLATIVE MEMORANDUM

Memorandum in Support, New York State Assembly

BILL NUMBER: A10844

TITLE OF BILL: An act to amend the general municipal law, in relation to financial disclosure for certain elected officials; and to amend the real property tax law, in relation to requiring assessors to file a statement of disclosure; and to amend chapter 548 of the laws of 2003 amending the real property tax law relating to the filing of a statement of financial disclosure by assessors, in relation to the effectiveness thereof

PURPOSE OR GENERAL IDEA OF BILL: To streamline the recently enacted reporting requirements for disclosure of financial interests by assessors and to allow additional time to prepare for such filing requirement.

SUMMARY OF SPECIFIC PROVISIONS: This bill would streamline the contents of the statement of disclosure for assessors who are not covered by financial disclosure requirements of Article 18 of the General Municipal Law and only require the reporting of certain items of financial interests. Assessors earning less than \$20,000 annually in the aggregate would be exempted from such reporting.

The following items of interest shall be reported: (i) real property in the assessing unit or in a contiguous municipality; (ii) the name of any employer and position held; (iii) any significant corporate interests; (iv) a description of any self-employment; (v) professions licensed by the State, nature of any practice and types of businesses of clients; (vi) types of gifts; (vii) persons or firms to whom money is owed; and, (viii) persons or firms from whom money is owed. Such information of members of the assessor's immediate family must be provided unless such family member refuses to provide it in which case such refusal must be stated.

The bill provides for a form of the report and clarifies that reports shall be made on May 15th of each year. The form shall be filed with a local board of ethics where one exists or with the county clerk. A copy of this disclosure requirement shall be posted in a public building where public notices are generally posted.

JUSTIFICATION: This bill is designed to streamline the assessor disclosure requirements enacted by Chapter 548 of the Laws of 2003. Many assessors believed the requirements of that chapter to be burdensome and unnecessary. This bill focuses on requiring the reporting of interests which most significantly reveal conflicts of interest in the assessors' exercise of their duties of assessing real property in their jurisdiction. Given this revision of the law, it is felt that the reporting requirements ought to be postponed for one year to adequately implement its provisions.

PRIOR LEGISLATIVE HISTORY: This is a new bill.

FISCAL IMPLICATIONS: None to the State.

EFFECTIVE DATE: The bill would be effective on the same date as the original Chapter 548 of the Laws of 2003 which would be amended to be effective on January 1, 2005.

2005 NY LAWS Ch. 499

Additions are indicated by Text; deletions by ~~Text~~.

CHAPTER 499
S. 2969-B
DISCLOSURE (GEN. MUN. LAW § 803)

Approved and effective August 16, 2005

AN ACT to amend the general municipal law, in relation to the disclosure of certain municipal officer's interests; and to amend the penal law, in relation to the amount of restitution to school districts

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 1. Subdivision 1 of section 803 of the general municipal law, as amended by chapter 1043 of the laws of 1965, is amended to read as follows:

1. Any municipal officer or employee who has, will have, or later acquires an interest in or whose spouse has, will have, or later acquires an interest in any actual or proposed contract, purchase agreement, lease agreement or other agreement, including oral agreements, with the municipality of which he or she is an officer or employee, shall publicly disclose the nature and extent of such interest in writing to his or her immediate supervisor and to the governing body thereof as soon as he or she has knowledge of such actual or prospective interest. Such written disclosure shall be made part of and set forth in the official record of the proceedings of such body. ~~Once disclosure has been made by an officer or employee with respect to an interest in a contract with a particular person, firm, corporation or association, no further disclosures need be made by such officer or employee with respect to additional contracts with the same party during the remainder of the fiscal year.~~

§ 2. Paragraph (a) of subdivision 5 of section 60.27 of the penal law, as amended by chapter 618 of the laws of 1992, is amended to read as follows:

(a) Except upon consent of the defendant or as provided in paragraph (b) of this subdivision, or as a condition of probation or conditional discharge as provided in paragraph (g) of subdivision two of section 65.10 of this chapter, the amount of restitution or reparation required by the court shall not exceed fifteen thousand dollars in the case of a conviction for a felony, or ten thousand dollars in the case of a conviction for any offense other than a felony. Notwithstanding the provisions of this subdivision, if an officer of a school district is convicted of violating any section of article one hundred fifty-five of this chapter where the victim of such crime is such officer's school district, the court may require an amount of restitution up to the full amount of the fruits of the offense or reparation up to the full amount of the actual out-of-pocket loss

suffered by the victim, provided further that in such case the provisions of paragraph (b) of this subdivision shall not apply.

§ 3. This act shall take effect immediately.

2005 NY LAWS Ch. 499 – LEGISLATIVE MEMORANDUM

Memorandum in Support, New York State Senate

BILL NUMBER: S2969B

TITLE OF BILL: An act to amend the general municipal law, in relation to the disclosure of certain municipal officer's interests; and to amend the penal law, in relation to the amount of restitution to school districts

PURPOSE: This bill authorizes a court to impose a civil penalty for restitution when a school district official is found guilty of larceny from the school district; and requires that officials of school districts disclose certain financial interests that they or their spouse may have, in order for the public to be aware of any potential conflicts of interest by school district officials responsible for financial transactions, lease agreements and purchasing contracts.

SUMMARY OF PROVISIONS:

Section 1 amends § 803 of the **General Municipal Law**, to require school district officers to disclose, in writing to their immediate supervisor and the school board, whether they or their spouse has or acquires an interest in any purchase agreement, lease agreement, or other financial agreement.

Section 2 amends subdivision 5 of section 60.27 of the penal law to allow the court to seek restitution for the full amount of the money stolen in a case of larceny from a school district by an officer of the school district.

Section 3 provides for an immediate effective date.

JUSTIFICATION: Since 1970, total spending by public school districts in New York State has grown from \$4.5 billion to \$33 billion in 2001. During this time, school districts have increased the number and quality of numerous educational services to their students and to their communities.

School districts have also grown considerably in the size and complexity of their operations—from maintenance of their physical plant, maintaining the payroll, providing school lunches, to the contracting of many support services that are required to keep a modern school district functioning.

As public organizations-like school districts in New York State-grow in size and complexity, ongoing examinations of the district's finances are undertaken. This is necessitated by the need for checks and balances, to ensure that public funds are being spent in a responsible, diligent and prudent fashion. School districts contract with external auditors to check the validity of their financial statements, and also employ numerous internal controls designed to minimize the existence of lax expenditure controls or, in rare cases, deliberate attempts to defraud.

In some cases, however, a determined individual can circumvent these controls.

In May 2004, the news media reported that a school district had permitted their assistant

superintendent for business and finance to resign when faced with allegations of her misappropriation of district funds. An agreement with the school board resulted in the repayment of \$250,000 to the district, which was originally the amount in question; however, additional investigations and an audit soon increased the estimate of allegedly misappropriated funds to over \$11 million.

In attempting to trace these funds, allegations surfaced that included large amounts of money paid to a firm linked to a senior school administrator for work that was not performed; large overpayments to legitimate vendors that were allegedly disguised to pay personal credit card bills of another senior administrator; payments to Las Vegas hotels; payments for automobile leases for a senior administrator; payment of personal bills for senior administrators including dry cleaning expenses and gourmet food shopping; and mortgage payments for one of the senior administrator's oceanfront homes.

LEGISLATIVE HISTORY:

Senate:

S.7502, Referred to Rules

Assembly:

A.11576, Referred to Local Governments

FISCAL IMPLICATIONS: None

EFFECTIVE DATE: This act shall take effect immediately.

2006 NY LAWS Ch. 238

Additions are indicated by Text; deletions by ~~Text~~.

CHAPTER 238

A. 10479

FIRE DISTRICTS' CODES OF ETHICS (GEN. MUN. LAW § 806)

Approved July 26, 2006, effective as provided in section 2

AN ACT to amend the general municipal law, in relation to codes of ethics for fire districts

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 1. Subdivisions 1 and 2 of section 806 of the general municipal law, subdivision 1 as amended by chapter 813 of the laws of 1987 and subdivision 2 as amended by chapter 1019 of the laws of 1970, are amended to read as follows:

1. (a) The governing body of each county, city, town, village ~~and~~, school district and fire district shall and the governing body of any other municipality may by local law, ordinance or resolution adopt a code of ethics setting forth for the guidance of its officers and employees the standards of conduct reasonably expected of them. ~~Such code~~ Notwithstanding any other provision of this article to the contrary, a fire district code of ethics shall also apply to the volunteer members of the fire district fire department. Codes of ethics shall provide standards for officers and employees with respect to disclosure of interest in legislation before the local governing body, holding of investments in conflict with official duties, private employment in conflict with official duties, future employment and such other standards relating to the conduct of officers and employees as may be deemed advisable. Such codes may regulate or prescribe conduct which is not expressly prohibited by this article but may not authorize conduct otherwise prohibited. Such codes may provide for the prohibition of conduct or disclosure of information and the classification of employees or officers.

(b) Effective on and after January first, nineteen hundred ninety-one, such codes of political subdivisions, as defined in section eight hundred ten of this article, may contain provisions which require the filing of completed annual statements of financial disclosure with the appropriate body, as defined in section eight hundred ten of this article. Nothing herein shall be construed to restrict any political subdivision or any other municipality from requiring such a filing prior to January first, nineteen hundred ninety-one. Other than as required by subdivision two of section eight hundred eleven of this article, the governing body of any such political subdivision or other municipality may at any time subsequent to the effective date of this paragraph ~~(b)~~, adopt a local law, ordinance or resolution pursuant to subdivision one of section eight hundred eleven of this article and any such political subdivision or municipality, acting by its governing body, may take such other action as is authorized in such subdivision. Any political subdivision or other municipality to which all of the provisions of section eight hundred twelve of this article apply may elect to remove itself from the ambit of all (but not some) provisions of such section in the

manner authorized in subdivision three of such section eight hundred twelve. In such event any such political subdivision or municipality shall be subject to certain conditions and limitations set forth in paragraphs (a), (b) and (c) of such subdivision three which shall include, but not be limited to, the promulgation of a form of an annual statement of financial disclosure described in subdivision one of such section eight hundred eleven.

2. The chief executive officer of a municipality adopting a code of ethics shall cause a copy thereof to be distributed to every officer and employee of his municipality. The fire district commissioners shall cause a copy of the fire district's code of ethics to be posted publicly and conspicuously in each building under such district's control. Failure to distribute any such copy or failure of any officer or employee to receive such copy shall have no effect on the duty of compliance with such code, nor the enforcement of provisions thereof.

§ 2. This act shall take effect June 1, 2006; provided however, that fire districts shall have until June 1, 2007, to adopt a code of ethics. Prior to that date the office of the state comptroller shall create and make available a model code of ethics.

2006 NY LAWS Ch. 238 – LEGISLATIVE MEMORANDUM

Memorandum in Support, New York State Assembly

BILL NUMBER: A10479

TITLE OF BILL: An act to amend the general municipal law, in relation to codes of ethics for fire districts

PURPOSE OR GENERAL IDEA OF BILL: The purpose of this bill is to require fire districts to adopt codes of ethics.

SUMMARY OF SPECIFIC PROVISIONS: Section one amends the General Municipal Law to add fire districts to the list of political subdivisions that must adopt codes of ethics. This section also provides for the posting of such codes of ethics by fire districts. Section two of the bill establishes the effective date and authorizes the State Comptroller to create and make available a model code of ethics.

JUSTIFICATION: Villages, towns, counties and school districts are all required to develop and follow a code of ethics. This legislation seeks to add fire districts to that list. With fire district budgets totaling in the hundreds of millions of dollars and buildings and equipment worth over a billion dollars, all funded with taxpayer money, it is essential that the public trust be maintained. The creation of a code of ethics will ensure that all members of fire districts are held to the same high standard of accountability.

PRIOR LEGISLATIVE HISTORY: This is a new bill.

FISCAL IMPLICATIONS: None to the State.

EFFECTIVE DATE: This act shall take effect June 1, 2006, provided however, that fire districts shall have until June 1, 2007 to adopt a code of ethics. Prior to the date the office of the state comptroller shall create and make available a model code of ethics.

2007 NY LAWS Ch. 536

Additions are indicated by Text; deletions by ~~Text~~.

CHAPTER 536

S. 4116-A

FEES FOR SOLEMNIZATION OF MARRIAGE (GEN. MUN. LAW § 805-b)

Approved and effective August 15, 2007

AN ACT to amend the general municipal law, in relation to the fee or compensation authorized for solemnization of marriage by judges

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 1. Section 805-b of the general municipal law, as amended by chapter 238 of the laws of 1990, is amended to read as follows:

§ 805-b. Solemnization of marriages

Notwithstanding any statute, law or rule to the contrary, no public officer listed in section eleven of the domestic relations law shall be prohibited from accepting any ~~gift fee or benefit~~ compensation having a value of ~~seventy-five~~ one hundred dollars or less, whether in the form of money, property, services or entertainment, for the solemnization of a marriage by such public officer at a time and place other than the public officer's normal public place of business, during normal hours of business. For the purpose of this section, a town or village judge's normal hours of business shall mean those hours only which are officially scheduled by the court for the performing of the judicial function.

§ 2. This act shall take effect immediately.

2007 NY LAWS Ch. 536
NEW YORK STATE SENATE
INTRODUCER'S MEMORANDUM IN SUPPORT
submitted in accordance with Senate Rule VI. Sec 1

BILL NUMBER: S4116A

SPONSOR: DEFRANCISCO

TITLE OF BILL: An act to amend the general municipal law, in relation to the fee or compensation authorized for solemnization of marriage by judges

PURPOSE: This bill amends the General Municipal Law to increase the amount of fee or compensation a person authorized to solemnize a marriage may receive for performance of this service.

SUMMARY OF PROVISIONS: Amends Section 805-b of the General Municipal Law to increase the fee or compensation a person authorized to solemnize a marriage may receive from seventy-five dollars to one hundred dollars.

EXISTING LAW: Section 805-b of the General Municipal Law provides that no person listed in section 11 of the Domestic Relations Law authorized to solemnize a marriage shall be prohibited from accepting any gift or benefit having a value of seventy-five dollars or less for the solemnization of a marriage by such public officer at a time or place other than the public officer's normal place of business, during normal hours of business.

JUSTIFICATION: A frequent request of town or village justices and other public officers listed in Section 11 of the Domestic Relations Law is to perform marriage ceremonies at some distance from their usual and customary place of business and at times that would not be considered within their normal working hours. These judges and others (e.g. mayors, county executives, retired judges, etc.) are often requested to travel on occasion great distances and at great personal inconvenience to themselves to perform these valuable services. The ceremonies which they perform are of great personal benefit to the public, however, under current law the public officer who performs the ceremony is only entitled to receive a gift or benefit of up to seventy-five dollars for their inconvenience and expense.

This bill for the first time in seventeen years would increase the compensation which the person performing the marriage solemnization would be entitled to receive from seventy-five dollars to one hundred dollars. This minimal increase would be of assistance to the officiant and would help insure that this valuable service would continue to be offered to the public by the greatest number of people.

LEGISLATIVE HISTORY: New bill

FISCAL IMPLICATIONS: None.

LOCAL FISCAL IMPLICATIONS: None

EFFECTIVE DATE: Immediately.

2008 NY LAWS Ch. 41

Additions are indicated by Text; deletions by ~~Text~~.

CHAPTER 41

S. 6331-A

ANNUAL STATEMENTS OF FINANCIAL DISCLOSURE (GEN. MUN. LAW § 811)

Approved and effective April 7, 2008

AN ACT to amend the general municipal law, in relation to annual statements of disclosure for any city with a population of one million or more

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 1. Paragraph (a) of subdivision 1 of section 811 of the general municipal law, as added by chapter 813 of the laws of 1987, is amended to read as follows:

(a) The governing body of each political subdivision may, not later than January first, nineteen hundred ninety-one, and the governing body of any other municipality may at any time subsequent to the effective date of this section, adopt a local law, ordinance, or resolution: (i) wherein it promulgates a form of annual statement of financial disclosure which is designed to assure disclosure by municipal officers and employees, which for the purposes of this section, the definition for which shall be modified so as to also include a city with a population of one million or more, and (in the case of a political subdivision or any other county, city, town or village) which is designed to assure disclosure by local elected officials and/or by local political party officials of such financial information as is determined necessary by the governing body, or (ii) wherein it resolves to continue the use of an authorized form of annual statement of financial disclosure in use on the date such local law, ordinance or resolution is adopted. In either event, such local law, ordinance or resolution if and when adopted shall specify by name of office or by title or classification those municipal officers and employees and (in the case of a political subdivision or any other county, city, town or village) those local elected officials and/or those local political party officials which shall be required to complete and file such annual statement.

(a-1) In a city with a population of one million or more, such local law, ordinance or resolution shall be at least as stringent in scope and substance as the provisions of section eight hundred twelve of this article require, on two or more types of forms for annual statements of financial disclosure, disclosure of information that could reveal potential conflicts of interest as defined by chapter sixty-eight of the New York city charter.

(i) The disclosure required by such law, ordinance or resolution of such city shall, at a minimum, include information about any non-city employment or interests that may give rise to a conflict of interest, including, but not limited to, interests of the filer and his or her spouse or registered domestic partner, and unemancipated children, in: (A) real property located in such city, and (B) positions or business dealings with, financial interests in, or gifts from, any persons or firms or entities engaged in business dealings with such city.

(ii) In any such city, local elected officials and compensated local officers and employees, as defined in subdivisions two and three, respectively, of section eight hundred ten of this article, shall, at a minimum, disclose in addition to the information required by subparagraph (i) of this paragraph: (A) interests in a firm where the value of the interest is ten thousand dollars or more; (B) where the official, officer, or employee holds a policy-making position with such city, membership in the national or state committee of a political party or service as assembly district leader of a political party or service as the chair or as an officer of the county committee or county executive committee of a political party; (C) the names and positions of any spouse or registered domestic partner, child, stepchild, brother, sister, parent or stepparent holding a position with any such city; (D) each volunteer office or position held by the filer or his or her spouse or registered domestic partner with any not-for-profit organization engaged in business dealings with such city, except where the person volunteers only in a non-policymaking, non-administrative capacity; and (E) agreements between the filer and any person or firm or entity engaged in business dealings with such city for future payment to or employment of the filer.

(iii) For purposes of this paragraph, the term “firm” shall have the same meaning as set forth in subdivision eleven of section twenty-six hundred one of the New York city charter.

§ 2. This act shall take effect immediately and shall apply to annual statements of financial disclosure required to be filed for the calendar year 2007.

2008 N.Y. LAWS Ch. 41
NEW YORK STATE SENATE
INTRODUCER'S MEMORANDUM IN SUPPORT
submitted in accordance with Senate Rule VI. Sec 1

BILL NUMBER: S6331A

SPONSOR: MALTESE

TITLE OF BILL: An act to amend the general municipal law, in relation to annual statements of disclosure for any city with a population of one million or more

SUMMARY OF PROVISIONS: This bill would amend paragraph (a) of subdivision 1 of General Municipal Law § 811, to authorize the City of New York, through its local ethics board, the Conflicts of Interest Board ("COIB"), to modify the requirements of the City's financial disclosure that are submitted annually by its officers, employees, and, as a result of the Public Authorities Accountability Act of 2005, numerous additional people working for certain City-affiliated entities.

JUSTIFICATION: General Municipal Law ("GML") §§810(1) and 811(1)(a) mandate that every county, city, town, and village with a population of 50,000 or more require the filing of annual financial disclosure statements by certain officers and employees. Of those municipalities, only New York City is required by the statute to have a financial disclosure form "at least as stringent in scope and substance" as the State form set forth in GML § 812. See Gen. Mun. Law § 811(1)(a). Furthermore, in mandating who must file financial disclosure reports, State law makes no distinction between paid and unpaid public servants.

New York City's Financial Disclosure Law, now set forth in Administrative Code § 12-110, has been in existence since 1975, long before the 1987 "Ethics in Government Act" which established the State legislative scheme concerning ethics and financial disclosure, and the City's law has historically been among the most far-reaching laws of this kind in the State. This local law has always exempted from filing unpaid members of boards and commissions, for it has been acknowledged that requiring such volunteers to file the State-mandated 32-page financial disclosure report would devastate efforts to recruit and retain them, and thus threaten the existence of these boards and commissions, many of which play a critical role in the life of the City.

This problem has been compounded by the enactment of the "Public Authorities Accountability Act of 2005" (Chapter 766 of the Laws of 2005). That law ("PAAA") requires board members, officers, and employees of certain municipal-affiliated entities (collectively called "local authorities") to file financial disclosure reports with the local ethics board, which, in the case of New York City, is the COIB. These entities include: (a) public authorities and public benefit corporations created by or existing under State law, unless the members hold a civil office of the State or are appointed by the Governor not upon the recommendation of local government; (b) not-for-profit corporations affiliated with, sponsored by, or created by a county, city, town, or village government; (c) local industrial development agencies and authorities and other local

public benefit corporations; and (d) affiliates of any of those entities. Thus, in New York City, the PAAA requires such persons to file the current 32-page financial disclosure report with the COIB. Moreover, it is apparent that the PAAA intends to require disclosure by volunteer board members of "local authorities." This new law would therefore, beginning in 2007, require that all of these volunteer members of City boards and commissions file a financial disclosure report. Requiring volunteer board members of City-affiliated not-for-profit entities, such as the Gracie Mansion Conservancy, to file a 32-page financial disclosure report will destroy many of those crucial institutions. Preservation of the City's affiliated not-for-profit institutions and its volunteer boards and commissions necessitates that the scope of the current financial disclosure form be modified. The COIB has indicated that it would not support any reduction in the scope of the financial disclosure form that addresses only volunteers because, as the COIB has repeatedly stated, the scope of the form must also be reduced for certain other City officials and must be tied directly to the City's own conflicts of interest law. See COIB 2005 Annual Report, pp. 22, 43-44, 49-54. Accordingly, GML § 811(1)(a) should be amended to authorize the COIB to change the scope of the financial disclosure form, not just for volunteers but for other public servants as well.

The proposal would provide that the COIB require, on two or more types of forms for annual statements of financial disclosure, disclosure of the type of information that could reveal potential conflicts of interest as defined by Chapter 68 of the New York City Charter. The disclosure required would include, but not be limited to, information about non-city employment or interests that may give rise to a conflict of interest, including but not limited to interests in real property located in such city, or positions with, financial interests in, gifts from, or business dealings with, persons or firms or entities engaged in business dealings with the City.

This does not mean that the City intends to dilute in any way its financial disclosure law. To the contrary, this authorization by the State Legislature would allow the City to craft a realistic scheme of reporting that is consistent with the ethical considerations embodied in its conflicts of interest law, as set forth in Chapter 68 of the New York City Charter. We note that this ethics code was first enacted as a legislative scheme in 1959, and since that time has been expanded several times, leading to the creation of one of the most comprehensive and well respected of such laws in the nation. In the City's experience, the exceedingly long form of questions mandated in 1987 has undercut the ability of the COIB to focus on those private interests that raise potential for significant conflicts of interest, as defined by Chapter 68 of the City Charter.

LEGISLATIVE HISTORY: New bill.

FISCAL IMPLICATIONS: None.

EFFECTIVE DATE: Immediately. Applies to forms being filled out for calendar year 2007.

2008 NY LAWS Ch. 236

Additions are indicated by Text; deletions by ~~Text~~.

CHAPTER 236

S. 5368

POSTING COPIES OF PROVISIONS OF ARTICLE 18 (GEN. MUN. LAW § 807)

Approved and effective July 7, 2008

AN ACT to amend the general municipal law, in relation to posting copies of provisions of article 18 of such law in certain public buildings

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 807 of the general municipal law, as amended by chapter 1019 of the laws of 1970, is amended to read as follows:

§ 807. Posting of statute. The chief executive officer of each municipality shall cause a copy of sections eight hundred through eight hundred nine of this article to be kept posted in each public building under the jurisdiction of his or her municipality in a place conspicuous to its officers and employees. Failure to post any such copy shall have no effect on the duty of compliance with this article, nor with the enforcement of the provisions thereof.

§ 2. This act shall take effect immediately.

2008 N.Y. LAWS Ch. 236
NEW YORK STATE SENATE
INTRODUCER'S MEMORANDUM IN SUPPORT
submitted in accordance with Senate Rule VI. Sec 1

BILL NUMBER: S5368

REVISED 04/30/07

SPONSOR: LITTLE

TITLE OF BILL: An act to amend the general municipal law, in relation to posting copies of provisions of article 18 of such law in certain public buildings

PURPOSE: To eliminate the requirement that municipalities post in each public building a copy of all of the provisions of article 18 of the General Municipal Law and instead require only that certain sections of article 18 be so posted.

SUMMARY OF PROVISIONS: Section one - General Municipal Law §807 requires that the chief executive officer of each municipality to cause a copy of article 18 of the General Municipal Law (§800-813) to be posted in each public building under the jurisdiction of that municipality, in a place conspicuous to the officers and employees of the municipality. This bill would amend section 807 to require only that sections 800 through 809 of article 18 be posted.

Section two - contains the effective date.

JUSTIFICATION: Article 18 of the General Municipal Law relates to conflicts of interest of municipal officers and employees. The posting requirement of General Municipal Law §807 was added to article 18 in 1970 (L 1970, ch 1019). This requirement replaced a previous provision that had required copies of article 18 to be distributed to each municipal officer and employee. At the time of the 1970 amendment, article 18 consisted only of sections 800 through 809, relating primarily to interests in contracts, certain other prohibited actions, local codes of ethics and local boards of ethics.

In 1987, article 18 was amended to add voluminous new provisions relating to financial disclosure by certain local government officials. The new provisions included an extensive disclosure form, set forth verbatim, in section 813 of the General Municipal Law. The disclosure provisions apply only to local governments with populations of 50,000 or more, or those local government that chose to be covered. In addition to the limited applicability of these provisions, covered local governments are not required to use the form set forth in section 813, but can devise their own disclosure forms. In fact, most, if not all, have opted to use their own form. Because of the limited applicability and voluminous nature of sections 810 through 813 of article 18, any benefit derived from posting these additional sections would seem to be outweighed by the administrative burden. This bill would return section 807 to meet its original intent and eliminate an unnecessary mandate for local governments.

LEGISLATIVE HISTORY: New bill.

FISCAL IMPLICATIONS: None to the State.

EFFECTIVE DATE: This act shall take effect immediately.

2009 NY LAWS Ch. 249

Additions are indicated by Text; deletions by ~~Text~~.

CHAPTER 249

S. 1607

VOTE OF MUNICIPAL OFFICERS--CONTRACTS REGARDING RURAL ELECTRIC
COOPERATIVES

Approved and effective July 28, 2009

AN ACT to amend the general municipal law, in relation to the vote of municipal officers on contracts regarding rural electric cooperatives

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§ 1. Paragraph f of subdivision 1 of section 802 of the general municipal law, as amended by chapter 1043 of the laws of 1965, is amended to read as follows:

f. A contract with a membership corporation or other voluntary non-profit corporation or association including, but not limited to, rural electric cooperatives. For purposes of this paragraph, the term “rural electric cooperative” shall have the same meaning as the term “cooperative” as defined in subdivision (a) of section two of the rural electric cooperative law;

§ 2. This act shall take effect immediately.

2009 N.Y. LAWS Ch. 249
NEW YORK STATE SENATE
INTRODUCER'S MEMORANDUM IN SUPPORT
submitted in accordance with Senate Rule VI. Sec 1

BILL NUMBER: S1607 REVISED 06/02/09

SPONSOR: VALESKY

TITLE OF BILL: An act to amend the general municipal law, in relation to the vote of municipal officers on contracts regarding rural electric cooperatives

PURPOSE OR GENERAL IDEA OF BILL: This bill would clarify that it is not a conflict of interest for locally elected officials to vote on contracts which involve rural electric cooperatives that they may be members of.

SUMMARY OF SPECIFIC PROVISIONS: Paragraph (f) of subdivision 1 of section 802 of the general municipal law is amended.

JUSTIFICATION: There are fairly large swaths of rural New York that are served by rural electric cooperatives and for which the ones they serve their members have no choice but to belong. More than that, these electric cooperatives are non-profit membership corporations.

Given this it would only make sense to statutorily clarify that it is a permissible conflict of interest for locally elected officials to be able to vote on issues and contracts involving the municipality they represent and the electric cooperative they receive their energy from. It is important to note that this is very similar to provisions within the current statute which allows municipal officers who own stock in an investor owned utility to vote and take part in contracts involving that utility and the municipality.

PRIOR LEGISLATIVE HISTORY: Introduced as S.6646 in 2008

FISCAL IMPLICATIONS: None.

EFFECTIVE DATE: Immediately.