



REPORT TO COUNCIL 19

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Staff Report
April 22, 2008

**Honorable Mayor and
Members of the City Council**

Title: AB 1234 Ethics Training

Location/Council District: City-Wide

Recommendation: Receive and file

Contacts: Eileen Teichert, City Attorney, 808-5346; Richard Archibald, Assistant City Attorney, 808-5346; Patti Bisharat, Governmental Affairs, 808-9197

Presenters: Eileen Teichert, City Attorney, Richard Archibald, Assistant City Attorney

Department: City Attorney

Division: City Attorney

Organization No: 0500

Description/Analysis:

Issue: Effective January 1, 2006, State Law AB 1234 requires that all elected and appointed officials take a minimum of two hours of state approved ethics training every two years. For the City of Sacramento, this law applies to Sacramento City Councilmembers and all board and commission members appointed by the city council. This is the second round of ethics training to be provided to the council and board and commission members, with the first round having been provided in August, 2006.

As required by AB 1234, this training will cover laws relating to: 1) personal financial gain by officials (conflict of interest laws); 2) office-holder perquisites ("perks"), including gifts and travel; 3) governmental transparency laws, including the Brown Act and the Public Records Act; and 4) fair processes, including common law bias requirements, due process, and the doctrine of incompatible offices.

Policy Considerations: This training will ensure compliance with AB 1234.

Environmental Considerations: None.

Commission/Committee Action: N/A.

Rationale for Recommendation: This training is mandatory under state law.

Financial Considerations: None.

Emerging Small Business Development (ESBD): N/A.

Respectfully Submitted by:



Eileen M. Teichert, City Attorney

Table of Contents:

Report pgs. 1-2

Attachments:

AB 1234 Ethics Training Outline pgs. 3-4

California Ethics Guides and Resources pgs. 5-6

AB 1234 ETHICS TRAINING

OUTLINE

I. Overview of AB 1234 (Government Code Sec. 53234.)

Two basic requirements:

- a. Adoption of formal policies to govern reimbursement of expenses.
- b. Local agencies must provide or arrange for a minimum of two hours of ethics training every two years for members of local legislative bodies.

II. AB 1234 Ethics Training / Mandatory Elements

- a. Laws related to personal financial gain by public servants.
- b. Laws pertaining to perquisites ("perks") of office.
- c. Government transparency laws.
- d. Laws related to fair processes and unbiased decision-makers.

III. Element One: Laws Pertaining to Personal Financial Gain

- a. Bribery, including agreed exchange of votes.
- b. Financial Conflicts of interest under:
 - 1. The Political Reform Act.
 - 2. The City Code.
- c. Contractual Conflicts of Interest. (Gov. Code Sec. 1090.)
- d. Contributions and Conflicts of Interest. (Gov. Code Sec.84308.)

- e. Conflicts of Interest: Leaving Office Restrictions Under:
 - 1. Political Reform Act Restrictions.
 - 2. City Charter, City Code Restrictions.

IV. Laws Concerning Perquisites (“Perks”) of Office

- a. Gifts, gift limits under the Political Reform Act.
- b. Honoraria.
- c. Misuse of public funds.
- d. Restrictions on gifts of public funds.
- e. Constitutional prohibition on acceptance of free or discounted transportation from transportation companies.
- f. Mass mailing rule.

V. Government Transparency Laws

- a. Brown Act: Ralph M. Brown Act.
- b. Public Records Act.

VI. Laws Related to Fair Processes and Unbiased Decision-Making

- a. Procedural requirements for hearings: adjudicatory versus legislative decisions.
- b. Doctrine of incompatibility of offices. (Gov. Code Sec. 1099.)
- c. Common law doctrine against conflicts of interest (bias, personal interest or animosity).
- d. Competitive bidding.

VII. Questions and Answers

CALIFORNIA ETHICS GUIDES AND RESOURCES

Brown Act

- Open and Public IV: A Guide to the Ralph M. Brown Act. League of California Cities (2007). www.cacities.org
- The Brown Act: Open Meetings for Local Legislative Bodies. California Attorney General's Office (2003). www.ag.ca.gov
- The ABCs of Open Government Laws. Institute for Local Government (2006). www.ca-ilg.org

Conflicts of Interest

- Conflicts of Interest. California Attorney General's Office (2004). www.ag.ca.gov
- FPPC Fact Sheet: Can I Vote? Conflict of Interest Overview, FPPC (2007). www.fppc.ca.gov
- FPPC Fact Sheet: Campaign Contributions May Cause Conflicts for Appointees and Commissioners (1999). www.fppc.ca.gov
- FPPC Fact Sheet: Holding Two Positions. FPPC (2003). www.fppc.ca.gov
- FPPC Booklet: Your Duty to File: A Basic Overview of Economic Disclosure Law. FPPC (2004). www.fppc.ca.gov

Public Records Act

- Summary of the California Public Records Act 2004. California Attorney General's Office. www.ag.ca.gov
- The ABCs of Open Government Laws. Institute for Local Government (2006). www.ca-ilg.org
- The People's Business: A Guide to the California Public Records Act. League of California Cities (anticipated publication date of May, 2008). www.cacities.org

Gifts, Travel, Honoraria

- FPPC Fact Sheet: Limitations and Restrictions on Gifts, Honoraria, Travel and Loans for Local Elected Officers and Candidates for Local Elective Offices, Local Officials Specified in Government Code Section 87200, Judicial Candidates,

Designated Employees of Local Government Agencies. FPPC (2007).
www.fppc.ca.gov

- FPPC Fact Sheet: Travel Guide for California Officials and Candidates. FPPC (2007). www.fppc.ca.gov

Meetings, Public Processes

- Planning Public Forums: Questions to Guide Local Officials. Institute for Local Government (2007). www.ca-ilg.org
- Ethics Law: Reference for Local Officials. Institute for Local Government (2007). www.ca-ilg.org
- Planning Commission Handbook 2. League of California Cities (2004). www.cacities.org

General Ethics Guides

- Of Cookie Jars and Fish Bowls: A Public Official's Guide to Use of Public Resources. Institute for Local Self Government (2004). www.ca-ilg.org
- Key Ethics Law principles for Public Servants. Institute for Local Government (2007). www.ca-ilg.org
- Ethics Law: Reference for Local Officials. Institute for Local Government (2007). www.ca-ilg.org
- Everyday Ethics for Local Officials: Finding Your Way. Institute for Local Government (2006). www.ca-ilg.org
- Walking the Line: What to Do if You Suspect an Ethics Problem. Institute for Local Government (2005). www.ca-ilg.org
- Success in Public Service: What You Need to Know Before You Are Elected or Appointed. Institute for Local Government (2005). www.ca-ilg.org
- Practicing Ethics: A Handbook for Municipal Lawyers. League of California Cities. www.cacities.org
- Let's Not Make a Deal: Vote-Trading and Similar Practices Raise Legal and Ethical Issues. An article in February 2007 issue of Western City. Available at www.cacities.org