

POLICY TITLE: CONFLICTS OF INTEREST – COMPLIANCE WITH STATUTES, REGULATIONS AND RELATED COURT, ATTORNEY GENERAL AND FPPC OPINIONS

POLICY STATEMENT:

1. The California Political Reform Act (Government Code Sections 81000 et seq), the California Fair Political Practices Commission implementing the Political Reform Act (California Code of Regulations, Title 2, Division 6, Sections 18109-18997), Government Code Sections 1090 et seq, and the City of Santa Cruz Conflict of Interest Code (City of Santa Cruz Resolution No. NS-28,561) all set forth conflict of interest statutes and regulations which are variously binding upon city councilmembers, city advisory board members, city officials and city employees. These statutes and regulations are intended to discourage and prohibit actual or perceived self-dealing on the part of councilmembers, advisory board members, officials and employees with respect to matters such as contracting, business, financial interests, real estate, expenditure of public funds and resources, bribes, the acceptance of gifts and other items and services of value, sources of income, and nepotism in the form of favoritism to family members. In addition to legislatively promulgated statutes and administratively promulgated regulations, California courts, the Fair Political Practices Commission, and the California Attorney General all issue written opinions pertaining to the proper interpretation, application and enforcement of these statutes and regulations. Councilmembers, advisory board members, officials and employees are subject to criminal and civil sanctions, both monetary and non-monetary, for failure to comply with these statutes and regulations. The California Attorney General, the Fair Political Practices Commission, district attorneys and city attorneys, depending upon the statute or regulation in question, are legally responsible for enforcing these statutes and regulations.
2. The City Council hereby affirms its conviction that the above-referenced conflict of interest statutes and regulations serve a valid and compelling public interest and for this reason should be meticulously learned, understood, observed and obeyed by the city councilmembers, advisory board members, officials and employees to whom they apply. Specifically the City Council strongly endorses the following public policies which are advanced by strict adherence to these statutes and regulations:
 - State and local government should serve the needs and respond to the wishes of all citizens equally, without regard to their wealth, personal relationships, political affiliations or status.

- Public officials, whether elected or appointed, should perform their duties in an impartial manner, free from actual or perceived bias caused by their own financial interests or the financial interests of persons who have supported them, or other persons with whom they are personally, professionally or politically associated.
 - Receipts and expenditures in election campaigns should be fully and truthfully disclosed in order that the voters may be fully informed and improper practices may be inhibited.
 - Assets and income of councilmembers, advisory board members, officials and employees which may be materially affected by their official actions should be disclosed and in appropriate circumstances the officials should be disqualified from acting in order that actual or perceived conflicts of interest may be avoided.
3. City Councilmembers, advisory board members, officials and employees of the City of Santa Cruz shall all be responsible for learning, understanding, observing and obeying the conflict of interest statutes and regulations referenced in this policy, as interpreted and applied in opinions issued by the courts, the Attorney General and the Fair Political Practices Commission, to the extent that those statutes and regulations apply to those councilmembers, advisory board members, official and employees.
 4. Minimum compliance with this policy requires those individuals subject to the Government Code Section 53235 (AB1234) ethics training requirements to complete that training in accordance with, and at the intervals prescribed by, Section 53235. Individuals who are not subject to Section 53235 shall be deemed to have complied with this policy when they receive ethics training from any public agency professional organizations, such as the League of California Cities through its various departments, in which those individuals are members.
 5. Councilmembers, advisory board members, officials and employees who are uncertain whether or how a conflict of interest statute or regulation may apply to them in a given set of circumstances should confer with the City Attorney (or their supervisor) before proceeding. Any advice from the City Attorney is provided at no cost to the advisory board member.
 6. Lack of familiarity with, or failure to understand, a conflict of interest statute or regulation shall not constitute an excuse for failure to comply with that statute or regulation.
 7. Personal disagreement with a conflict of interest statute or regulation, or any opinion construing such a statute or regulation, shall not constitute a basis for non-compliance with that statute or regulation, nor shall personal disagreement excuse non-compliance with that statute or regulation.

8. An advisory board member's willful failure to comply with this policy or a conflict of interest statute or regulation referenced in this policy shall constitute grounds for removal from the member's advisory body and for reporting that member to the appropriate enforcement agency.