

BY AUTHORITY

ORDINANCE NO. _____

COUNCIL BILL NO. CB16-0919

SERIES OF 2017

COMMITTEE OF REFERENCE:

AS AMENDED 1-3-17

Finance and Governance

A BILL

For an ordinance amending Article V of Chapter 2 of the Revised Municipal Code pertaining to financial disclosure.

BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:

Section 1. That Article V of Chapter 2 of the Denver Revised Municipal Code (sections 2-70 through 2-74) shall be amended by deleting the language stricken and adding the language underlined below, to read as follows:

ARTICLE V. FINANCIAL DISCLOSURE

Sec. 2-70. Legislative intent.

It is the intent of the council to ensure access to information that will help to prevent any city officers, or employees, ~~or candidates for municipal offices~~ from unfairly using city offices for personal advantage; and thereby to foster public trust, which is essential to representative government. Therefore, the council declares that it is the purpose of this article to require public disclosure of gifts to employees and of the personal finances of officers ~~and candidates~~ in the city and members of the immediate families of such persons.

Sec. 2-71. Definitions.

Words and phrases used in this article shall have the following meanings:

- (1) Business means a private firm, corporation, association, partnership, or other private organization or enterprise operated for profit.
- ~~(2) Candidate means any person who seeks election to any elected Charter office (the offices of mayor, auditor, member of city council, and the clerk and recorder). A person is a candidate for election upon the first to occur of the following:~~
 - ~~a) The person or a candidate committee authorized by the person has received contributions and contributions in kind or has made expenditures aggregating in excess of five hundred dollars (\$500.00) during the election cycle; or~~
 - ~~b) The person has filed nominating petitions pursuant to section 8.2.7 of the Charter.~~
- ~~(23) Financial interest means a relationship to any business or trust in which a person is involved as a director, officer, owner in whole or in part, limited or general partner, employee, stockholder, trustee, or beneficiary of a trust.~~
- ~~**(34) Gift, as used in this article, shall be those items enumerated or described in section 2-60(a) or (b), of the Revised Municipal Code, whether or not the Ethics Code allows**~~

1 ~~acceptance. means anything or service of value given by a person without adequate~~
2 ~~compensation. By way of illustration and not limitation, the term shall include cash;~~
3 ~~payment for speeches, debates, or participation in events; honoraria; tickets to sporting,~~
4 ~~recreational, educational, or cultural events; lodging, parking privileges; travel~~
5 ~~expenses; and any reduction in price or discount that is not available to all officers and~~
6 ~~employees of the city on the same terms and conditions.~~

7 (345) Immediate family, as used in this article, shall have the same meaning as set forth in section
8 2-52(c), Revised Municipal Code. ~~means husband, wife, son, daughter, mother, father,~~
9 ~~grandmother, grandfather, grandchildren, brother, sister, and domestic partner. The term~~
10 ~~includes any minor children for whom the person or his or her domestic partner provides day-to-~~
11 ~~day care and financial support. A "domestic partner" is an unmarried adult, unrelated by blood,~~
12 ~~with whom an unmarried person has an exclusive committed relationship, maintains a mutual~~
13 ~~residence, and shares basic living expenses.~~

14 (456) Officer means any of the following: the mayor, the auditor, the members of city council, the
15 manager of public works, the manager of parks and recreation, the manager of finance, the
16 manager of environmental health, the manager of general services, the manager of safety, the
17 city attorney, the manager of human services, the clerk and recorder, the manager of aviation,
18 the manager of community planning and development, ~~and the mayor's chief of staff, and any~~
19 ~~person appointed to a position and listed in section 9.1.1 E. (iii), (iv), (viii), (xiii), (xiv) and (xv) of~~
20 ~~the city charter. Certified public accountants employed by the Auditor shall not be considered~~
21 ~~officers.~~

22 **Sec. 2-72. Annual financial disclosure statement and semi-annual gift disclosure statement**
23 **required; employee report required.**

24 (a) *Form of statement; duty of clerk.* The clerk shall prepare forms for reports required by this
25 article and furnish the forms free of charge for use by officers, ~~candidates, and employees~~
26 ~~who are required by this article to make reports. The report forms will not include any~~
27 ~~requirement to disclose sensitive personally identifying information, such as social security~~
28 ~~numbers or bank account numbers.~~

29 (b) *Annual financial disclosure statement required. Officers shall file their annual financial*
30 **report for calendar year 2016 no later than January 31, 2017 under the reporting**
31 **requirements in effect during 2016. Beginning in 2018,** every officer as defined in
32 section 2-71(5) shall file a financial disclosure statement with the clerk no later than January
33 31 August 4 of each year. The report shall cover the period from January 1 to December 31
34 of the prior year. ~~If a person is a candidate and an officer in the same year, the person shall~~
35 ~~file a financial disclosure statement within fifteen (15) days of becoming a candidate in~~
36 ~~accordance with section 15-33 (c) in addition to filing the annual statement required by this~~
37 ~~section.~~

38 (c) *Semi-annual gift disclosure statement required. Beginning in 2018,* every officer as defined
39 in section 2-71(5) shall file a gift disclosure with the clerk on or before January 31 and July
40 31 of each year. The report shall cover the period since the last report. The report shall

1 include the identification, estimated value, and the source of any gifts which may be
2 accepted under Sections 2-60(b)(4), (7) and (10) in excess of fifty dollars (\$50) either
3 individually or in the aggregate received by the officer during the reporting period.
4 Officers are only required to report gifts from persons pursuing business with the city or with
5 whom the city has an existing, ongoing, or pending contract, business, or regulatory
6 relationship and over whom the officer may take direct official action as defined in §2-52(b).

7 ~~Annual employee report required. Every employee shall file an employee report with his or~~
8 ~~her appointing authority no later than August 1 of each year. The report shall cover the~~
9 ~~period from January 1 to December 31 of the prior year and shall list the names of sources~~
10 ~~of any gifts in excess of twenty-five dollars (\$25.00) either individually or in the aggregate,~~
11 ~~as a result of employment with the city, from anyone pursuing business with the city, except~~
12 ~~gifts from a member of the employee's immediate family. The report shall also list tickets to~~
13 ~~sporting, recreational, educational, or cultural events, lodging, parking privileges, and travel~~
14 ~~expenses received from any public entity during the preceding calendar year.~~

15 (d) *Information required in financial disclosure statement.* The financial disclosure statement
16 required of officers and candidates shall contain the following information for the reporting
17 year (excluding the actual dollar amounts):

18 (1) The name of each business in which the officer reporting person and/or that officer's
19 person's spouse owned any securities or other financial interest in excess of one percent
20 (1%) or five thousand dollars (\$5,000.00), and the name of the person holding the
21 financial interest;

22 (2) The names of any sources of income received by the officer reporting person, including
23 capital gains, whether or not taxable, which exceeded two thousand dollars (\$2000.00);
24 provided, that the amounts of such incomes need not be disclosed;

25 (3) ~~The names of sources of any gifts received by the officer reporting person in excess of~~
26 ~~twenty-five dollars (\$25.00), except gifts from a member of the immediate family. The~~
27 ~~listing shall include but not be limited to meals or tickets accepted by the reporting person~~
28 ~~under section 2-60(B)(4) of the Code of Ethics.~~

29 (34) The names of all persons or employers, other than the city, for whom the officer
30 reporting person performed compensated lobbying;

31 (45) The names of the creator, beneficiaries or ownership of any private trust for the benefit
32 of the officer reporting person and a description of the assets held by the trust when the
33 value exceeds five thousand dollars (\$5,000);

34 (56) A listing of all real property or interest therein owned by the officer reporting person at
35 any time during the reporting year, including options to purchase, located in the state,
36 together with the location and name, if any, by which such property is commonly known,
37 whether the real property was owned outright or held in whole or in part under a
38 corporation or partnership; except that, home addresses of the officer reporting person or
39 immediate family members need not be listed;

1 (67) The transfer by the officer-reporting person of any assets with a value in excess of five
2 thousand dollars (\$5,000.00) to an immediate family member during the reporting year or
3 during the previous two (2) years; and

4 (78) The name of each creditor owed an amount in excess of five thousand dollars
5 (\$5,000.00); and

6 (89) The names of any current employer and any employer for whom the officer-reporting
7 person worked during the reporting period from July 1 of the year prior to the calendar
8 reporting year through December 31 of the reporting year.

9 (e) *Disclosure with respect to immediate family members*. The officer reporting person shall
10 also disclose the information described in subsection (d) for any financial interest of an
11 immediate family member which is held jointly, derived from the income or assets of the
12 officer reporting person, or may be materially affected by a direct official action of the officer
13 reporting person as defined in section 2-52(Bb), DRMC of the Code of Ethics; and shall list
14 the name of the person holding the financial interest.

15 (f) *Public records*. Financial disclosure statements filed pursuant to section 2-72(b) and gift
16 disclosure statements filed pursuant to section 2-72(c) shall be public records and available
17 for inspection during the regular business hours of the clerk. The city clerk will make the
18 completed statements available to the public on line within a reasonable time, not to exceed
19 seven (7) business days after the date of receipt of the completed statements. The clerk
20 shall keep a log showing when requests are made to inspect a financial disclosure
21 statement and shall notify the reporting person within three days if a request is made to
22 inspect that person's statement. Those requesting inspection shall not be required to give
23 their names. Employee reports filed pursuant to section 2-72(c) shall be public records and
24 available for inspection by contacting the agency or department head with whom the report
25 is filed.

26 **Sec. 2-72.5 Annual employee report required.**

27 **Employees shall file their annual gift report for gifts received in calendar year 2016 no later**
28 **than January 31, 2017 under the reporting requirements in effect during 2016. Beginning in**
29 **2018, every employee shall file an employee report with his or her appointing authority on or**
30 **before January 31 of each year. The report shall cover the period from January 1 to December 31**
31 **of the prior year and shall include the identification, estimated value, and the source of any gifts**
32 **which may be accepted under Sections 2-60(b)(4), (7) and (10) in excess of fifty dollars (\$50)**
33 **either individually or in the aggregate** received by the employee during the reporting period, as
34 a result of employment with the city, from anyone pursuing business with the city or with whom the
35 city has an existing, ongoing, or pending contract, business, or regulatory relationship over whom
36 the employee may take direct official action as defined in §2-52(b). Employee reports filed
37 pursuant to this section shall be public records and available for inspection by contacting the
38 agency or department head with whom the report is filed.

39 **Sec. 2-73. Action by clerk.**

1 When an officer ~~or candidate~~ fails to file a financial disclosure statement or semi-annual gift
2 disclosure as required by this article, or appears to be in violation of any provision of this article,
3 the clerk shall send written notice to the officer ~~person~~ for the purpose of obtaining compliance or a
4 correction or completion of the statement; and if the clerk is unable, within ten (10) days following
5 such notification, to obtain compliance, correction or completion, the clerk shall file a complaint with
6 the city attorney for consideration whether to pursue legal action pursuant to ~~under~~ the provisions
7 of chapter 14, article II of this Code; provided, that the officer, ~~covered employee, or candidate~~
8 may, for good cause shown in writing, obtain an extension of the ten (10) day period, not to exceed
9 fifteen (15) additional days, from the clerk. The clerk also shall file a copy of the complaint with the
10 board of ethics for consideration as to whether there is a violation of the code of ethics under
11 chapter 2, article IV of this Code.

12 **Sec. 2-74. Complaints.**

13 (a) When any person witnesses or has other personal knowledge or information that an officer
14 ~~or candidate~~ may have failed to file a financial disclosure statement as required in this
15 article, or appears to be in violation of any provision of this article, the person may take
16 action as set forth below for the purpose of obtaining compliance, or a correction or
17 completion of such statement:

18 (1) The person may send a written notice to the officer ~~or candidate~~ describing the alleged
19 omission or unlawful act and shall file a copy of the notice with the clerk. The clerk shall
20 notify the complainant in writing within fifteen (15) days of the filing of the notice whether
21 the alleged omission or unlawful act has been completed or corrected; and

22 (2) If, after fifteen (15) days following the written notice, the complainant has not been
23 notified in writing by the clerk that the alleged omission or unlawful act has been
24 completed or corrected, the person may file a complaint with the clerk for referral to the
25 city attorney and board of ethics.

26 (b) It shall be unlawful for any person to file a complaint under subsection (a) with knowledge
27 that the complaint is made without foundation in fact. Any person who witnesses or has
28 other personal knowledge or information that such unfounded complaint has been made, or
29 that a false or misleading statement has been made in such complaint, may file a complaint
30 with the clerk for referral to the city attorney and the board of ethics ~~pursuant to the~~
31 ~~provisions of chapter 14, article II of this Code.~~

32

1 COMMITTEE APPROVAL DATE: November 29, 2016
2 MAYOR-COUNCIL DATE: December 6, 2016
3 PASSED BY THE COUNCIL: _____, 2017
4 _____ - PRESIDENT
5 APPROVED: _____ - MAYOR _____, 2017
6 ATTEST: _____ - CLERK AND RECORDER,
7 EX-OFFICIO CLERK OF THE
8 CITY AND COUNTY OF DENVER
9 NOTICE PUBLISHED IN THE DAILY JOURNAL: _____, 2016; _____, 2017
10 PREPARED BY: T. Shaun Sullivan, Assistant City Attorney DATE: December 15, 2016
11 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of
12 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed
13 ordinance. The proposed ordinance is submitted to the City Council for approval pursuant to §3.2.6
14 of the Charter.
15
16 Kristin M. Bronson, Denver City Attorney
17 BY: _____, Assistant City Attorney DATE: _____