BY AUTHORITY

ORDINANCE NO. _____ COUNCIL BILL NO. CB16-0919

SERIES OF 2017 COMMITTEE OF REFERENCE:

AS AMENDED 1-3-17

AS AMENDED 1-9-17 Finance and Governance

A B I L L

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.~~

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

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

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

Sec. 2-72. Annual Ffinancial disclosure statement and semi-annual gift disclosure statement required; employee report required.

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

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

(c) *Semi-annual gift disclosure statement required.* **~~Beginning in 2018~~, Beginning July 31, 2017,** every officer as defined in section 2-71(5) shall file a gift disclosure with the clerk on or before January 31 and July 31 of each year. The report shall cover the period since the last report. The report shall include the identification, estimated value, and the source of any gifts which may be accepted under Sections 2-60(b)(4), (7) and (10) **~~in excess of fifty dollars ($50) either individually or in the aggregate~~** received by the officer during the reporting period. Officers are **~~only~~** required to report gifts from persons pursuing business with the city or with whom the city has an existing, ongoing, or pending contract, business, or regulatory relationship and over whom the officer may take direct official action as defined in §2-52(b).

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

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

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

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

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

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

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

(56) A listing of all real property or interest therein owned by the officer ~~reporting person~~ at any time during the reporting year, including options to purchase, located in the state, together with the location and name, if any, by which such property is commonly known,

whether the real property was owned outright or held in whole or in part under a corporation or partnership; except that, home addresses of the officer ~~reporting person~~ or immediate family members need not be listed;

(6~~7~~) The transfer by the officer ~~reporting person~~ of any assets with a value in excess of five thousand dollars ($5,000.00) to an immediate family member during the reporting year or during the previous two (2) years; ~~and~~

(7~~8~~) The name of each creditor owed an amount in excess of five thousand dollars ($5,000.00)~~.~~; and

(8~~9~~) The names of any current employer and any employer for whom the officer ~~reporting person~~ worked during the reporting period from July 1 of the year prior to the calendar ~~reporting~~ year through December 31 of the reporting year.

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

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

Sec. 2-72.5 Annual employee report required.

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

pursuant to this section shall be public records and available for inspection by contacting the agency or department head with whom the report is filed.

Sec. 2-73. Action by clerk.

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

Sec. 2-74. Complaints.

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

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

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

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

COMMITTEE APPROVAL DATE: November 29, 2016

MAYOR-COUNCIL DATE: December 6, 2016

PASSED BY THE COUNCIL: _____, 2017

_____ - PRESIDENT

APPROVED: _____ - MAYOR _____, 2017

ATTEST: _____ - CLERK AND RECORDER,
EX-OFFICIO CLERK OF THE
CITY AND COUNTY OF DENVER

NOTICE PUBLISHED IN THE DAILY JOURNAL: _____, 2016; _____, 2017

PREPARED BY: T. Shaun Sullivan, Assistant City Attorney DATE: December 15, 2016

Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed ordinance. The proposed ordinance is submitted to the City Council for approval pursuant to §3.2.6 of the Charter.

Kristin M. Bronson, Denver City Attorney

BY: _____, Assistant City Attorney DATE: _____