



Council Agenda Report

From: Melissa Boyer, City Clerk

Subject: Amendment to the Conflict of Interest Code of the City of El Paso de Robles Pursuant to the Political Reform Act of 1974

CEQA Determination: The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Date: September 17, 2024

Facts

1. Under the Political Reform Act, all public agencies are required to adopt a Conflict of Interest code. This code designates positions required to file Statements of Economic Interests (Form 700) and assigns disclosure categories specifying the types of interests to be reported. The Form 700 is a public document intended to alert public officials and members of the public to the types of financial interests that may create conflicts of interests.
2. Every two years, each public agency must review its Conflict of Interest code and update as needed pursuant to Government Code section 87306.5. The last update to the Conflict of Interest Code ([Resolution 22-127](#)) was approved by the City Council on September 20, 2022.
3. During the review process, staff found that amendments to the City's Conflict of Interest Code are necessary. A redlined version of the proposed amended Code is attached showing the revisions made.
4. On June 5, 2024, City staff posted the required "Local Agency Biennial Notice" in the City Clerk's Office stating that the City's current Conflict of Interest Code needed to be amended to reflect changes in position titles and levels of participation in making governmental decisions.
5. On September 3, 2024 the Council received the notice of intention to amend the Conflict of Interest Code.
6. The City has until October 1, 2024 to adopt the necessary amendments.

Options

1. Take no action; or
2. Approved Resolution 24-XXX adopting the amended Conflict of Interest Code; or
3. Pull the item from consent and direct revisions to be included in the adoption.

Analysis and Conclusions

The Political Reform Act of 1974, Government Code section 81000, et seq. (the "Act"), requires all public agencies to adopt and maintain a conflict of interest code. The Act further requires that agencies regularly review and update their codes as directed by the code-reviewing body or when change is necessitated by changed circumstances (Sections 87306 and 87306.5). The City Council is the City's code-reviewing body. Staff has determined that certain amendments to the Code are necessary.

Option 1: Should the City Council take no action, the current Conflict of Interest Code, parts of which are out of date, would remain in force and effect. Should the City Council take no action on the Conflict of Interest Code after it has been identified as needing amendment based on changes to the City's organizational structure as identified on September 3, 2024, it is possible that the state Fair Political Practices Commission (FPPC) might seek to review the City's Code and determine if it complies with the Political Reform Act

Option 2: The attached resolution amends the City's Conflict of Interest Code to appropriately designate those persons who are required to file a Statement of Economic Interest pursuant to Title 2 of the California Code of Regulations, Section 18730. Government Code section 87303 provides that no code or amendment to a code shall be effective until it has been approved by the code-reviewing body.

Option 3: Provide alternative direction to staff.

Government Code section 87303 provides that no code or amendment to a code shall be effective until it has been approved by the code-reviewing body.

Fiscal Impact

There are no anticipated fiscal impacts associated with Options 2 or 3. Should the City Council take no action on the Conflict of Interest Code after it has been identified as being in need of amendment based on changes to the City's organizational structure (per Option 1), it is possible that the state Fair Political Practices Commission (FPPC) might seek to review the City's Code and determine if it complies with the Political Reform Act.

Recommendation (Option 1)

Approve Resolution 24-XXX adopting the amended Conflict of Interest Code.

Attachments

1. Resolution 24-XXX – Amending the Conflict of Interest Code
 - a. Exhibit A –Amended Conflict of Interest Code—2024
2. Local Agency Biennial Notice