

BOARD MEETING DATE: October 2, 2015

AGENDA NO. 16

PROPOSAL: Amend SCAQMD Conflict of Interest Code and Incorporate Code, as Amended, into SCAQMD Administrative Code

SYNOPSIS: This action is to amend the SCAQMD Conflict of Interest Code (Code), pursuant to Government Code Section 87306(a). Under the Code, individuals holding designated positions are required to disclose certain financial interests. The proposed amendments will add and delete designated positions subject to the Code's requirements. The proposed amendments will also revise the Disclosure Categories, assign the Disclosure Categories to the designated positions, and make minor clarifications to the Code. This action is also to incorporate the Code, as amended, into the SCAQMD Administrative Code.

COMMITTEE: Administrative Committee, September 11, 2015; Recommended for Approval.

RECOMMENDED ACTIONS:

1. Approve amendments to the SCAQMD Conflict of Interest Code as reflected in the Attachments;
2. Direct the Executive Officer to forward the revised Code and any other necessary documentation to the Fair Political Practices Commission for approval; and
3. Incorporate the SCAQMD Conflict of Interest Code, as amended, into the SCAQMD Administrative Code as new Section 42.

Barry R. Wallerstein, D.Env.
Executive Officer

Background

The Political Reform Act, Government Code Sections 8100, et. seq., requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Board has adopted a Conflict of Interest Code that governs SCAQMD officials and employees. Individuals holding specified positions are required to disclose certain investments, income, interests in real property, business entities and business positions, and may have to disqualify themselves from making or participating in governmental decisions affecting those interests.

Proposal

The SCAQMD's Conflict of Interest Code is periodically updated. The proposed amendments will change the enumeration of SCAQMD positions required to file economic disclosure statements by adding the following classifications as persons who must file Statements of Economic Interest under the Conflict of Interest Code: Directors of the Brain & Lung Tumor and Air Pollution Foundation, and Principal Air Quality Chemist. In addition, deleted or unfunded classifications are proposed to be removed as designated positions in the Code, as set out in Attachment B.

The proposed amendments will also revise the Disclosure Categories, as requested by the Fair Political Practices Commission (FPPC), to make them consistent with the disclosure categories for other public agencies. The FPPC has been working to make conflict-of-interest codes uniform throughout the state, to the extent possible, in order to make the disclosure process easier to understand for those reporting and for the public to review. The revised Disclosure Categories were assigned to the designated positions, as appropriate. The proposed amendments also make minor clarifications to the Code itself.

Before the SCAQMD may amend its Code, FPPC regulations require that individuals whose positions will be subject to its requirement be afforded a 45-day written comment period and the option of a public hearing. A 45-day notice was provided to give interested individuals the opportunity to provide written comments on the proposed amendments to the Code, and to request a public hearing on the matter.

Under this proposal, the SCAQMD Conflict of Interest Code, as amended, would be incorporated into the SCAQMD Administrative Code as new Section 42.

Resource Impacts

No resource impacts will result from this proposal.

Attachments

- A. Proposed Amended Conflict of Interest Code
- B. Proposed Amended Conflict of Interest Code (Strike-Out)
- C. Resolution

ATTACHMENT A

NEW §42 OF SCAQMD ADMINISTRATIVE CODE

**CONFLICT-OF-INTEREST CODE FOR THE
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**

The Political Reform Act, Government Code Sections 8100, et. Seq., requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs. Section 18730, which contains the terms of a standard conflict-of-interest code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments to the Political Reform Act after public notice and hearings. Therefore, the terms of 2 Cal. Code of Regs. Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with Appendices “A” and “B” in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the conflict-of-interest code of the South Coast Air Quality Management District (SCAQMD).

Designated employees and officials shall file their statements of economic interest with the South Coast Air Quality Management District. Upon receipt of the statements of the SCAQMD Governing Board Members and Executive Officer, SCAQMD shall make and retain copies and forward the originals to the Fair Political Practices Commission. Statements for all designated employees shall be retained with the SCAQMD. All statements shall be made available for public inspection and reproduction upon request. (Gov. Code Section 81008.)

APPENDIX "A"

Designated Positions

<u>Position</u>	Reportable Economic Interest Category Number <u>(See Appendix "B")</u>
Air Quality Analysis & Compliance Supervisor	1, 2
Atmospheric Measurements Manager	1, 2
Board Member Consultant	1-7
Brain & Lung Tumor and Air Pollution Foundation	6
Building Maintenance Manager	1
Business Services Manager	1
Clean Fuels Officer	1, 2, 6
Clerk of the Board	1, 2
Community Relations Manager	1, 2
Controller	1-4, 6, 7
Designated Deputy	1-7
Designated Deputy- Legal	1-7
Deputy District Counsel I	1-7
Deputy District Counsel II	1-7
Executive Officer	1-7
Financial Services Manager	1-4, 6, 7
Board Member Assistant	1-7
Health Effects Officer	1-4, 6, 7
Human Resources Manager	1
Investigator	2
Investigations Manager	1-7
Mobile Source Air Pollution Reduction Review Committee Member	1, 2, 6
Mobile Source Air Pollution Reduction Review Committee Member Alternate	1, 2, 6
Planning & Rules Manager	1-7
Principal Air Quality Chemist	1, 2
Principal Deputy District Counsel	1-7
Procurement Manager	1-4, 6, 7
Program Supervisor	1-7

Reportable Economic
Interest Category Number
(See Appendix "B")

<u>Position</u>	
Public Affairs Manager	1, 2, 6
Public Benefits Programs Oversight Committee Member	6
Purchasing Assistant	1
Purchasing Supervisor	1
Quality Assurance Manager	1, 2
Risk Manager	1
SCAQMD Board Member	1-7
SCAQMD Hearing Board Member	1-7
SCAQMD Hearing Board Member Alternate	1-7
Senior Air Quality Engineer	2
Senior Air Quality Engineering Manager	1, 2
Senior Deputy District Counsel	1-7
Senior Enforcement Manager	1, 2
Senior Public Affairs Manager	1, 2, 6
Senior Public Information Specialist	1, 2, 6
Senior Staff Specialist	1-7
Staff Specialist	1, 2, 6
Supervising Air Quality Engineer	1, 2
Supervising Investigator	2
Systems & Programming Manager	1, 2
Technical Advisory Committee of the Mobile Source Air Pollution Reduction Review Committee	1, 2, 6
Technical Advisory Committee of the Mobile Source Air Pollution Reduction Review Committee Alternate	1, 2, 6
Technology Implementation Manager	1, 2, 6
Consultants/New Positions	*

*Consultants/new positions shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The Executive Officer may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Officer’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code (Gov. Code Section 81008).

APPENDIX “B”

Disclosure Categories

1. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that provide services, supplies, materials, machinery, or equipment to the District.
2. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources (including business entities, governmental entities and non-profits) for which the agency has oversight authority. Sources include those subject to District rules, regulation, permits, fines or citations.
3. Investments and business positions in business entities, and sources of income, including receipt of loans, gifts, and travel payments, from sources that engage in the acquisition, appraisal, disposal, or development of real property within the District.
4. Investments and business positions in business entities, and sources of income, including receipt of loans, gifts, and travel payments, from sources that regularly engage in the preparation of environmental impact statements or reports for projects within the District.
5. Interests in real property located within the jurisdiction of the District or within one mile of the boundaries of the jurisdiction of the District.
6. Investments and business positions in business entities, and sources of income, including receipt of loans, gifts, and travel payments, from sources that apply for or receive financial or technical assistance, including grants, from the District.
7. Investments and business positions in business entities, and sources of income, including receipt of loans, gifts, and travel payments, from sources that have a claim for money or damages pending or have filed such a claim within the last two years.

ATTACHMENT B

NEW §42 OF SCAQMD ADMINISTRATIVE CODE

**CONFLICT-OF-INTEREST CODE FOR THE
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**

The Political Reform Act, Government Code Sections 8100, et. seq., requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs. Section 18730, which contains the terms of a standard conflict-of-interest code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments to the Political Reform Act after public notice and hearings. Therefore, the terms of 2 Cal. Code of Regs. Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with Attachments/appendices “A” and “B” in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the conflict-of-interest code of the South Coast Air Quality Management District (SCAQMD).

Designated employees and officials shall file their statements of economic interest with the South Coast Air Quality Management District. Upon receipt of the statements of the SCAQMD Governing Board Members and Executive Officer, ~~the District~~ SCAQMD shall make and retain copies and forward the originals to the Fair Political Practices Commission. Statements for all ~~other~~ designated employees shall be retained with the ~~District~~ SCAQMD. and All statements shall be made available for public inspection and reproduction upon request. (Gov. Code Section 81008.)

ATTACHMENT APPENDIX "A"

Designated Positions

<u>Position</u>	<u>Reportable Economic Interest Category Number (See Attachmentppendix "B")</u>
Affirmative Action Officer	<u>1,2</u>
Air Quality Analysis & Compliance Supervisor	2,3 <u>1, 2</u>
Atmospheric Measurements Manager	<u>1, 2</u>
—2,3	
Board Member Consultant (Employee)	1-7
<u>Brain & Lung Tumor and Air Pollution Foundation Directors</u>	<u>6</u>
Building Maintenance Manager	<u>1,2</u>
Business Services Manager	<u>1,2</u>
Clean Fuels Officer	<u>1, 2, 6</u> 2,3
Clerk of the Board	<u>1, 2</u> 2,3
Community Relations Manager	<u>1, 2</u> 2,3
Computer Services Manager	2, 3
Consultants (Source Testing)	1
Controller	<u>1-4,6,7</u>
Designated Deputy	<u>1-7</u>
Designated Deputy- Legal	<u>1-7</u>
Deputy District Counsel I	<u>1-7</u>
Deputy District Counsel II	<u>1-7</u>
Environmental Technology Assessment Manager	1
Executive Officer	<u>1-7</u>
Financial Services Manager	<u>1-4,6,7</u>
Governing Board Member Assistant	1-7
Graphics Art Manager	<u>1,2</u>
Health Effects Officer	<u>1-4,6,7</u>
Human Resources Manager	<u>1,2</u>

Investigator	<u>23</u>
Investigations Manager	<u>1-7</u>
Manager of Organizational and Human Resources Development	2
Mobile Source Air Pollution Reduction Review Committee Member	<u>1, 2, 6-7</u>

Reportable Economic
Interest Category Number
(See Attachment Appendix "B")

Position

Mobile Source Air Pollution Reduction Review Committee Member Alternate	<u>1, 2, 6-7</u>
Planning & Rules Manager	<u>1-7</u>
<u>Principal Air Quality Chemist</u>	<u>1, 2</u>
Principal Deputy District Counsel	<u>1-7</u>
Procurement Manager	<u>1-4, 6, 7</u>
Program Supervisor	<u>1-7</u>
Public Affairs Manager	<u>1, 2, 6, 2, 3</u>
Public Benefits Programs Oversight Committee Member	<u>64</u>
Purchasing Assistant	<u>12</u>
Purchasing Manager	2
Purchasing Supervisor	<u>12</u>
Quality Assurance Manager	<u>1, 22</u>
Resource Planning Manager	2
Risk Manager	<u>12</u>
SCAQMD Board Member	<u>1-7</u>
SCAQMD Hearing Board Member	<u>1-7</u>
SCAQMD Hearing Board Member Alternate	<u>1-7</u>
Senior Air Quality Engineer	<u>23</u>
Senior Air Quality Engineering Manager	<u>1, 2-7</u>
Senior Deputy District Counsel	<u>1-7</u>
Senior Enforcement Manager	<u>1, 2-7</u>
Senior Public Affairs Manager	<u>1, 2, 6-7</u>
Senior Public Information Specialist	<u>1, 2, 6-7</u>
Senior Staff Specialist	<u>1-7</u>
Source Testing and Monitoring Manager	1
Staff Specialist	<u>1, 2, 6, 2, 3</u>

Supervising Air Quality Engineer	1, 2-7
Supervising Investigator	23
Systems & Programming Manager	1, 2-7
Technical Advisory Committee of the Mobile Source Air Pollution Reduction Review Committee	1, 2,6-

<u>Position</u>	Reportable Economic Interest Category Number (See Attachment-Appendix "B")
Technical Advisory Committee of the Mobile Source Air Pollution Reduction Review Committee Alternate	1, 2,6-7
Technology Implementation Manager	1, 2,6-7
Transportation Programs Manager	1
Telecommunications Manager	2
Consultants/New Positions	*

*Consultants/new positions shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The Executive Officer may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code (Gov. Code Section 81008).

ATTACHMENT APPENDIX "B"

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2. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources (including business entities, governmental entities and non-profits) for which the agency has oversight authority. Sources include those subject to District rules, regulation, permits, fines or citations.
3. Investments and business positions in business entities, and sources of income, including receipt of loans, gifts, and travel payments, from sources that engage in the acquisition, appraisal, disposal, or development of real property within the District.
4. Investments and business positions in business entities, and sources of income, including receipt of loans, gifts, and travel payments, from sources that regularly engage in the preparation of environmental impact statements or reports for projects within the District.
5. Interests in real property located within the jurisdiction of the District or within one mile of the boundaries of the jurisdiction of the District.
6. Investments and business positions in business entities, and sources of income, including receipt of loans, gifts, and travel payments, from sources that apply for or receive financial or technical assistance, including grants, from the District.
7. Investments and business positions in business entities, and sources of income, including receipt of loans, gifts, and travel payments, from sources that have a claim for money or damages pending or have filed such a claim within the last two years.

Category 1 – Officials and employees whose duties are broad:

~~Persons in this category shall disclose all interests in real property located in the SCAQMD's jurisdiction, and shall also disclose all investments, business positions, source of income, including gifts, loans, and travel payments, from sources located or doing business in SCAQMD's jurisdiction.~~

Category 2 – Officials and employees whose duties involve contracting or purchasing:

~~Persons in this category shall disclose all investments, business positions, and sources of income, including gifts, loans and travel payments, from sources that~~

~~provide goods, services, supplies, materials, vehicles, machinery or equipment of the type utilized by the SCAQMD.~~

~~Category 3 – Officials and employees whose duties involve regulatory activities:~~

~~Persons in this category shall disclose all investments, business positions, and income, including gifts, loans and travel payments, from sources that are subject to the regulatory, permit or licensing authority of the SCAQMD.~~

~~Category 4 – Officials and employees whose duties involve financial interests in grants received from the District:~~

~~Persons in this category shall disclose all investments, business positions and income, including gifts, loans and travel payments, or income from a nonprofit organization, if the source is of the type to receive grants or other monies from or through the SCAQMD.~~

code amendment draft 5 - may 2015

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ATTACHMENT C

RESOLUTION NO. 42-____

A Resolution of the South Coast Air Quality Management District Board amending the SCAQMD Conflict of Interest Code (Code) and incorporating the Code into the SCAQMD Administrative Code.

WHEREAS, the Political Reform Act, Government Code Sections 8100, et. seq., requires state and local government agencies to adopt and promulgate conflict-of-interest codes.

WHEREAS, the Governing Board has adopted a Conflict of Interest Code that governs SCAQMD officials and employees.

WHEREAS, the SCAQMD Board finds that it is appropriate to amend the Code to add and delete designated positions subject to the Code's requirements, revise the Disclosure Categories, assign the Disclosure Categories to the designated positions, and make minor clarifications to the Code.

WHEREAS, a 45-day notice was provided to give affected individuals the opportunity to provide written comments on the proposed amendments to the Code, and to request a public hearing on the matter.

NOW, THEREFORE BE IT RESOLVED the SCAQMD Board hereby amends the Conflict of Interest Code, and incorporates it to the October 2, 2015 Board letter as new Section 42 of the Administrative Code, as set forth in Attachment A of the Board letter.