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Repealing Chapter 20-600 of The Philadelphia Code, entitled "Standards of Conduct and Ethics," and enacting a new Chapter 20-600 of The Philadelphia Code, entitled "Standards of Conduct and Ethics," providing for the powers and duties of the Board of Ethics and the imposition of civil penalties, and providing for the compensation of the members of the Board of Ethics, all under certain terms and conditions.

..Body

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 20-600 of The Philadelphia Code, entitled "Standards of Conduct and Ethics," is hereby repealed in its entirety.

SECTION 2. A new Chapter 20-600 of The Philadelphia Code, entitled "Standards of Conduct and Ethics," is hereby enacted as follows:

CHAPTER 20-600. STANDARDS OF CONDUCT AND ETHICS

§20-601. *Declaration of Purpose.*

The Council of the City of Philadelphia hereby declares that public service is a public trust. Any effort to realize personal financial gain through public office or employment other than by compensation as provided by law is a violation of that trust. These standards of conduct and ethics are enacted to preserve the public trust placed in City officers and employees, to promote public confidence in City government, and to enhance the integrity of decisions and actions by City officers and employees. To assure the public of the impartiality and honesty of City officers and employees, this Chapter shall be liberally construed in favor of the public interest in disclosure, objective decision-making uninfluenced by financial or family interests, and restrictions on official actions that tend to diminish public confidence in government.

§20-602. *Definitions.*

(1) *Adjudicative Matter.* Any final order, decree, decision, determination or ruling affecting personal or property rights, privileges, immunities, duties, liabilities or obligations of any or all of the parties to the proceeding in which the adjudication is made.

(2) *Annual Salary.* Payment for services pursuant to Section 20-303, 304 and 305 of this Chapter except in those instances in which the rate of compensation is based upon the number of meetings attended or days worked.

(3) *Appropriate Authority.* A federal, state or local government body, agency or organization having jurisdiction over criminal law enforcement, regulatory violations, professional conduct, ethics or waste; or a member, officer, agent, representative or supervisory employee of such body, agency or organization.

(4) *Board.* Board of Ethics.

(5) *Business.* Any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust or other legal entity.

(6) *Business with which a City Officer or Employee Is Affiliated.* Any business in which a City officer or employee or a member of the City officer's or employee's immediate family is a director, officer or employee or has a financial interest which comprises more than 5% of the equity of the business or more than 5% of the assets of the economic interest in indebtedness.

(7) *City Agency.* A City office, department, board, commission or other entity that is part of the City government.

(8) *Gift.* A payment, subscription, advance, forbearance, rendering or deposit of money, services or anything of value, unless consideration of equal or greater value is received. For purposes of this chapter, a "gift" shall not include a political contribution which has been reported as required by law or a commercially reasonable loan made in the ordinary course of business.

(9) *Immediate Family.* A spouse or life partner residing in the individual's household and minor dependent children.

(10) *Income.* Any money or thing or value received, or to be received as a claim on future services, whether in the form of a fee, salary, expense, allowance, forbearance, forgiveness, interest, dividend, royalty, rent, capital gain or any other form of recompense or any combination thereof.

(11) *Indirect Interest in Real Estate.* Any business entity the assets of which are 80 percent or more in real property.

(12) *Life Partner.* A member of a Life Partnership that is verified pursuant to Section 9-1106(2) of this Code.

(13) *Officer or Employee.* Any person who is elected or appointed to any office or position in the City whether serving full-time or part-time and whether serving with or without compensation, including, but not limited to, members of agencies, boards and commissions.

(14) *Part-time.* Service rendered by any City officer or employee who is not employed by the City on a full-time basis in any capacity. This shall include, but is not limited to, members of agencies, boards and commissions who are paid on the basis of each meeting attended.

(15) *Person.* An individual, business, corporation, union, association, firm, partnership, committee, club or other organization or group of persons.

(16) *Personnel action.* With respect to any City officer or employee not under civil service: any appointment, employment, promotion, disciplinary action, transfer, reappointment, reinstatement, reassignment, performance evaluation, or any decision concerning pay or benefits.

(17) *Quasi-Public Agency.* Any board or commission to which the Mayor or the Council is entitled to an appointment; and, any authority or quasi-public corporation that either:

(a) *Receives appropriations from the City; or*

(b) *Has entered into a continuing contractual relationship with the City;*
or

(c) *Operates under legal authority granted to it by City ordinance.*

(18) *Relative.* A spouse, parent, child, sibling, aunt, uncle, nephew, niece, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half-sister, or a life partner or the parent, child or sibling of a life partner.

(19) *Transactions Involving the City.* Any proceeding, application, submission, request for a ruling, or other determination, contract, lease, claim, case, award, decision, decree, judgment or legislation including ordinances and resolutions or other particular matter which (a) is or will be the subject of City action; or (b) is one to which the City is or will be a party; or (c) is one in which the City has a direct proprietary interest. This phrase shall not include routine applications or requests for routine information or other matters which are of a ministerial nature and do not require the exercise of discretion on the part of any City officer or employee.

§20-603. *Board of Ethics.*

(1) *Powers and Duties.*

(a) *Rules and Regulations.* The Board shall promulgate rules and regulations as are necessary to implement and interpret the provisions of this Chapter consistent with the goal of providing clear guidance regarding prohibited conduct.

(b) *Training and Education.*

(i) *The Board shall have the responsibility of training and educating City officers and employees regarding the standards of conduct and ethics. In fulfilling this responsibility, the Board shall prepare and disseminate educational materials regarding the provisions contained within this Chapter and related interpretive regulations, including a Code of Ethics Manual, and shall develop and conduct routine educational and*

training programs for all City officers and employees.

(ii) *Within sixty (60) days of enactment of this Chapter, each head of a City agency shall provide a copy of this Chapter to all employees under his or her direction. Thereafter, on or before the tenth day after an individual becomes a City officer or employee, each head of a City agency shall provide a copy of this Chapter to all such new officers or employees.*

(c) *Advisory Opinions.*

(i) *The Board shall render advisory opinions with respect to all matters pertaining to the standards of conduct and ethics. An advisory opinion shall be rendered on the request of a City officer or employee or a supervisor of such City officer or employee and shall apply only to such City officer or employee. The request shall be in such form as the Board may require and shall be signed by the person making the request. The opinion of the Board shall be based on such facts as are presented in the request or subsequently submitted in a written, signed document.*

(ii) *Advisory opinions shall be issued only with respect to proposed future conduct or action by a City officer or employee. A City officer or employee whose conduct or action is the subject of an advisory opinion shall not be subject to penalties or sanctions under this Chapter by virtue of acting or failing to act due to a reasonable reliance on such opinion, unless material facts were omitted or misstated in the request for the opinion. The Board may amend a previously issued advisory opinion after giving reasonable notice to the City officer or employee that it is reconsidering its opinion; provided that such amended advisory opinion shall apply only to future conduct or action of the City officer or employee.*

(iii) *The Board shall make public its advisory opinions with such deletions as may be necessary to prevent disclosure of the identity of any City officer or employee or other involved party in accordance with regulations promulgated by the Board.*

(d) *Financial Disclosure.*

(i) *All Statements of Financial Interest required pursuant to Section 20-605 shall be filed with the Board.*

(ii) *The Board shall issue rules and regulations concerning the filing of Statements of Financial Interest for the purpose of ensuring compliance by all City officers and employees with the applicable provisions of financial disclosure law.*

(e) *Complaints.*

(i) *The Board shall receive written complaints alleging violations of this Chapter. All such complaints must be signed by the complainant and the*

Board shall preserve the confidentiality of the complainant at all times.

(ii) Whenever a written complaint is received by the Board, it shall:

(.1) Dismiss the complaint if it determines that no further action is required by the Board;

(.2) Refer the complaint to the Inspector General if further investigation is required for the Board to determine what action is appropriate;

(.3) Make an initial determination as to whether there is probable cause to believe that a City officer or employee has violated a provision of this Chapter and, if so, proceed to adjudicate the matter in accordance with the regulations promulgated under paragraph (g) of this Section; or

(.4) Refer the alleged violation of this Chapter to the head of the City agency in which the City officer or employee serves if the Board deems the violation to be minor or if related disciplinary charges are pending against the City officer or employee; or

(.5) Refer the alleged violation to other appropriate enforcement authorities.

(f) Investigations and Referrals.

(i) The Board shall have the power to direct the Inspector General to conduct an investigation of any matter related to the Board's responsibilities under this Chapter. The Inspector General shall, within a reasonable time, investigate any such matter and submit a confidential written report of factual findings to the Board.

(ii) The Inspector General shall make a confidential report to the Board concerning the results of all investigations which involve or may involve violations of the provisions of this Chapter, whether or not such investigations were made at the request of the Board.

(iii) Whenever a City agency receives a complaint alleging a violation of the provisions of this Chapter or determines that a violation of this Chapter may have occurred, it shall refer such matter to the Board. Such referral shall be reviewed and acted upon by the Board in the same manner as a complaint received by the Board under paragraph (e) of this Section.

(g) Adjudication. The Board shall, by regulation, provide for adjudication of alleged violations of this Chapter, insuring that notice and an opportunity to be heard are provided prior to any final decision by the Board. If the Board finds that there has been a violation of this Chapter it may impose civil penalties pursuant to Section

20-607. *Findings and decisions of the Board on any actions taken by the Board shall be final and there shall be no further appeal other than to court as provided by law.*

(h) *Annual Report.* The Board shall submit an annual report to the Mayor and City Council. The report shall include a summary of the proceedings and activities of the Board, a description of the education and training conducted, a summary and evaluation of complaints and referrals received and their disposition, such legislative and administrative recommendations the Board deems appropriate, the rules of the Board, and an index of opinions and orders of that year. The report, which shall be made available to the public, shall not contain any information which, if disclosed, would constitute an invasion of the privacy of a City officer or employee.

(i) *Confidentiality.* Except as otherwise provided in this Chapter, the records, reports, memoranda and files of the Board shall be confidential and shall not be subject to public inspection, except as otherwise provided by law.

§20-604. *Prohibited Conduct.*

(1) *Conflicts of Financial Interest.*

(a) *Avoidance of Conflict or Potential Conflict.* No City officer or employee shall use or attempt to use his or her position as a public servant to obtain any financial gain for himself or herself, for a relative, or for a business with which such officer or employee is affiliated. No City officer or employee shall perform official duties in any transaction involving the City if a financial interest in such transaction is held by either: (i) such officer or employee; (ii) a relative of such officer or employee; or (iii) a business with which such officer or employee is affiliated.

(b) *Disclosure and Disqualification.* If such a conflict of financial interest exists or may exist, the City officer or employee shall disclose the existence of the conflict pursuant to the provisions of Section 20-604(2) and shall thereafter disqualify himself or herself from taking or recommending any official action regarding such transaction involving the City.

(c) *Two Year Ban.* Subsequent to any transaction involving the City, no City officer or employee shall become financially interested in such transaction during his or her term of office or employment and until two (2) years have elapsed since the expiration of service or employment of the City officer or employee.

(d) *Ministerial Actions.* This section shall not apply to routine applications or requests for routine information or other matters which are of a ministerial nature and do not require substantial discretion on the part of a City officer or employee.

(2) *Public Disclosure and Disqualification*

(a) *A member of City Council shall make public the nature and extent of any financial interest in a legislative matter, including ordinances and resolutions,*

at the scheduled public hearing of such legislative matter. If such financial interest occurs after the public hearing and prior to five (5) days before such legislation is to be considered by the full Council, the public disclosure shall be made by registered or certified mail to the Chief Clerk of the Council and all members of the Council and be announced by the presiding officer of the Council at the time the legislative matter is called up for consideration. If such financial interest occurs less than five (5) days prior to consideration by the Council on such legislative matter, the member shall announce his or her interest publicly on the floor of the Council in public session. This provision shall apply notwithstanding the fact that the member of Council did not participate or was absent upon or during the vote or consideration of such legislative matter.

(b) Any other City officer or employee having a financial interest in a legislative matter, including ordinances and resolutions, shall make public the nature and extent of their financial interest by notification of the Chief Clerk of the Council and all members of the Council, by registered or certified mail, at least five (5) days prior to the public hearing on the legislative matter and such notice shall be made part of the official record. In the event that said interest occurs after the public hearing, the City officer or employee shall notify the Chief Clerk of the Council and all members of the Council, by registered or certified mail, prior to the Council meeting when said legislative matter is to be considered and such notice shall be made part of the official record.

(c) Any member of City Council or other City officer or employee having a financial interest in any transaction involving the City that is not a legislative matter shall make public the nature and extent of said interest prior to any action thereon, by registered or certified mail, to the Commissioner, Secretary and/or Executive Director of the pertinent agency, board or commission, and the Board of Ethics and the Department of Records which shall maintain a public record of such notices. In the event of action within a department or by a department head, such notice by registered or certified mail shall be given, prior to any action taken, to the Mayor, the Managing Director, the Board of Ethics and the Department of Records which shall maintain a public record of such notices.

(3) Gifts, Gratuities and Favors.

(a) No City officer or employee shall solicit or accept, directly or indirectly, anything of value, including any gift, gratuity, favor, entertainment or loan from:

(i) Any person or business doing business with or seeking to do business with a City agency or quasi-public agency;

(ii) Any person or business whose operations or activities are regulated or inspected by any City agency or quasi-public agency;

(iii) Any person or business engaged, either as principal or attorney, in proceedings before any City agency or quasi-public agency or in court

proceedings in which the City is an adverse party;

(iv) Any person or business seeking legislative or administrative action by a City agency or quasi-public agency; or

(v) Any person or business whose interests may otherwise be substantially affected by the performance or nonperformance of the official duties of the City officer or employee.

(b) Exceptions. The provisions of subsection (3)(a) shall not apply to:

(i) The solicitation or acceptance of anything of value from an immediate family member or relative when the circumstances make it clear that the motivation for the action is a personal or family relationship;

(ii) The solicitation or acceptance of loans from banks or other financial institutions on customary terms of finance for proper and usual activities, such as home mortgage loans;

(iii) The solicitation or acceptance of something of value where the aggregate total fair market value of gifts from that source equals \$100 or less for the calendar year provided that the gift does not violate any other provision of law, and provided that the gift does not consist of cash in any amount; or

(iv) The immediate consumption by the City officer or employee of food and beverage while attending a public or private event, provided that this exception does not apply to the acceptance of anything else of value connected with the event.

(c) Any City officer or employee who receives a gift or gratuity which is prohibited by subsection (3)(a) shall forward the gift or gratuity to the head of the City officer's or employee's department or agency, together with a written explanation of the circumstances surrounding the gift or gratuity. The department or agency head shall return such gift or gratuity to the donor together with a written explanation why the return is necessary. If return of the gift or gratuity is not possible, the gift or gratuity shall be deemed to be a gift to the City and shall be forwarded together with a written explanation as to why the return to the donor is not possible to the Procurement Department for appropriate disposition pursuant to Section 6-500(d) of the Philadelphia Home Rule Charter. A copy of all such written explanations shall be sent to the Board of Ethics and the Inspector General.

(4) Nepotism

(a) No City officer or employee shall take any personnel action

concerning a relative.

(b) No City officer or employee shall recommend that any personnel action concerning a relative be taken by any person who serves in a City agency if the City officer or employee serves in or exercises jurisdiction or control over such City agency. For purposes of this subsection, the Mayor, City Controller and members of City Council shall be considered to exercise jurisdiction and control over every City agency.

(c) The Mayor, the City Controller and members of City Council shall not recommend that any personnel action concerning a relative be taken by any person who serves in a quasi-public agency.

(d) Before any person may be appointed to a non-civil service position with the City, such person shall file with the head of the hiring City agency a written disclosure listing the names of all of such person's relatives who serve in that City agency or who exercise jurisdiction or control over such City agency or are deemed to exercise such jurisdiction or control under the provision of subsection (4)(b). At the same time such disclosure is filed, such person shall send a copy to the Department of Records which shall keep such copies available for public inspection, and to each relative listed in such disclosure. Upon receipt of a disclosure required under this subsection, the head of a City agency shall also send a copy to each relative listed in such disclosure.

(5) Representation by City Officers and Employees and Businesses Affiliated with a City Officer or Employee

(a) No City officer or employee shall assist another person by representing him or her directly or indirectly as his or her agent or attorney, whether or not for compensation, in any transaction involving the City. No City officer or employee shall accept any fee from anyone for referring any matter to another person where the City officer or employee would be prohibited from assisting or representing them under the provisions of this Section.

(b) No member or employee of any business with which a City officer or employee is affiliated shall assist or represent any person directly or indirectly as agent or attorney in any matter in which such City officer or employee has the responsibility for decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise determining such matters, unless such City officer or employee shall disclose such fact and disqualify himself or herself from such responsibility in the manner set forth in Section 20-604(2).

(c) An uncompensated City officer or employee or a part-time City officer or employee shall not assist another person by representing him or her directly or indirectly as his or her agent or attorney, whether or not for compensation, in any transaction involving the City in which such City officer or employee at any time participated or which is pending in the City agency in which such City officer or employee is serving.

(d) *The prohibited conduct described above in paragraphs (a), (b) and (c) shall not be construed to include:*

(i) *Any assistance rendered by a City officer or employee in the course of or incident to his or her official duties.*

(ii) *Any assistance rendered by a City officer or employee on his or her own behalf, or on behalf of an immediate family member or relative, or for any person whom the City officer or employee is serving as guardian, executor, administrator, trustee or other personal fiduciary, except in those matters in which such officer or employee has participated personally or which are the subject of the officer's or employee's official responsibility.*

(iii) *Any uncompensated assistance rendered by a City officer or employee not inconsistent with the faithful performance of his or her duties, to aid or assist a person who is the subject of disciplinary or other personnel proceedings with respect to those proceedings.*

(6) *Exparte Communication.*

No City officer or employee nor any person shall, directly or indirectly, communicate in any way with any member of any board, agency or commission of the City as to any adjudicative matter which is, or which may reasonably be, expected to be pending before such board, agency, or commission for the purpose of influencing said member of such board, agency or commission, unless a full disclosure of such communication is simultaneously made available to the other party or parties in interest with respect to such matter.

(7) *Non-Disclosure of Confidential Information*

No City officer or employee shall directly or indirectly disclose or make available confidential information concerning the property, government or affairs of the City without proper legal authorization.

(8) *Political Activity*

(a) *No person shall seek or attempt to use any political endorsement in connection with any appointment to a position in the civil service.*

(b) *No person shall, for the purpose of influencing the vote or political action of any person, or for any consideration, use or promise to use, directly or indirectly, any official authority or influence, whether possessed or anticipated, to secure or attempt to secure for any person an appointment or advantage in appointment to a position in the civil service, or an increase in pay or other advantage in employment in any such position.*

(c) *No officer or employee of the City and no officer or employee of any governmental agency whose compensation is paid out of the City Treasury shall, from any person, and no officer or member of a committee of any political party or club shall, from any civil service employee, directly or indirectly demand, solicit, collect or receive, or be in any manner concerned in demanding, soliciting, collecting or receiving, any assessment, subscription or contribution, whether voluntary or involuntary, intended for any political purpose whatever. No officer or member of the Philadelphia Police or of the Fire Department shall pay or give any money or valuable thing or make any subscription or contribution, whether voluntary or involuntary, for any political purpose whatever.*

(d) *No appointed officer or employee of the City shall be a member of any national, state or local committee of a political party, or an officer or member of a committee of a partisan political club, or take any part in the management or affairs of any political party or in any political campaign, except to exercise his or her right as a citizen privately to express his or her opinion and to cast his or her vote.*

(e) *No officer or employee of the City, except elected officers running for re-election, shall be a candidate for nomination or election to any public office unless he or she shall have first resigned from his or her then office or employment.*

(f) *Any officer or employee of the City who violates any of the foregoing provisions of this section, shall in addition to any penalties provided for hereafter, be ineligible for one year for any office or position under the City.*

(g) *This Section shall be interpreted in the same manner as Section 10-107 of the Philadelphia Home Rule Charter including any exceptions thereto.*

§20-605. *Statement of Financial Interests.*

(1) *All City officers or employees who are paid an annual salary pursuant to the provisions of Sections 20-303, 20-304 and 20-305 of this Chapter and all members of boards and commissions whether compensated or not shall file a statement of financial interests for the preceding calendar year with the Board of Ethics no later than the first day of May of each year including the year after they leave such office or employment. All such City officers or employees or members of boards and commissions who take office or are employed after the filing date or less than thirty (30) days before the filing date must file a statement of financial interest for the preceding calendar year within thirty (30) days of taking office or employment.*

(2) *The statement of financial interests filed pursuant to this Section shall be signed under penalty of perjury and include the following information for the prior calendar year with regard to the individual required to file the statement:*

(a) *The name, address and position of the individual required to file*

statement.

(b) *The occupation or profession of the individual required to file the statement.*

(c) *Any direct or indirect interest in any real estate which was sold or leased to the City of Philadelphia or any of its departments, boards, commissions, authorities or other agencies; purchased or leased from the City of Philadelphia or any of its departments, boards, commissions, authorities or other agencies; or was subject to any condemnation proceeding by the City of Philadelphia or any of its departments, boards, commissions, authorities or other agencies.*

(d) *The name and address of each creditor to whom is owed in excess of five thousand (\$5,000) dollars and the interest rate thereon. However, loans or credit extended between members of the immediate family and mortgages securing real property which is the principal residence of the individual filing shall not be included.*

(e) *The name and address of any person who is the direct or indirect source of income totalling in the aggregate five hundred (\$500) dollars or more. However, this provision shall not be construed to require the divulgence of confidential information protected by statute or existing professional codes of ethics.*

(f) *The name and address of any person from whom a gift or gifts valued in the aggregate at one hundred (\$100) dollars or more were received, and the value and the circumstances of each gift.*

(g) *The source of any honorarium received which is in excess of one hundred (\$100) dollars.*

(h) *Any office, directorship or employment of any nature whatsoever in any business entity.*

(i) *Any financial interest in any legal entity engaged in business for profit.*

(3) *Except for gifts reported under § 20-605(2)(f), the statement of financial interests need not include specific amounts for any of the items required to be listed.*

(4) *All statements of financial interest filed pursuant to the provisions of this Section shall be made available for public inspection and copying during regular office hours.*

§20-606. *Post-Employment Representation.*

(1) *Former City officers and employees shall not assist any person in any transaction involving the City if the City officer or employee participated in such transaction during his or her City service or employment, regardless of whether such officer or employee receives any compensation for the assistance. This prohibition shall not apply to those City officers or employees who served without compensation.*

§20-607. *Penalties.*

(1) *Any person in violation of this Chapter shall be subject to a civil penalty of three hundred (300) dollars for each violation.*

(2) *Upon a determination by the Board that a violation of this Chapter has occurred in connection with a transaction involving the City, the Board may, after consultation with the head of the City agency involved, make a recommendation to the Mayor to void the transaction.*

SECTION 3. Section 20-304 of The Philadelphia Code, entitled "Compensation for Members of Boards, Commissions, Committees, and Councils," is amended as follows:

§20-304. Compensation for Members of Boards, Commissions, Committees, and Councils.

* * *

(38) Board of Ethics. Each member of the Board of Ethics shall receive [thirty (30) dollars compensation for each meeting of the Board which he attends; provided that, the total compensation paid to each member in any year shall not exceed one hundred twenty (120) dollars.] *an annual salary of sixty thousand dollars (\$60,000). The Chair of the Board of Ethics shall receive an annual salary of sixty-five thousand dollars (\$65,000).*

SECTION 4. Effective Date. Section 3 of this Ordinance shall take effect upon the certification of the approval by the electors of the amendment to the Philadelphia Home Rule Charter providing for the creation and appointment of a Board of Ethics. Section 1 and Section 2 of this Ordinance shall take effect six months after the certification and approval by the electors of such amendment to the Philadelphia Home Rule Charter.

Explanation:

[Brackets] indicate existing matter deleted.
Italics indicates new matter added.

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