

Amendment 2 Version C to CB 120978 Code of Ethics

Sponsor: Councilmember Hollingsworth

Creating a financial interest standard requiring recusal for legislative matters

Effect: This amendment concerns SMC 4.16.070.A.5 and elected officials' participation in legislative matters. It requires an elected official to recuse themselves when their own financial interests would be affected in a manner different than the class, group, or entity regulated by the legislative matter.

1. Amend the title of CB 120978 as follows:

AN ORDINANCE relating to the Code of Ethics; defining "elected official"; requiring elected officials to disclose any financial interest or conflict of interest prior to participating in legislative matters and recuse themselves in certain instances; and amending Sections 4.16.030 and 4.16.070 of the Seattle Municipal Code.

2. Amend CB 120978 to include an additional WHEREAS Clause as follows:

WHEREAS, the Executive Director relayed two findings in support of amending the Code of Ethics to allow elected officials to participate in legislative matters after disclosure of a financial interest: (1) the public nature of the legislative process; and (2) the ability of voters to act upon the voting record of their elected officials; and

WHEREAS, while elected officials would be able to disclose their financial interest or conflict of interest and participate in legislative matters, when the elected official's financial interest is impacted to a greater or less extent than that of other members of the same professions, occupations, classes, or groups affected by the legislative matter, the elected official must recuse themselves; and

WHEREAS, when reviewing an elected official's financial interest and their participation in a legislative matter, the SEEC and its Executive Director should determine whether the

regulated matter produces a unique and direct gain or loss that is specific to the elected official but not other persons or entities regulated by the legislative matter; and

WHEREAS, this bill does not permit elected officials to participate in quasi-judicial proceedings in which they have a financial interest or participate in an executive function in which they have a financial interest; NOW, THEREFORE,

3. Amend Section 2 of CB 120978 as follows:

Section 2. Section 4.16.070 of the Seattle Municipal Code, last amended by Ordinance 125589, is amended as follows:

4.16.070 Prohibited conduct

A covered individual may not engage in any of the following acts:

A. Disqualification from acting on City business

...

5. Application to City elected officials and legislative matters. Subsections 4.16.070.A.1 ~~((and))~~, 4.16.070.A.2, and 4.16.070.A.3 do not apply to an elected official's participation in legislative matters if the elected official publicly discloses any financial interest or conflict of interest prior to participating in a legislative matter using the procedure in subsection 4.16.070.A.5.a. ~~((: a. The legislative matter establishes or adjusts assessments, taxes, fees, or rates for water, utility, or other broadly provided public services or facilities that are applied equally, proportionally, or by the same percentage to the elected official's interest and other businesses, properties, or individuals subject to the assessment, tax, fee, or rate and a disclosure is made in accordance with subsection 4.16.070.A.6, or 6. Before participating in a~~

~~matter covered by subsection 4.16.070.A.5, the elected official must publicly disclose any financial interest or conflict of interest.))~~ However, if the elected official's financial interest is impacted to a greater or less extent than that of other members of the same professions, occupations, classes, or groups affected by the legislative matter, it is a violation of subsection 4.16.070.A.1 for an elected official to participate in the legislative matter.

a. Disclosure of a financial interest or conflict of interest. An elected official must post a written disclosure on the official's City webpage and file a copy with the Executive Director and the City Clerk. A Councilmember shall additionally make such a disclosure on the public record at an open public meeting of the Council or one of its committees at which the legislative matter is discussed. ~~((The Councilmember shall also, before participating in that legislative matter at any subsequent Council or committee meeting, repeat the oral disclosure on the public record of that meeting. a.))~~ If ~~((a Councilmember))~~ an elected official is charged with a violation of subsection 4.16.070.A.1 or 4.16.070.A.2 or 4.16.070.A.3 and asserts as an affirmative defense that a disclosure under this subsection ~~((4.16.070.A.6))~~ 4.16.070.A.5 was made, the burden of proof is on the ~~((Councilmember))~~ elected official to show that a proper disclosure was made.