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CITY ATTORNEY

REPORT NO. R17-0171
MAY 23 2017

REPORT RE:

**DRAFT ORDINANCE AMENDING CHAPTER 2 OF DIVISION 24 OF THE
LOS ANGELES ADMINISTRATIVE CODE TO REVISE REGULATIONS OF THE CITY
ETHICS COMMISSION CONCERNING ENFORCEMENT PROCEDURES**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Honorable Members:

As requested by the Ethics Commission, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The draft ordinance amends Chapter 2 of Division 24 of the Los Angeles Administrative Code by revising regulations regarding Ethics Commission enforcement procedures.

Summary of the Ordinance

The ordinance reflects the Ethics Commission's proposals to amend enforcement regulations. The proposed regulations would make various changes to strengthen and clarify the enforcement procedures pursuant to Charter Section 706. The details of the changes are reflected in the April 24, 2017, Ethics Commission report on this matter. The amendments would clarify that after holding a hearing, an outside hearing officer will make recommendations to the Ethics Commission members (Board) regarding whether violations occurred, but no longer will make recommendations regarding penalties, leaving that determination solely within the Board's purview. Additionally, the regulations impose a deadline for payment of penalties, improve the subpoena process, streamline the Board's issuance of enforcement orders, define cooperation for purposes of enforcement and make technical changes. Finally, similar to the City law that

requires departments to report fraud, waste and abuse, the proposed amendment would impose a requirement for a department to report to the Commission matters involving potential violations of campaign finance, lobbying, governmental ethics and conflicts of interests within 10 days of discovery, except as prohibited by law.

Time Limit and Authority for Council Action

Pursuant to Charter Section 703, the City Council must hold a public hearing and either approve or disapprove Ethics Commission regulations within 60 days of adoption by the City Ethics Commission. If not disapproved within that time, the Mayor has ten days to approve or disapprove the regulations. If not disapproved by the Mayor, the regulations have the force of law. The City Ethics Commission adopted these regulations on April 18, 2017. Because the 60th day falls on a weekend, the last regular Council meeting day to act on this matter is June 16, 2017.

Pursuant to Los Angeles City Charter Section 703, the City Council may only approve or disapprove the ordinance and cannot amend it, as the ordinance is the codification of the Ethics Commission's regulations.

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the Ethics Commission.

If you have any questions regarding this matter, please contact Assistant City Attorney Renee Stadel at (213) 978-7100. She or another member of this Office will be present when you consider this matter to answer any questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By



DAVID MICHAELSON
Chief Assistant City Attorney

DM:RS:cl
Transmittal

cc: City of Los Angeles Ethics Commission
Chief Legislative Analyst, City of Los Angeles