

**LOCAL GOVERNMENT  
ETHICS ORDINANCES IN  
CALIFORNIA**

**By**

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Helen Roland  
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**March 1998**

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## DIGEST

California has approximately 7,000 units of local government including special districts, cities and counties. Many are governed by locally elected boards that exercise wide-ranging authority over significant policy and budgetary decisions. Their staff has considerable autonomy in implementing policy decisions and allocating resources. Significant ethical issues arise in the course of making these decisions. Yet public attention and concern about government ethics tends to focus on state and national government (with notable exceptions). Local government activities, especially those of special districts, are often relatively invisible to the public and the press.

Relatively little research has been done about the ethics ordinances and regulations that have been adopted by California's local governments. There is no repository that collects such ordinances (with the limited exception of campaign finance ordinances collected by the Fair Political Practices Commission). Although the Political Reform Act establishes statewide conflict of interest standards, gift and honoraria limitations, and financial disclosure requirements, many other ethical issues arise at the local level. For these reasons Senator Craven, who chairs the Senate Local Government and Ethics Committees, requested that the California Research Bureau undertake a survey of local ethics ordinances. This report presents the results. The survey sought to answer the following questions, among others:

- How many local governments have examined the ethical context in which they function, as reflected by appropriate ordinances and regulations?
- What kinds of standards have been adopted and who is covered?
- How compatible are local standards with state requirements and with ordinances enacted by other local jurisdictions?
- What is the potential impact of varying standards on companies that conduct business in more than one jurisdiction, or elected officials who represent multiple jurisdictions?
- What guidance should the state offer to local jurisdictions seeking to adopt ethics ordinances?

The survey found that cities and counties representing large populations are the most likely to have adopted local ethics ordinances and/or regulations. These are often limited in scope and address a particular concern such as lobbying regulation or secondary employment. In contrast, very few special districts have adopted any ethics standards. Local government standards vary widely, for example on gift limits or definitions of a lobbyist. Some local policies appear to be contrary to state law. Some agency standards apply across the board to all elected and appointed officials and staff, but many do not. Furthermore, little effort is made to educate local agency officials or staff about the requirements they must follow. Finally, enforcement is largely the responsibility of local law enforcement officials and the state's Fair Political Practices Commission.

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## A BRIEF BACKGROUND DISCUSSION

Maintaining public trust in the integrity of democratic institutions is essential to the success of representative democracy. In that fundamental sense, ethics and democracy are intertwined. Political ethics are the basis by which citizens judge official actions, attach responsibility and exercise accountability. An ethical governmental process is a precondition for making good public policy.

Ethics makes democracy safe for debate on the substance of public policy...That is the sense in which it is more important than any other single issue.<sup>1</sup>

The Constitution and key founding documents (*The Declaration of Independence* and the *Federalist Papers*, for example) articulate the basic values underlying American government. Interpretations have varied over time, as have definitions of political ethics.\* Alexis de Tocqueville observed in the 19<sup>th</sup> century that American democracy is grounded in enlightened self interest, or “self-interest rightly understood,” not on a universal understanding of political virtue.<sup>2</sup> This is an ambiguous standard, as one person’s perception of “self-interest rightly understood” could be another’s conflict of interest.

Ethics and politics encourage different sets of behaviors. Ethics is concerned with moral duties and how a person should behave, while “all’s fair in love, war and politics” seems to have its followers.<sup>3</sup> During most of American history, enforcement of ethical standards has relied on public disclosure and an informed electorate. It is a rough, imperfect arrangement.

Democracies are particularly reliant on public confidence to maintain their legitimacy. Declining public confidence in American governmental institutions, as reflected in public opinion polls, is one important reason that government ethics standards have become such a concern. For example, California respondents to an October 1, 1997, Field Poll ranked state government sixth from the bottom on a confidence index of 34 U.S. institutions.

In the last 25 years, the public has increasingly demanded specific legal ethics standards and effective enforcement. Legislative bodies at all levels of American government have responded to the public’s concern. A recent survey of 25 countries by the Law Library of Congress concluded that, “...the overall scheme of laws, regulations, and rules of the United States [Congress] respecting the financial interests and conduct of its legislators is overall the most restrictive.”<sup>4</sup>

Questionable official behavior ranges along a continuum from bad judgment to unethical behavior and outright corruption. Outright corruption has clear costs. Transparency International, which compiles an international “Corruption Perception Index,” cites a Harvard University study that estimates the cost of an increase in corruption from the

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\* “Ethics” refers to those changing contemporary standards by which individuals evaluate their conduct and that of those about them, while “moral” refers to absolute standards that exist beyond time. (Paraphrase of Golembiewski as cited in Denhardt, pages 8-9.)

relatively low level of Singapore (9) to that of Mexico (47) is equivalent to raising the marginal tax rate by over twenty percent. (The United States ranked 16th in 1997.)<sup>5</sup>

### **Elements of a Governmental Ethics Infrastructure**

A survey of nine countries by the Organization for Economic Cooperation and Development (OECD) found that an effective ethics infrastructure has eight key elements:

- Political commitment,
- An effective legal framework,
- Efficient accountability mechanisms,
- Workable codes of conduct,
- Professional socialization mechanisms (including training),
- Supportive public service conditions,
- The existence of some ethics coordinating body,
- An active civic society (including a probing media).<sup>6</sup>

Ideally, these elements attain a balance that encourages good conduct through clear leadership, clear and comprehensive standards, widespread educational programs, and effective enforcement mechanisms. The goal is to support ethical public organizations and to encourage and ensure ethical actions by public officials. The basic notion is that public office is a public trust, and that that trust is endangered by unethical and corrupt actions in which private self-interest overrides the public good.

The Hastings Center (Institute of Society, Ethics and the Life Sciences) was asked to consult with the staff of the U.S. Senate Select Committee on Ethics in 1980, and as a result began a multi-year project on legislative and representative ethics. The Center examined the ethical implications of legislative representation and identified three basic ethical principles: autonomy, accountability and responsibility. Following these principles, the Center concluded that elected officials are obligated to

- remain free from improper influence,
- provide constituents with sufficient information to exercise responsible democratic citizenship, and
- contribute to an effectively functioning [governmental] process.<sup>7</sup>

### *Statements of Ethical Principles*

Ethics codes often contain similar statements of broad principles that encourage positive behavior, as well as limitations and prohibitions. This is in part because no code can cover the scope and complexity of decisions and actions required of individuals who serve in the public sector. Effective codes are directed at prevention, providing guidelines for ethical behavior and eliminating opportunities for unethical practices.

Political scientist Alan Rosenthal points out that, “Virtually every professional group has a code of ethics, the purpose of which is to provide guidance to members relative to actions that might arouse public suspicions of violations of trust, impairment of independence of judgment, and favoritism.”<sup>8</sup> For example, the code of ethics of the American Society of Public Administration (APSA) begins with a set of principles or “value sets.” Aspirational goals stress positive behavior, integrity and performance. The APSA code identifies five key public service value sets or interests: public, legal, organizational, professional and personal. Each value set has its own set of specific behavioral guidelines.<sup>9</sup> Similarly, the Model Code of Professional Responsibility of the American Bar Association combines aspirational and regulatory functions, stating in its preamble that it “...points the way to the aspiring and provides standards by which to judge the transgressor.”<sup>10</sup>

### *Common Provisions of Ethics Codes*

Governmental ethics codes in the United States contain (to a greater or lesser degree) a common set of disclosure requirements, prohibitions, limitations, training procedures and enforcement mechanisms (primarily fines). Common elements of officeholder ethics codes, as summarized by the Law Library of Congress, include:

restrictions on the receipt of private gifts; regulations on outside private employment and outside earned income, including honoraria; provisions bearing upon the holding of financial assets and other income-producing property, including conflict-of-interest regulations and requirements for personal financial disclosure of such assets; and any restrictions on the private employment of former legislators [or other officeholders].<sup>11</sup>

Some definitions of official corruption now include *appearance* of conflict of interest and failure to fully disclose all financial interests. Appearance of conflict of interest is a particularly ambiguous concept, as interpretation can vary according to the perspective of the observer. The concept is an old one; elected officials should be “like Caesar’s wife above suspicion.” Translating that imprecise concept into law and regulation has proven difficult. Behavior may be legal but perhaps not ethical. Gray lines are less amenable to clear interpretation and enforcement than black and white ones, leading to disputes over intent and to public controversy.

The expanding definitions of official corruption and increasing enforcement may result in the discovery of yet more corruption. This may be one reason why increasingly stringent public ethics laws have not resulted in the expected improvement in public confidence in governmental institutions: there is "...no demonstrated relationship between codes and administrative behavior as publicly perceived and reflected in public confidence and trust in government."<sup>12</sup>

### ***Education and Enforcement***

Comprehensive education and enforcement structures are important, and often neglected, components of an effective ethics program. One commentator asserts that "...the great weakness in the regulation of ethics in this country is not so much the provisions of the law but the lack of concern for their administration and enforcement."<sup>13</sup>

Official ethics codes generally regulate undesirable behaviors whose infractions are deemed appropriate for civil and regulatory enforcement. A late financial disclosure or failure to disclose an investment, for example, are infractions that prosecutors usually determine do not meet the requirement of criminal intent. As ethics laws and regulations become more complex, personal accountability is sometimes difficult to establish. "Staff error" is a common excuse. Juries have often not been willing to find defendants guilty of criminal intent in such cases. For that reason civil enforcement may be more effective.\*

Federal and state criminal laws do define a wide variety of corrupt behaviors as illegal, including bribery, extortion, electoral fraud and theft of public funds. These serious transgressions are punishable by fines and imprisonment and are not the focus of this report.

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\* However, the City of Anaheim, California, recently hired the former head of the state's Fair Political Practices Commission to investigate suspected campaign finance violations in the 1996 city council election. The resulting criminal charges for "failure to itemize a Visa bill...missing employer addresses" and late filings are controversial: "Political reform advocates...say the criminal investigation is punishing honest politicians who made minor errors..." (Esther Schrader, "Reformer Attack Anaheim Special Prosecutor's Tactics," *Los Angeles Times*, Dec. 12, 1997, page A37).

## ***Campaign Finance Reform***

A number of California cities and counties have adopted their own campaign finance disclosure and limitations. For example, the City of San Jose has enacted contribution limitations and the City of Los Angeles has adopted a system of public financing for local campaigns. In the wake of the passage in 1996 of Proposition 208, which greatly revised state and local campaign finance laws, it was decided to strike discussion of campaign finance from this report. Proposition 208 has recently been adjudged unconstitutional by the U.S. District Court, Eastern District of California (*California Pro-life Council Political Action Committee v. Jan Scully et al*); appeals are pending.

Campaign finance is clearly a significant public concern. A 1997 Peter Hart/Robert Teeter survey found that 76 percent of the respondents agreed that campaign finance reform would be a very or fairly effective means of improving confidence in government.<sup>14</sup> California voters have adopted three initiatives, Propositions 68, 73 and 208, that proposed various forms of campaign finance reform.<sup>15</sup> Propositions 73 and 208 were declared unconstitutional. Proposition 68 never went into effect, as it was superseded by Proposition 73, which passed with more votes in the same election.

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## **CALIFORNIA STATE ETHICS LAWS**

California voters have responded to periodic public concerns about governmental ethics (generated in part by national and state scandals) by enacting Proposition 9 (1974) by initiative, and Proposition 112 (1990) by legislative proposition. The Political Reform Act, as limited by the courts, and accompanying regulations promulgated by the Fair Political Practices Commission, form the core of the state's governmental ethics laws. Alan Rosenthal, in his analysis of state legislative ethics, contends that "No state has done as much in this field as California."<sup>16</sup> Another analysis disagrees, ranking California "Low" on the strength of its ethics legislation in 16 broad categories of restrictions.<sup>17</sup>

### **The Political Reform Act of 1974\***

Introduced in part as a response to public concerns arising from the Watergate scandal, the initiative Proposition 9 was approved by 70 percent of California voters in 1974. By enacting the Political Reform Act, California voters established a complex regulatory structure for elected and appointed state officials, designated employees of state agencies and local elected officials and designated employees. The act also created an independent regulatory authority, the Fair Political Practices Commission, which it invested with the powers to interpret, advise, regulate, and enforce.

Chapter One of the Political Reform Act states that "the people find and declare" that "state and local government should serve the needs...of all citizens equally, without regard to their wealth."<sup>18</sup> "Conflict of interest" is a key concept, for a stated goal of the Act is to ensure that state officials make decisions for the benefit of the community, not for their own enrichment. The foundation is a detailed public disclosure system, whereby designated state and local public officials disclose their income and assets. The concept is that when public officials regularly disclose their personal financial status, citizens and the press are able to judge their actions and hold them accountable when personal interest appears to conflict with governmental responsibilities.

The Political Reform Act establishes extensive disclosure requirements for high-ranking officials, commensurate with the broad scope of their decision-making authority. Lower-ranking officials have more limited disclosure requirements. Candidates for elective office are required to file statements of economic interest when they announce their candidacies; incumbents file annually. In addition, all officials must file financial disclosure statements upon leaving office.

One goal of an effective disclosure system is to alert officials as to possible conflicts of interest. In response, they may divest assets or remove themselves from related decisions. For example, the Political Reform Act prohibits legislators from voting on matters that materially affect their own financial interests differently from those of the rest of the public.

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\* This discussion is not a comprehensive legal analysis of the Act or of other pertinent state and federal statutes. The Senate and Assembly Ethics Committees publish useful summaries for legislators, legislative staff and lobbyists. The Fair Political Practices Commission offers technical assistance and advice.

Chapter Seven of the Political Reform Act, “Conflict of Interest,” prohibits the use of any state or local office for private financial gain. The general prohibition is that:

No public official at any level of state or local government shall make, participate in making or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest.<sup>19</sup>

Every government agency (local and state) must adopt a Conflict of Interest Code. Each code must designate all agency offices and positions that may be subject to conflicts of interest. The occupants of these offices and positions are the “designated employees” to whom each code applies. The codes must delineate the required contents of the designated employees’ statements of economic interest, and must also provide for the disqualification (due to a conflict of interest) of a designated employee from a decision-making process.

The Political Reform Act also regulates the activities of lobbyists who lobby state government officials and agencies. Lobbyists must obtain a certification that verifies their identity, business address and occupation, and must disclose their financial interests. Lobbyists and lobbying firms must register annually with the Secretary of State. A lobbying firm submits a more complicated registration, which includes the certifications of its member lobbyists and discloses the names, addresses and interests of all individuals and groups who have hired the firm’s services. The contents of the registration forms are published annually by the Secretary of State.\* Lobbyists and lobbying firms must file periodic reports of activity expenses, as well as reports of any contributions of \$100 or more to a state officer, candidate or committee. Lobbyist employers must likewise file reports, as must anyone who quarterly pays \$5,000 or more to influence legislative action.

The Fair Political Practices Commission (FPPC), which “has primary responsibility for the impartial, effective implementation of the Political Reform Act,”<sup>20</sup> is empowered to administer the law, promulgate regulations, issue advisory opinions, investigate possible violations and fine offenders.† The FPPC is composed of five members, two of whom are appointed by the Governor; the Attorney General, the Secretary of State, and the Controller each appoint one of the other three. No more than three commissioners may belong to any one political party. Furthermore, the Governor’s two appointees may not share a party allegiance.

The FPPC’s five members have the right and responsibility to recommend the amendment or repeal of inadequate provisions of the Political Reform Act. The Act can be amended by a two-thirds vote of the Legislature so long as the amendment “furthers the purposes” of the Act. The Act has been amended many times.

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\* This directory is available on the Internet at <http://www.ss.ca.gov/prd/ld/cover.htm/>

† The FPPC is on-line at <http://infra1.dgs.ca.gov/fppc/>

## Proposition 112

In 1990, California voters enacted Proposition 112, proposed by the Legislature, which added the Ethics in Government Act and the Postgovernment Employment Restrictions Act to the Political Reform Act. An FBI sting operation in the State Capitol and the subsequent convictions of several legislators, staff and lobbyists concentrated attention on these issues. The new laws addressed several key ethics issues of the time: post-employment lobbying, expensive gifts to public officials (including travel), and honoraria (payments for speeches and writing). Alan Rosenthal opines that Proposition 112 "...could be considered the most far-reaching ethics reform of any state in the nation."<sup>21</sup>

The provisions of the Ethics in Government Act generally apply to elected and high-ranking appointed state and local officials, judges and candidates for state or local office\*. The Act prohibits these designated officials from accepting payments of "honoraria," which it defines as "any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering."<sup>22</sup> The Act also limits the acceptance of most gifts (including travel not related to a governmental or legislative purpose), so that designated officials may not receive (from a single source) gifts whose aggregate value exceed \$290 in a year.<sup>†</sup>

The Postgovernment Employment Restrictions Act of 1990 (Sections 87406 and 87407 of the Government Code) restricts the activities of former state officials and designated employees for one year after leaving government employment. In general, they may not seek to influence legislative or administrative action for compensation. Former members of air pollution control districts and specified district employees are the only local officials subject to these state limitations (Section 87406.1). In addition, no state administrative official, elected state officer, or designated employee of the Legislature may use their official position to influence any governmental decision directly relating to a prospective employer.

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\* See Government Code Section 87200 for a complete list of covered officials.

† The dollar amount of the limitation is calculated biennially from a base of \$250, with increases pegged to changes in the cost of living.

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## LOCAL GOVERNMENT ETHICS

### A Brief History

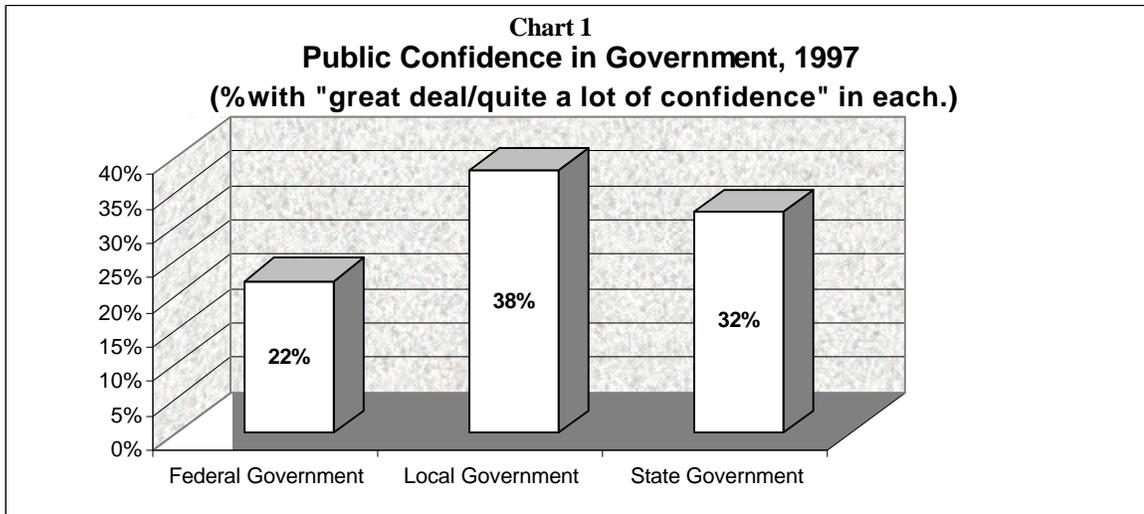
Municipal corruption has received a good deal of attention in American politics: “Of all the units of democratic government in the world, Lord Bryce once observed, the large American city was perhaps the worst governed.”<sup>23</sup> One thinks of the 19<sup>th</sup> century big city machines investigated by Lincoln Steffans and other muckrakers. Nineteenth century San Francisco city government was a case in point: “...reformers were transient; fraud, graft, and vice enduring.”\* In Los Angeles, a “pervasive municipal machine...regularly took care of its friends and the interest of the [Southern Pacific] railroad.”<sup>24</sup> In San Jose, the ruling machine kept power through “large contracts...let out to the favored patrons of the machine...Gamblers and saloonkeepers were subjected to monthly ‘graft’ and school teachers were compelled at the risk of their positions to deal in ‘machine’ stores.”<sup>25</sup> California’s Progressive reform movement arose in response to this corruption.

Progressive reformers believed that experts could manage government in a business-like fashion, and that corruption and graft were the result of party-dominated public administration. California reformers moved to abolish the spoils system, institute civil service, remove party politics from local elections, institute primary elections, create professional city managers and allow local recall, referendum and initiatives (among other reforms). The goal was to transform local government and thereby control corruption. The next generation of reformers “...embraced theories of scientific management, optimal spans of control, perfection of hierarchy, and new auditing and accounting techniques. They believed that government integrity would flow from sound organization.”<sup>26</sup>

History shows that reforms eventually create their own problems, requiring new reforms. For example, professors at the Center for State and Local Government at the John F. Kennedy School of Government, Harvard University, note that, “...there is growing awareness of some negative effects of Progressive reform—most notably, too many rules, too little adaptability in a world of constant change.”<sup>27</sup>

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\* Mowry, page 59. Carey McWilliams writes that the 1906 Schmitz-Ruef machine in San Francisco: “...went into partnership with dishonest contractors; sold privileges and permits; extorted money from restaurant and saloon owners; levied assessments on municipal employees; shared in the profits of houses of prostitution; blackmailed gamblers; sold franchises to corporations; leased rooms for municipal offices at exorbitant rates...and generally took bribes from everybody...”, Carey McWilliams, *California, The Great Exception*, A.A. Wyn, 1949, page 177.



A 1997 Peter Hart/Robert Teeter poll for the Council for Excellence In Government found that citizens have more confidence in their local governments than in the state or federal governments (see Chart 1 above). The survey also found that government ethics issues are a significant public concern. Three-quarters of the respondents agreed that it would restore public confidence in government if leaders demonstrated high ethical standards, respected the public's moral values and treated the public with respect and courtesy. Less than one-third of the respondents agreed that today's public leaders are honest/have integrity, while nearly half opined that one cause of public loss of confidence in government is lack of government ethics.<sup>28</sup>

### **California Research Bureau Survey of Local Ethics Ordinances**

California has approximately 7,000 units of local government, including special districts, cities, counties and school districts, a significant number of whom have adopted ethics ordinances which contain provisions beyond those required of local authorities by the Political Reform Act. These local ordinances raise important democratic issues.

- Do they improve or inhibit public trust?
- Do they provide for improved governmental functioning or restrict reasonable behavior?
- Is there sufficient education and enforcement of existing provisions?
- Are there important categories of jurisdictions (water districts or ports, for example) that have not enacted ordinances to address their unique ethical issues?
- What are the liabilities of state or federal elected officials who represent multiple jurisdictions, some of whom have varying requirements?
- Should the state legislate to ensure some additional uniformity, such as a statewide limit on gifts?
- What guidance should the state offer to local jurisdictions seeking to adopt ethics ordinances?

In order to answer these questions, one must examine local government ethics ordinances. In California, there is no repository that collects these documents (with the exception of campaign finance ordinances, which are collected by the FPPC). For this reason Senator Craven, who chairs the Senate Local Government and the Senate Ethics Committees, requested that the California Research Bureau undertake a survey.

Between January of 1996 and July of 1997, the California Research Bureau (CRB) conducted a study of ethics ordinances in California's cities, counties, and special districts. A survey instrument (see Appendix) was mailed to each city and county, with a cover letter signed by Senator Craven and Dr. Kevin Starr, California State Librarian. A similar instrument was sent to a sample of school districts and special districts, taking care to include the largest districts (by budget or population size) in each category (transportation and fire districts, for example).

In 1996, the CRB sent two follow-up reminder postcards to each city and county, asking for the return of the surveys.\* At the close of the year, 23 of 58 counties and 88 of 472 cities had responded.† In 1997, the CRB changed its sampling methodology in order to gain a more complete sample. All remaining counties with populations greater than 120 thousand and four major cities (San Jose, Sacramento, San Diego and Fresno) were telephoned. By July, 41 of 58 counties and 93 of 472 cities had responded, either by mail or by phone.

The city and county sample sizes are large and diverse enough to present a representative picture of California city and county ethics ordinances.‡ The 93 cities in the sample include 17 cities with populations greater than 100,000, 12 cities with populations of between 50,000 and 100,000, and a host of smaller communities. The least populous city represented is Point Arena (population 430). The composite population of the 93-city sample is 11.1 million, or 35 percent of the total population of California.

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\* Special districts did not receive follow-up attention due to the cost of the larger sample size.

† For the purposes of this study, the City and County of San Francisco are treated as a county.

‡ The California Research Bureau appreciates the contribution of the law firm Pillsbury, Madison and Sutro and Attorney Brian Maas, who shared their research on local government ethics ordinances.

## City and County Ethics Ordinances—Responses to Survey Questions

### *Has the Agency Adopted An Ethics Ordinance or Regulation Which Differs From the Fair Political Practices Commission’s Model Conflict of Interest Code and Regulation?*

California’s Political Reform Act establishes specific standards for local agency officials, such as conflict-of-interest and financial disclosure. Table 1 briefly summarizes key provisions that state law requires be included in local Conflict of Interest Codes.\* Table 2 lists selected other state ethics laws that apply to local elected officials.

<b>Table 1</b>
<b>State Requirements for Local Conflict of Interest Codes</b>
List all agency positions with decision-making responsibilities involving any material effect on any financial interest.
Identify required reportable income and investments for each listed position.
Require designated employees to disclose identified economic interests 30 days after assuming office, annually, and within 30 days of leaving office.
File statements of economic interest with appropriate agencies, as public records.
Specify circumstances under which designated employees must disqualify themselves from making, participating in or influencing any decision in which the employee has a financial interest that may be affected by a decision.
Review the Code biennially and amend when necessary, including the creation of new positions that must be designated.

<b>Table 2</b>
<b>Selected State Ethics Provisions that Also Apply to Local Officials</b>
<b>Post Employment Restrictions</b> (air pollution control/quality districts only)
<b>Honoraria</b> (acceptance by many local officials is prohibited)
<b>Gifts</b> (\$290 per year limit for many local officials, with some travel exceptions)

Local agencies are required to formulate a Conflict of Interest Code at the “most decentralized level possible.”† The codes are reviewed and approved by City Councils and County Boards of Supervisors for agencies within their jurisdictions, and by the Fair Political Practices Commission for those elected officials.

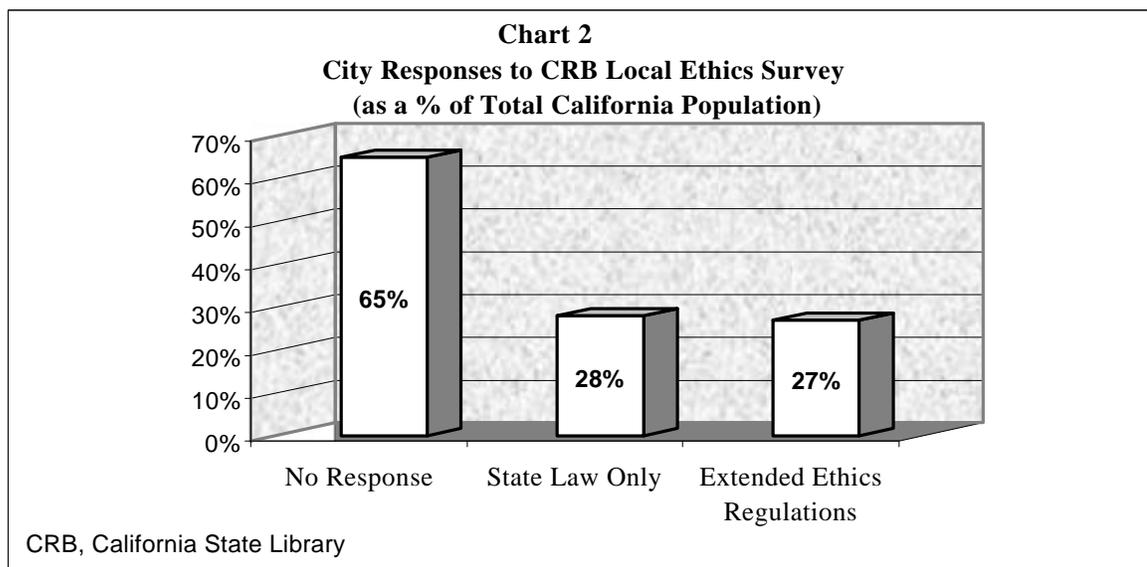
\* See Chapter 7 of the Political Reform Act. Numerous other state laws govern the conduct of government officials. Conflicts of interest in contracting are prohibited by Government Code Sections 1090-1097, for example.

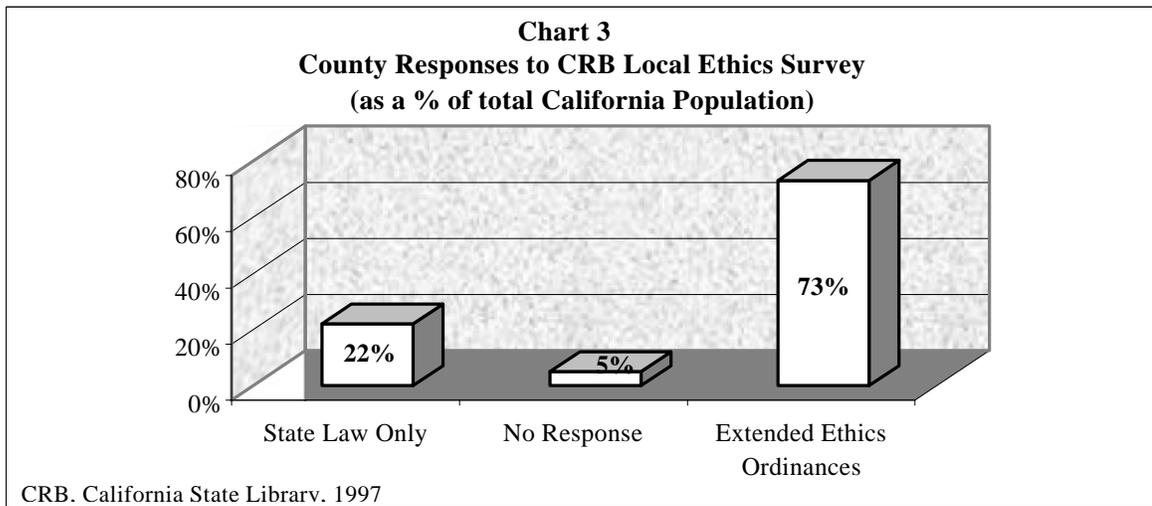
†The level of department deemed an “agency” is determined by the local code reviewing body, usually the County Board of Supervisors or the City Council.

Any violation of a local Conflict of Interest Code is a violation of the Political Reform Act (Government Code Sec. 87300). Violators may be guilty of a misdemeanor, as may individuals who “aid and abet” in the violation. Fines of up to three times the amount improperly reported, or “unlawfully contributed, expended, given or received” may be imposed (Section 91000). In addition, civil action by prosecutors or persons residing in the jurisdiction may be brought for intentional or negligent violation of the reporting requirements. Individuals who make or receive unallowable contributions, gifts or expenditures, or who realize an economic benefit in violation of the Act, are liable for up to three times the value of the benefit. Other violations may incur penalties of up to \$2,000 per violation.

Local governments may adopt more stringent requirements than those established by the Political Reform Act.<sup>29</sup> Some local governments, such as the City of Los Angeles, have enacted extensive local standards and created commissions to offer advice and enforce requirements (see below for a detailed discussion of the Los Angeles ordinances). In contrast, the Conflict of Interest Codes in many local jurisdictions simply reference the applicable provisions in the Political Reform Act and identify the appropriate designated officials for disclosure purposes.

Nearly three-quarters of the cities responding to the survey have enacted only the minimum Conflict of Interest Code required by state law. They represent about one-quarter of the state’s population. In general, the larger cities have enacted ethics ordinances that extend beyond the state minimum (see Chart 2 below). In comparison, a 1996 national survey found that fewer than half the cities in the sample had adopted formal codes of ethics or standards of conduct.<sup>30</sup>





The 41 responding counties in the sample comprise 94 percent of the total population of California. As Chart 3 shows, counties with three-quarters of the state’s population have enacted ethics ordinances containing provisions beyond the minimum required by the Political Reform Act. Every county that has established its own ethics standards in addition to state law has a population in excess of 200,000.

Tables 3 and 4 below show clearly that larger cities and counties tend to have enacted ethics ordinances containing provisions beyond those required by state law. This makes sense, given the complexity and size of their governments. Several large cities in the sample, such as Bakersfield, have not extended their ordinances beyond the requirements of the Political Reform Act. San Diego is the largest county to rely solely on state law.\*

Several smaller cities in the sample have enacted specialized ethics requirements. For example, Yreka and Dunsmuir (populations 7500 and 2120 respectively) have adopted anti-nepotism rules. The respondent for the city of Dunsmuir notes that the city council serves without compensation and that in a small town “everyone know where most people live, what business and financial interests they have.”

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\* The County of San Diego has enacted an Election Campaign Finance and Control ordinance, but not an ethics code for ongoing government operations.

<b>Table 3</b>			
<b>Cities In Sample with Extended Ethics Ordinances, * By Population</b>			
<b>City Population</b>	<b>Total Cities in Sample</b>	<b>Cities With Extended Ordinances</b>	<b>Percentage Of Cities With Extended Ordinances</b>
More than 100,000	19	14	73.6%
50,000-100,000	15	2	13.3%
20,000-50,000	30	4	13.3%
Less than 20,000	28	4	14.2%

<b>Table 4</b>			
<b>Counties in Sample with Extended Ethics Ordinances, By Population</b>			
<b>County Population</b>	<b>Total Counties in Sample</b>	<b>Counties With Extended Ordinances</b>	<b>Percentage Of Counties With Extended Ordinances</b>
More than 1,000,000	8	6	75.0%
500,000-1,000,000	7	6	85.7%
100,000- 500,000	14	4	28.5%
Less than 100,000	12	0	0

Local governments responding to the CRB survey were asked to provide detailed information about their ordinances. Table 5 details the broad range of topics that such ordinances might address. The survey found wide variation in local standards. Chart 4 below summarizes the responses received from cities and counties for each regulated activity identified in the survey.<sup>†</sup>

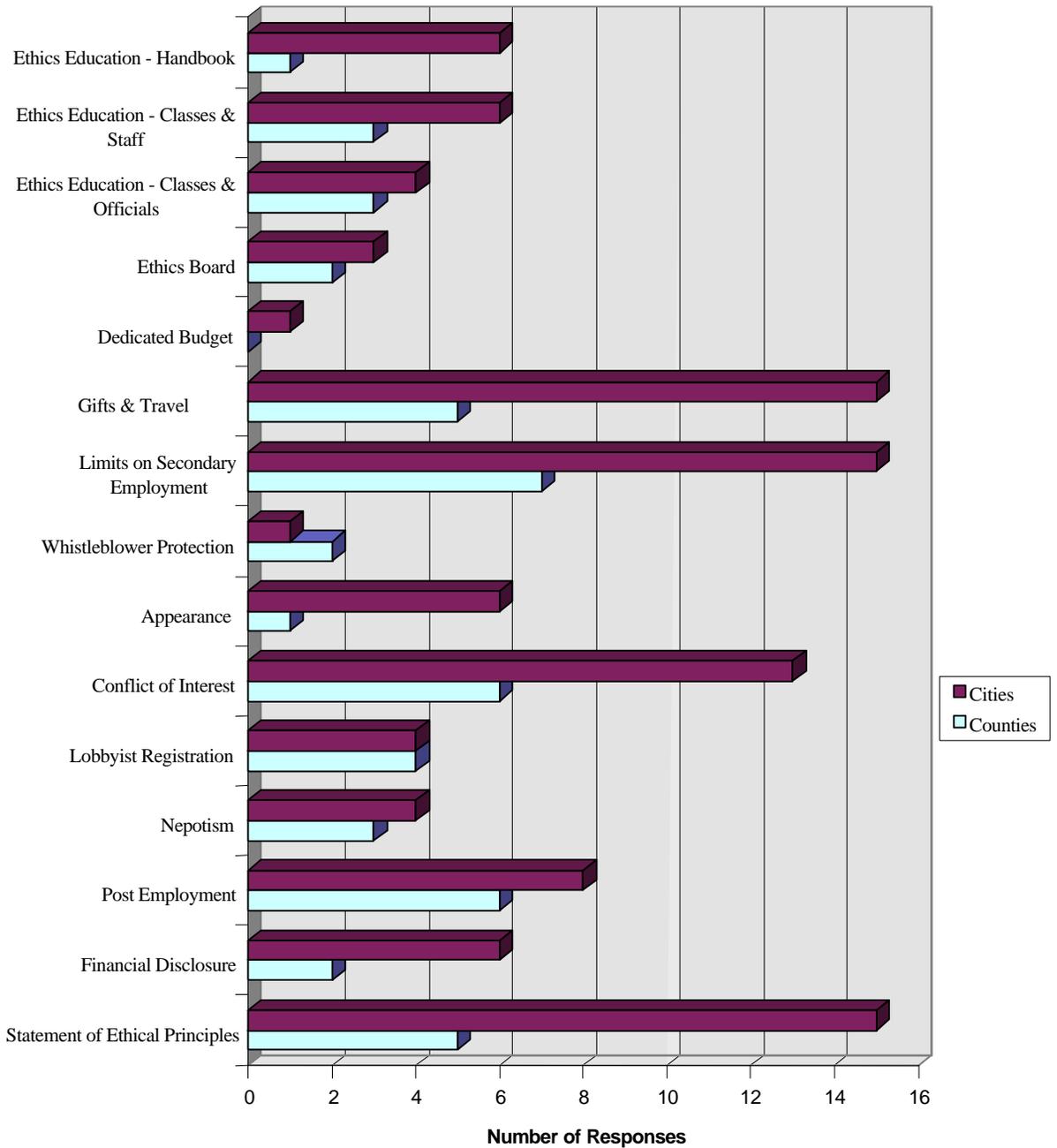
\* “Extended Ethics Ordinances” contain provisions beyond the requirements of the Political Reform Act.

<sup>†</sup> Respondents’ open-ended comments identified two additional issues: patronage versus civil service and individual versus community rights.

<b>Table 5</b> <b>Ethics Codes: Selected Constrained or Regulated Activities in the U.S.</b>	
<b>General Conflict of Interest</b>	
Unauthorized use of government resources Bribery, nepotism Use or disclosure of confidential or privileged information for personal gain Gifts, gratuities, travel, contracts Appearance of impropriety	
<b>Outside Employment and Income</b>	
Prior authorization required for outside employment Representing outside interests before the jurisdiction Honoraria, fees, gratuities, kickbacks Loans to officials or employees Business relationship with jurisdiction, officials Restricted income sources/investments Contracts, inducements, fees, kickbacks	
<b>Postemployment (Revolving Door)</b>	
Negotiation for future employment while in public office Appearance before former agency Lobbying former officials	
<b>Personal Disclosure</b>	
Range of financial interests, sources, investments, level of ownership Professional and consulting fees, inheritances and trusts Scope and coverage in relation to position Level of scrutiny	
Source: Carol W. Lewis, 1991 <sup>31</sup>	

Chart 4

Activities Regulated by City and County Ethics Ordinances



Many local government ethics ordinances include a mix of limited provisions specified in a combination of ordinances, regulations and policies. For example, an agency might restrict secondary employment, have a code of conduct and limit gifts. Some jurisdictions apply their ethics codes only to elected officials, not to agency staff or consultants. Very few local governments provide ethics education and enforcement standards vary considerably. These variables are discussed in detail below.

### ***Has the Agency Adopted a Statement of Ethical Principles?***

The moral dilemmas of public service are varied and complex. No detailed prescriptive code can fully address the subtle and changing challenges that face public officials. The Hastings Center, which closely examines issues of ethics and society, feels that codes of ethics should contain more than rules and restrictions. Codes should “serve as a public declaration of ethical traditions and values that members are dedicated to serve...ethics codes ought to contain both aspirational elements, espoused ideals, and precisely defined rules of conduct.”<sup>32</sup> Michael Josephson, founder of the Josephson Center of Ethics, argues that “If the rules and educational programs are too narrowly focused and not clearly grounded in fundamental principles of public trust, a legalistic view of ethics will prevail: if it’s legal, it’s ethical.”<sup>33</sup>

The first question on the survey asked whether the city or county had adopted a statement of ethical principles. \* Three counties (Orange, Fresno, and Stanislaus) responded that they have crafted such statements. Fresno County’s “Policy Statement” includes the following provisions, primarily drawn from the Code of Ethics approved by Congress in 1958 for all government employees:

- Put loyalty to the highest moral principles and to country above loyalty to persons, party, or government department.
- Give a full day’s labor for a full day’s pay; giving to the performance of one’s duties one’s earnest effort and best thought.
- Seek to find and employ more efficient and economic ways of getting tasks done.
- Never discriminate unfairly...
- Engage in no business with the government...which is inconsistent with the conscientious performance of one’s governmental duties.
- Expose corruption wherever discovered.
- Treat all individuals ...in a respectful and professional manner.

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\*Survey results are dependent on the information provided by city and county governments. These responses may not be complete. For example, the City Attorney’s Office of Santa Ana responded that the city does not have a statement of ethical principles; yet the “City of Santa Ana Values Statement” is featured in a scholarly article on the topic. (See Berman and West, page 23.)

Ten cities\* responded that they had adopted a statement of ethical principles. The City of Chula Vista Code of Ethics, for example, begins:

The respected operation of democratic government emphasizes that public officials be independent, impartial and responsible to the people. The public judges its government by the way public officials conduct themselves...All public officials should conduct themselves in a manner that will tend to preserve public confidence in, and respect for, the government...(Sec. 2.28.010).

The International Association of City Managers has crafted a *City Management Code of Ethics* with 12 precepts to govern the conduct of its members. The first of these charges municipal administrators to “be dedicated to the concepts of effective and democratic local government.” The last item states: “Seek no favor; believe that personal aggrandizement or profit secured by confidential information or by misuse of public time is dishonest.”<sup>34</sup>

City and county statements of ethical principles touch on issues relating to professional conduct, leadership, teamwork, quality service, community involvement, public trust, innovation and human resources. Key words include fairness, integrity, respect and trust. These ideals have a long and important history. For example, the Oath of the Athenian City-State reads in part as follows:

We will never bring disgrace to this our city  
by any act of dishonesty or cowardice...  
We will ever strive for the ideals and sacred things  
of the city, both alone and with the many;  
We will ever revere and obey the city’s laws  
And do our best to incite a like respect and reverence...  
We will unceasingly seek to quicken the sense  
of public duty;  
That thus, in all these ways, we will transmit this city  
Not only not less, but greater, better and more beautiful  
Than it was transmitted to us.

### ***A Comprehensive Local Ethics Package—The City of Los Angeles***

Around the same time that lawmakers in Sacramento were devising the Ethics in Government Act (1990), citizens in California’s largest city, Los Angeles, were considering whether to place an ethics initiative on the city’s June ballot. A FBI sting operation at the State Capitol and a federal grand jury investigation of five-term Mayor Tom Bradley contributed to citizen concerns. Early in 1990, the Los Angeles City Council and the Mayor’s appointed Commission to Draft an Ethics Code for Los Angeles City Government (also known as the Cowan Commission) agreed on an ethics proposal (Proposition H). Voters approved Proposition H, consisting of a Charter amendment and two ordinances, by

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\* Chula Vista, Thousand Oaks, South Lake Tahoe, Sebastopol, Lawndale, Laguna Beach, Huntington Beach, Escondido, Anaheim, Santa Clarita.

a majority of 56 percent in June, giving Los Angeles the "...most comprehensive ethics package in the country."<sup>35</sup>

The City of Los Angeles reforms were widely touted as among the toughest local ethics ordinances in the nation. Modeled on the Political Reform Act (the two measures shared authors), the city's ordinances contain provisions relating to governmental ethics, campaign finance and lobbying activities.

The Los Angeles ordinance created a five-member review board, the Los Angeles City Ethics Commission, whose composition mirrors that of the Fair Political Practices Commission (FPPC). Two of the commission's members (including its president) are appointed by the Mayor, while the President of the City Council, the City Attorney and the Controller each appoint one member. The part-time commissioners, who serve staggered five-year terms, are responsible for the administration, enforcement and review of the city's ethics, campaign finance and lobbying ordinances. They also administer the city's conflict of interest ordinances. The commission's 1995-96 budget was \$1.2 million; it requested \$2.2 million for fiscal year 1997-98.

The mission statement of the Los Angeles City Ethics Commission states that the Commission "...administers and enforces the City's laws that help ensure government decisions are made in the public interest, untainted by consideration of private gain or the influence of special interests."

Education is an important responsibility of the commission. The commission conducts ethics seminars for city officers, employees, and lobbyists. It also publishes a handbook that explains relevant city, state, and federal ethics laws in simple, non-legalistic language.\* In addition, any citizen, lobbyist or city employee may ask the commission for advice on a question related to the ordinances, and the commission will respond within 14 days of the date of request.† In this way, citizens and officials may avoid unintentional violations. The commission also maintains a whistleblower hotline for complaints of ethics violations.‡

When prevention fails, the Los Angeles City Ethics Commission has the power to investigate and penalize. Investigations of complaints must be conducted confidentially, but the commission may not investigate anyone who is unaware of the investigation. Once an alleged violator is served with a notice of investigation, the commission may determine whether there is probable cause to believe that a violation may have occurred. If the commission decides that probable cause exists, it must hold a public hearing. The commission has the power to reprimand, audit, or fine any person found guilty of a violation.

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\*The Los Angeles Ethics Commission is also on-line. See <http://www.ci.la.ca.us/dept/ETH/indexf.htm/>

† All written advice issued by the Ethics Commission is available to the public in hard copy format.

‡The Hotline number is 1-800-824-4825. Its purpose is to receive reports of violations of City campaign laws, the Municipal Lobby Ordinance, or the use of City position or resources for private benefit or personal financial gain.

The Commission also reviews the city's ethics, lobbying and campaign finance ordinances and other city ethics laws and recommends amendments to the City Council. Every three years, the commission provides the Mayor and City Council a report on its perception of the effectiveness of the city's ethics laws.

The Los Angeles Governmental Ethics Ordinance is a tough local version of state law, written by people who held that "One of the best ways to attract talented people to public service is to assure that the government is respected for its honesty and integrity."<sup>36</sup> The ordinance places strict regulations on financial disclosure, receipt of gifts and honoraria, and reimbursement of travel expenses.

*Conflict of Interest*—City of Los Angeles financial disclosure requirements are similar to but more stringent than those required by the state. High level officials must report, for example, any investment or interest in real property, the income of a spouse and dependent child(ren), and partnership agreements (Sec. 49.5.6).

*Gifts*—The state's Ethics in Government Act currently caps gifts to state and local officials at \$290 per donor per year, with the exception of certain types of travel. Los Angeles limits gifts from a restricted source to \$100 a year for high level officials. In addition, the cumulative value of gifts from a lobbyist to a single recipient may not exceed \$25.\* These limits also apply to city employees if the source is doing or seeking to do business with that employee's department or agency. All gifts of more than \$50 must be disclosed.

*Travel, Honoraria, and Secondary Employment*—No city employee or official may accept an advance or reimbursement for travel expenses, but employees and officials may petition their agencies to allow them to accept honoraria. They must also petition to accept compensated secondary employment. Elected officials may not earn any outside income (income derived from investments is not "earned").

*Lobbyist Regulation*—The Los Angeles Municipal Lobbying Ordinance is currently under review by the Ethics Commission. In general, it closely regulates the activities of lobbyists and lobbying firms. All lobbyists and lobbying firms who do business with the city must register because "...citizens...have a right to know the identity and interests which attempt to influence the decisions of city government."<sup>37</sup> Lobbyists and lobbying firms must file quarterly reports in which they disclose their expenses, activities, and employers. The City charges each lobbyist an annual \$300 registration fee, plus \$50 for every client whose name appears on the lobbyist's registration.† Lobbyists are subject to random audits by the Ethics Commission. If a lobbyist violates the Municipal Lobbying Ordinance, he or she is guilty of a misdemeanor and may be prosecuted or fined.

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\* State law limits lobbyists and lobbying firms from making gifts of more than \$10 in a calendar month to state officials and candidates, and prohibits them from acting as an intermediary. (Government Code Section 86203)

† In contrast, the Secretary of State charges a \$25 fee for every state government lobbyist registration.

*Postemployment Restrictions*—High level officials may not represent clients before any agency or department for one year after leaving office; other officials are restricted for one year from representing clients before their former departments or agencies. All former city employees must disclose their previous employment with the city for two years after leaving office, when appearing at a hearing or communicating with a city official on behalf of a client.

### ***Other Comprehensive City and County Ordinances***

*Los Angeles County*, with a population of more than 9.2 million people, is the largest county in the state. In contrast to the City of Los Angeles, the county has not enacted a comprehensive, integrated set of ethics ordinances, nor does it have an administering/enforcing commission. The county has enacted a broad range of provisions that contain a number of ethics elements:

- a code of conduct
- lobbyist registration and reporting requirements
- post-employment restrictions for former county employees (but not elected officials),
- restrictions on outside employment for current county employees,
- whistleblower protection.<sup>38</sup>

Enforcement mechanisms include fines and civil penalties for lobbyists and advisory opinions and dismissal for employees. Los Angeles County does not offer an ethics education program for its employees.

*San Francisco (City and County)* and *Santa Clara County* have incorporated relatively comprehensive ethics ordinances into their local codes.\* *San Francisco's* is the most comprehensive. It limits post-employment activities, travel, gifts and secondary employment, regulates campaign finance, requires lobbyists to register and report, offers whistleblower protection and establishes an Ethics Commission.

Eight California cities (including Los Angeles) in the survey sample have incorporated relatively comprehensive ethics ordinances into their local codes. A few other communities, such as the City of San Diego, have adopted administrative regulations. For the most part, these ordinances and regulations are modeled on the Political Reform Act.

### ***Local Conflict of Interest Requirements***

State law preempts local law in the area of financial conflict of interest. The FPPC has devised and distributed a model conflict of interest code, (*2 California Code of Regulations Section 18730*) which fulfills the requirements of the Political Reform Act. Most agencies, faced with the option of writing their own codes or adopting the FPPC code, have chosen to

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\* Santa Clara County was revising its code at the time of the survey.

adopt the model code. Nevertheless, a few cities have approved additional provisions relating to financial conflict of interest.

- The *City of Berkeley* terminates members of boards and commissions who fail to file the required financial disclosure forms within the required 30 day time limit, and it suspends employees without pay after notice of failure to file.
- The *City of Sebastopol* recommends that members of the City Council, boards and commission resign if they have to abstain too frequently due to conflict of interest (City Policy No. 51).
- The *County of Los Angeles* requires employees who have an economic interest in any work, matter or assignment to be reassigned.

Some agencies prohibit the *appearance* of conflict of interest as well as conflict of interest itself. The *City of Simi Valley's* Resolution (No. 85-150) states that "An appearance of conflict of interest shall be deemed to arise in any case where the official's financial circumstances relative to the matter under consideration give rise to a reasonable question as to the objectivity of the official." No member of the Simi Valley City Council, its appointed commissions, boards or ad hoc committees "...shall participate in any decision wherein the member's participation, based on an objective standards, may give rise to the appearance of conflict of interest." *Stanislaus County* directs its employees to "avoid any appearance of impropriety and any act, which appears improper even though it may not be illegal..."

The *City of Lawndale* includes *personal* as well as *financial* conflict of interest in its ordinance (2.80.060):

No elected or appointed public official shall engage in any business or transaction or shall have a financial or personal interest, direct or indirect, which is incompatible with the proper discharge of his/her official duties in the public interest, or which would tend to impair independence of judgment or action in the performance of his/her official duties. Personal, as distinguished from financial, interests shall include interests arising from blood or marriage relationships or close business associations.

Conflict of interest is a difficult legal concept, requiring sensitivity and good judgment on the part of public officials. Comments elicited by open-ended questions at the end of the survey suggest varying degrees of commitment: "We do not have a common agreement or common enthusiasm in the notion that the public trust is based in ethics and not in personal interest."

## Restrictions on Secondary Employment

Fifteen cities and counties in the sample have adopted rules restricting the secondary employment of government officials and employees. The main concern in every case appears to be the incompatibility of government employment and other compensated pursuits. A government employee who engages in secondary employment runs two risks:

- the second job may cause the employee to have a self-interest that differs from the public interest; and
- the second job may demand such time and effort that the quality of the employee's government work will suffer.

Cities and counties propose various solutions to the problem of outside employment. The cities of *Berkeley*, *Riverside*, and *Sacramento* require city employees to obtain official permission to engage in secondary employment. *Santa Clara County* prohibits county employees from engaging in outside employment if the time commitment exceeds an average of one day a week. *Los Angeles County* requires departments to submit for approval their rules governing non-county employment, enterprise or activities, and defines the circumstances under which they may be prohibited.

In *San Jose*, a lobbyist must disclose every instance in which he or she hires a person who is concurrently employed by the city. When a lobbyist's client hires a government employee at the request of a lobbyist, the client must disclose the concurrent employment.

Under the terms of a board-adopted salary and personnel resolution, *Orange County* attorneys may not engage in the private practice of law. In *Berkeley*, department directors and assistant city managers are forbidden to engage in any outside employment.

## Limitations on Gifts

Gifts to local officials are currently limited by the Ethics in Government Act to \$290 in cumulative value per year from one donor\* to one recipient, and must be disclosed. In addition, a significant number of cities and counties have chosen to impose their own stricter limits on certain types of gifts. This may reflect the public's concern that gifts improperly influence government decision-makers. Asked to comment on important local ethics problems, one survey respondent replied "Gifts from local developers, specifically travel, meals, etc." Gifts, such as tickets to events and meals, are an integral part of many companies' governmental-affairs strategies.

Nearly half of the 25 cities in the sample that have adopted expanded ethics ordinances/regulations include gift limitations. For the most part, these cities are major urban centers. They include Los Angeles and several nearby communities (Thousand Oaks, Riverside, Santa Ana and Huntington Beach) and San Diego and San Jose, the second- and

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\* Gift restrictions are stricter for state-registered lobbyists, limited to \$10 per month.

third-largest cities in California. Of the cities with gift limits, only Galt, South Lake Tahoe and Los Gatos have populations of less than 100,000. Taken together, the eleven cities with gift policies comprise 63 percent of the total population of the 93-city sample.

Five cities in the sample prohibit all gifts from parties who have business dealings with the city. “Persons shall not accept gifts, gratuities, or favors of any kind which might reasonably be interpreted as an attempt to influence their actions with respect to city business,”<sup>39</sup> according to a *San Diego* administrative regulation. The *Town of Los Gatos*’ administrative policy states that “No employee shall accept money or other consideration or favor from anyone other than the town for any reason.”\*

Some cities have different standards for gifts of food and beverage. For example, *Huntington Beach* allows food and beverages up to a cumulative value of \$50 a year while prohibiting all other gifts. City employees in *Galt* may not accept gifts that cannot be consumed on the premises of their workplace, thereby allowing food and nonalcoholic beverages. *Galt*’s administrative policy states that gifts are accepted on behalf of all city employees and that no employee may take a gift home.

Officers and designated employees of the *City of San Jose* and its redevelopment agency may accept only token gifts, not exceeding \$15 a year in cumulative value. Meals and beverages, when provided in a business or social setting, are excluded from the definition of gift. The city also requires its officers and designated employees to report gifts received by themselves, their spouses, and their dependent children. (State law requires only that officers and employees report gifts that they receive themselves.)

The *City of South Lake Tahoe*’s Code of Ethics (Resolution No. 1992-49) prohibits persons in the public service from accepting “favors or gratuities which, as a general guideline, collectively exceed \$1,000 in any one year from any one person.” Furthermore, the \$1,000 limit excludes “favors or gratuities when received as the authorized representative or delegate of the City...” “Favors and gratuities” are not defined, but this rule may be in violation of the Ethics in Government Act’s gift limitation of \$290 a year.

State Law	\$290/year (\$10/month for lobbyists)
Los Angeles (City)	\$100/year (\$25/year for lobbyists)
San Jose	\$15/year
South Lake Tahoe	\$1,000/year for “favors and gratuities

Five counties in the sample have adopted regulations limiting gifts. *Orange County* employees may not accept gifts from any person who does business with the county, and employees in *Ventura County* may accept no favors or gifts for personal gain. *Monterey*

\* The prohibition applies to city employees but not to members of boards and commissions. City of Los Gatos Policy on Gifts, Gratuities, and Rewards.

*County's* purchasing department prohibits employees from accepting gifts or favors from vendors who sell to the county. In the *City and County of San Francisco*, officers and employees may not receive outside compensation for their expertise, except for "fees for speeches and published writing" (C8.105). (Fees for speeches sounds remarkably like an honorarium, the receipt of which is illegal under the state Ethics in Government Act.)

*Fresno County* allows work-related gifts that are "a gesture of goodwill toward [an] agency or [whose] primary purpose furthers a legitimate county interest as opposed to the personal interest of the recipient."<sup>40</sup> The Administrative Policy which establishes this requirement does not define any of the rather vague terms. A person who receives such a gift is subject to quarterly reporting requirements as well as annually, as required by state law.

According to a survey by the law firm of Pillsbury, Madison and Sutro, *Glenn, Lassen and Mariposa counties* prohibit gifts from vendors or contractors, and the *County of San Luis Obispo* prohibits gifts to planning department employees.<sup>41</sup>

This variation in local gift limitations creates complexities for gift givers as well as recipients. Gift givers may not be aware that some local agencies have adopted stricter standards than state law provides. Business concerns with operations in several jurisdictions, for example, might unintentionally violate a local ordinance and thereby commit a misdemeanor. For example, in the city of *Santa Ana* it is a misdemeanor for a person doing business with the city to make any gift to any city officer.

As the difficulty in gathering material for this survey indicates, city and county ethics ordinances, regulations and departmental policies are not readily accessible. In addition, they can be amended at any time. The burden is on a local official to return or refuse gifts that violate local standards (except in *Santa Ana*, as noted above).

### ***Post-employment Restrictions***

State law does not limit the post-employment practices of local government employees, with the exception of board members and designated employees of air pollution control/quality districts.\* Nevertheless, the Postgovernment Employment Restrictions Act of 1990—which bans former state employees from appearing before their former agencies for one year after ending state employment—provides a powerful model.

The survey found that a number of cities and counties have instituted their own post-employment restrictions. Most of these ordinances resemble the state law in that they are revolving-door regulations, which prohibit former employees from becoming lobbyists or paid advocates before the government agencies which once employed them. Like the state law, the local laws generally impose a time frame on their prohibitions, so that a former employee may eventually lobby on a matter that was within his or her responsibility as a government agent. (In contrast, federal and state law prohibit federal and state employees,

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\* Section 87406.1 of the Government Code mandates a one-year break before former air district employees and board members can return to lobby or represent others before their former agencies.

respectively, from ever returning to lobby or advocate for outside interests on a matter over which they had direct responsibility.)

Nine cities and seven counties in the survey sample restrict post-government employment practices. Eleven are basic revolving-door ordinances, which restrict the lobbying activities of former government employees. The restrictions have various time frames. In *South Lake Tahoe, Lawndale, and Thousand Oaks*, former employees may lobby the government after six months have elapsed since the termination of their city employment. In *San Bernardino County*, however, the ban is permanent.

*Santa Clara County* places different restrictions on former employees than on former members of the Board of Supervisors. A former county employee must wait a year before lobbying the county on any issue that was within his or her responsibility as a county employee. Furthermore, the former employee may never lobby the county on a matter in which he or she personally participated as a county employee. The ban on lobbying activity is extended to four years for former members of the Board of Supervisors; they are exempt from the lifetime ban.

The *Counties of Los Angeles and Monterey* have adopted post-employment restrictions that are unrelated to lobbying activity. The Los Angeles County Code forbids the county from contracting with anyone who was employed by the county within the previous year. Monterey County forbids its former purchasing department employees from selling any thing or service to the county for one year following the end of their county employment.

*Berkeley* prohibits former council members from being employed as a city department head or as the city manager for one year after leaving office.

### ***Lobbyist Regulation***

Four cities and four counties in the sample have lobbying ordinances. The cities are *Richmond, San Jose, Los Angeles* (see earlier discussion), and *San Diego* (whose ordinance was being revised by a joint task force with the county as of this writing). The *counties include Santa Clara and Santa Cruz, San Francisco and Los Angeles*.

Most local lobbying ordinances resemble provisions of the Political Reform Act, which mandates the registration and regulation of lobbyists. Registration is generally annual\* and lobbyists file quarterly activity reports. However, the subtler details of local lobbying ordinances differ. For example, there is a wide range of lobbyist registration fees, as shown in Table 7.

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\* Registration at the state level is biennial, concurrent with each two-year session of the Legislature. (Government Code Section 6106)

Los Angeles (city)	\$300/year plus \$50/client
Santa Clara	None
San Jose	None
San Francisco	\$35/year plus \$15/client
Richmond	\$35/year plus \$15/client
Santa Cruz	None
Los Angeles (county)	\$35/year plus \$15/client

Local definitions of a lobbyist also vary considerably.\* A person may fall within one local government’s definition of a “lobbyist” but may be considered a “concerned citizen” by another government. This undoubtedly complicates the affairs of lobbyists who work in multiple jurisdictions, for example a large land developer.

The City of *Richmond*—one of four cities in the sample to have enacted a lobbying ordinance—defines a lobbyist as any individual who in one month is paid \$1000 or in one year is paid \$3000 to influence city business. A business or organization is a lobbyist if it compensates an individual to influence city business, provided that individual has ten or more contacts with city employees in any two consecutive months.

Across the Bay in *San Francisco*, a lobbyist is anyone who has 25 contacts with a city or county employee in any two consecutive months; or who is paid at least \$1000 in a month to influence city and county business. A business is a lobbyist when it hires a person to influence city and county business, as long as the person has at least twenty-five contacts with representatives of the city and county in two consecutive months.

*Los Angeles County* draws the line at five contacts in two consecutive months, or at compensation of \$1,000 a month.

*Santa Cruz’s* lobbying ordinance applies only to cable television lobbyists. The ordinance, which proposes to “assure the public of the impartiality and independent judgement of public officials and employees during the consideration of cable television matters,”<sup>42</sup> requires all lobbyists employed by cable television companies to register with the county clerk. The county does not charge a registration fee. Each cable television lobbyist must file quarterly reports disclosing his or her activities related to cable television. The ordinance also imposes gift limits on the cable television lobbyists, who may give no more than ten dollars per month in gifts to any county employee.

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\* Fair Political Practices Commission Regulation 18239 defines a lobbyist as: “[A]ny individual who receives two thousand dollars (\$2,000) or more in economic consideration in a calendar month, other than reimbursement for reasonable travel expenses, or whose principal duties as an employee are, to communicate directly or through his or her agents with any elected state official, agency official or legislative official for the purpose of influencing legislative or administrative action.”

*Santa Clara County's* lobbying ordinance resembled the general pattern in mid-1996. County lobbyists were required to register with and report to the County Clerk, and to abide by a series of ethics rules. However, the County Board of Supervisors repealed the familiar ordinance later that year and approved a radically different one. The new ordinance does not require lobbyist registration per se. Rather, it requires any applicant for a county contract, permit, franchise, or license to disclose the names of all the people who have been paid \$100 or more to present the applicant's position to the Board of Supervisors. Any person who has been paid \$100 or more for this purpose is considered to be a lobbyist, and that person must identify him or herself as a lobbyist before speaking to the Board of Supervisors.

Local ordinances also vary as to whether lobbyists must disclose expenditures. The *City of San Jose* requires registration, but not disclosure. *San Francisco* requires detailed disclosure, including gifts and political contributions.

When asked about pressing ethics issues facing the county, one respondent identified regulation of lobbyists, particularly of their campaign contributions, as a major concern.

### ***Ethics Boards and Enforcement Mechanisms***

A study of government ethics agencies in the United States concludes that "...the great weakness in the regulation of ethics in this country is not so much the provisions of the law, but the lack of concern for their administration and enforcement." Independent regulatory agencies are critical to proper administration of ethics laws, but those agencies are generally "...too small, too weak and insufficiently independent."<sup>43</sup> Effective ethics agencies exhibit three characteristics:

- independence (insulated from undue political influence; control over staff),
- adequate guaranteed annual budgets, and
- enforcement powers (advisory opinions, investigations, and sanctions).

National data suggest that few ethics agencies meet these criteria. In some states, ethics commissioners are political appointees and may run for office, and agency staff is not independent. Two-thirds of state and local ethics agencies have inadequate resources. Half had their budgets reduced between 1987 and 1992, despite increasing disclosure and enforcement responsibilities. Few agencies have the necessary resources to computerize records. Financial disclosure forms are filed in boxes and not reviewed. Many ethics agencies do not have investigatory powers, lack authority to give advice or hold hearings, and do not have the enforcement power to levy fines or other penalties.<sup>44</sup>

A further complexity occurs at times in California as a result of overlapping jurisdictions between state and local ethics enforcement agencies. For example, the Fair Political Practices Commission and the Los Angeles City Ethics Commission have had several disagreements as to where the primary responsibility lies for specific investigative and enforcement actions.

Of the 40 California city and county governments in the survey sample that have enacted their own ethics policies, only six have created ethics boards. They include four cities—*Berkeley, Los Angeles, Chula Vista, and San Jose*—and two counties, San Francisco and Santa Clara.

The *City of Los Angeles*' board (see discussion above) meets the three criteria for effectiveness: it operates independently, has an established budget (although funded at half of the requested level) and exercises advisory and enforcement powers. None of the other boards in the sample meet these three basic criteria.

*Berkeley* did not provide any information about its ethics board, except to say that it does not have its own budget.

*Chula Vista* has a seven-person ethics board appointed by the City Council. Each member serves a four-year term, and the members annually elect a chairman and vice-chairman from among themselves. The board has the power to receive complaints, conduct investigations, hold hearings, and issue advisory opinions. The board must meet at least once a year. Its 1995-96 budget was \$290.

The *San Francisco* Ethics Commission was established by voters in 1993, and is made up of one appointee each by the mayor, board of supervisors, district attorney, city attorney and controller. The commission administers ordinances dealing with campaign finance, lobbyist registration, financial disclosure and conflict of interest, and governmental ethics. It is also charged with educating public officials, lobbyists and citizens about these ordinances.

The commission may issue advisory opinions with the concurrence of the city attorney (who serves as its legal advisor) and the district attorney. Like the Los Angeles City Ethics Commission, the San Francisco commission maintains a whistleblower hotline and offers protection to whistleblowers.\* It has the authority to audit documents and may investigate alleged violations, should the district attorney (criminal violations) and city attorney (civil violations) decline. The commission considered 40 complaints in 1996 and five in the first six months of 1997. As of mid-1997, the commission had not yet undertaken an independent investigation. Its enforcement authority includes the ability to levy administrative fines and recommend removal from office.

The San Francisco Ethics Commission's 1997-98 budget was \$300,000. The commission has an executive director and has had up to three investigators (although it currently does not have that many). It may levy fees related to its administration and enforcement of campaign finance, lobbying and government ethics. However, the ordinance does not state whether those fees may fund the commission's activities. According to local news stories, the San Francisco Ethics Commission does not have sufficient budget to fulfill its responsibilities; has insufficient independence to investigate complaints; and has had trouble

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\* The Whistleblower Hotline number is (415) 554-9515.

securing staff.<sup>45</sup> The Commission's President resigned in fall, 1997, after receiving a city contract with the Housing Authority (a 1996 San Francisco ordinance prohibits members of city boards and commissions from entering into business contracts, or subcontracts, with the City, the Redevelopment Agency, the Housing Authority, or the San Francisco school and community college districts).

*San Jose's* Campaign Finance and Ethics Review Board has five members, each appointed by a two-thirds vote of the City Council. The members serve a maximum of two four-year terms. They may not be employed by the city nor have any direct and substantial interest in city business. They may not hold public office nor be a candidate for two years before and after tenure on the board, nor endorse candidates. The Board is responsible for the administration of the city's campaign and ethics ordinances. It monitors compliance, reviews and investigates allegations of violations and recommends enforcement actions. The Board must request funds for independent investigations from the City Council. The city clerk provides other staffing.

In *Santa Clara County*, each of the five ethics commissioners are appointed to a term that coincides with the term of a member of the Board of Supervisors. Each supervisor nominates three candidates for the corresponding position; the finalist is selected by the Presiding Judge of the Superior Court. The commissioners enforce the county's code of ethics. They have independent authority to receive complaints and conduct investigations. When they determine that a violation has occurred or is about to occur, they may penalize the violator. Penalties may include fines, censure, removal from office, forfeiture of illegal income, and criminal misdemeanor charges. The commission must request budgetary resources, such as assignment or hiring of personnel, from the Board of Supervisors. The Board must approve "reasonable requests."

### ***Ethics Education and Training***

Public officials frequently face new situations in which complex ethical issues must be interpreted and resolved. "For the vast majority of American public officials the fundamental ethical challenge resides less in following the law than in determining what to do in complex situations where there is no clear legal guidance."<sup>46</sup> In recognition of this dilemma, the U.S. Department of Justice has devised an interactive ethics training game for federal employees entitled *Quandaries* and made it available on the Internet.<sup>47</sup> California law requires that Members of the Legislature, legislative employees and registered lobbyists take an ethics training course once every two years.

The Office of Government Ethics provides ethics training classes to federal employees. The federal government requires mandatory ethics training for all employees appointed by the President, all those in the Executive Office of the President, all officials required to file financial disclosure forms, and all contracting and procurements officials (between 400,000 and 600,000 officials a year).<sup>48</sup>

At a minimum, public officials need to know and understand the ethics laws that direct their behavior. Yet the CRB survey found that California local government ethics standards are frequently scattered among an assortment of state laws and local ordinances, guidelines, policies and departmental administrative regulations. They are rarely drawn together into a coherent package. Judging from the difficulty many local agencies had in responding to the survey, relatively few have compiled comprehensive collections of ethics requirements. As a consequence, public officials and employees do not have a readily available source of standards.

The survey also found that very few of the responding jurisdictions offer training to elected officials or employees (see Table 8 below). Lack of training leaves agency officials at risk of unintentionally violating ethics standards, thereby undermining the agency’s substantive work and exposing officials to bad publicity, investigation and possible prosecution. It may be that lack of an appropriate “home,” such as an ethics commission, limits the development of training in most jurisdictions. One survey respondent opines that without the city’s ethics board, there would be no ethics training or development. In fact, most of the cities and counties that offer training do have ethics commissions.

<b>Table 8</b>	
<b>Ethics Education Offered by California Cities and Counties</b>	
<i>Cities Offering Ethics Classes</i>	<i>Counties Offering Ethics Classes</i>
For elected officials - 4	For elected officials - 3
For city staff - 6	For city staff - 3
Cities with Ethics Handbooks - 6	Counties with Ethics Handbooks - 1
Source: CRB Survey Sample, 1996-97	

### ***Which Officials are Covered?***

Local ethics ordinances can apply to a range of public officials, the principal categories being elected officials (supervisors, council and board members), agency staff, planning commission members and investment managers. The survey found in general that elected officials, agency staff, planning commission members and investment managers are not covered by the same limitations. (They are of course subject to the conflict of interest and contracting limitations in state law, among other provisions.) In some jurisdictions, ethics policies are administrative in nature and apply only to staff, not to local elected or appointed officials. In contrast, other cities and counties apply their standards only to elected officials. One survey respondent worries that such uneven coverage appears to set a double standard.

Ethics policies are often adopted in response to scandal, and as a result can be very narrowly targeted. Few jurisdictions in California have undertaken a comprehensive proactive review. One result is that many city and county ethics ordinances and regulations are applied unevenly to elected and appointed officials and staff.

- The City and County of *San Francisco* includes its planning commission and investment managers under a whistleblower protection ordinance, but they are not subject to the limits on gifts, travel, secondary employment or post-employment which apply to elected officials and agency staff.
- *Ventura County* has adopted an administrative regulation prohibiting agency staff from soliciting or accepting gifts.
- Some city and county ethics ordinances do not apply when elected officials act as appointed officials to other bodies, such as redevelopment agencies or air quality districts (for example, *Orange County*, *City of Chico*). In contrast, other jurisdictions do apply their ordinances broadly (*Los Angeles County*, *City of Escondido*).
- *Monterey County's* gift limits, conflict of interest and post-employment restrictions apply only to purchasing department staff.
- *Santa Cruz County* regulates only lobbying on behalf of cable television.
- *San Luis Obispo County's* Department of Social Services had adopted in its Handbook a Code of Ethics, Conflict of Interest and Gift Limitations. The county did not cite any other ethics policies on its survey return.
- *Kern County's* conflict of interest and limits on secondary employment restrictions apply only to appointed officials and agency staff.
- The *City of Chula Vista* includes elected and appointed officials, but not agency staff, under its ethics code.

## Special Districts

There are more than five thousand special districts in California that specialize in a broad array of functions, including:

transportation, water, community colleges, fire safety, airports, regional planning, housing, mosquito abatement, sanitation, garbage disposal, ports, local agency formation, risk management, habitat conservation, air pollution, flood protection, reclamation, cemeteries, libraries, parking, county services, lighting and redevelopment (and many others).

A significant amount of money runs through these districts. For example, the Metropolitan Water District of Southern California's net revenue in FY 1996-97 was \$821,852,764. Less obvious perhaps, the Northern California Municipal Power Corporation Number 3 had net revenues of \$85,530,503. The City of San Jose's Redevelopment District's net revenues were \$82,153,888 and the San Diego Community College District's net revenues were \$135,708,410. Most special districts have boards, many of which are locally elected.

In addition, there is another category of local special agency, not sampled in this survey, which also exercises significant public decision-making power and directs public resources. These agencies may be nonprofit and/or formed as the result of joint powers agreements. Local military base reuse authorities are one example. The application of state and federal ethics laws to their actions is unclear.

The California Research Bureau selected a sample of 692 special districts from the Controller's most recent listing to receive a local ethics survey. The sample included the ten highest-budgeted districts of each special district type, as well as a random sample of districts in each general functional category (e.g., ports, community colleges).

Only 75 of the 692 special districts returned surveys, generating a response rate of 10.8 percent.<sup>49</sup> Many districts did not respond to this request for public information. In addition, many special districts are poorly documented. The Controller's list contained a significant number of out-of-date names and addresses, judging from postal returns. Furthermore, a special district may fall under the jurisdiction of a larger agency, or it may share some staff and functions with several other districts. Counties, for example, have created numerous special services districts under their oversight. County ethics ordinances and policies may or may not apply to these districts.

Fifteen of the 75 responding districts sent local ethics policies (20 percent); the rest rely on state law. Of the fourteen responding agencies that sent ethics documents, eight have adopted limited policies:

*Codes of Conduct:* Shasta College, the Los Rios Community College District, The Vacaville Unified School District, Kensington Police Protection, and the Stanislaus Drug Enforcement Agency.

*Anti-nepotism:* Palos Verdes Library District and the Alpine, Mother Lode, and the San Joaquin Emergency Medical Services Agency.

*Gifts:* The San Joaquin Emergency Medical Services Agency prohibits the acceptance of gifts that may create a conflict of interest. The San Joaquin Valley Unified Air Pollution Control District prohibits the acceptance of gratuities.

Seven special districts in the sample return have enacted broader ethics policies. The major elements of several policies are summarized below.

- The *Southern California Association of Governments* has adopted personnel rules that limit secondary employment and post-employment, and prohibit the acceptance of gifts and gratuities from people who are doing business with the agency.
- The *South Coast Air Quality Management District* and the *Municipal Water District of Orange County* prohibit the acceptance of gifts that might cause a conflict of interest, with some exceptions.
- In the *Santa Margarita Water District*, gifts to public officials from people doing business with the district are forbidden, but gifts to the district are permissible. Santa Margarita officials may not engage in consulting work for anyone who is doing business with the district.
- Employees of the *San Diego Association of Governments (SANDAG)* must gain approval of outside employment from the district's Executive Director, and they may

not accept gifts or gratuities from anyone who is doing business with the district. SANDAG also has an anti-nepotism policy.

- The *Bay Area Rapid Transit Authority (BART)* has adopted an employee code of conduct that includes a statement of ethical principles and summarizes state conflict of interest, contracting and gift limitations. BART's procurement manual provides a code of ethics overview of state and federal requirements. Employees and vendors must sign statements certifying that they have reviewed the agency's ethics codes and meet the appropriate standards.

### ***The Metropolitan Transit Authority***

The Los Angeles Metropolitan Transportation Authority (MTA), with revenues of \$1,791,458,000 in 1994, manages one of the largest government procurement budgets in the United States. The MTA collects one cent from every dollar of taxable goods sold in Los Angeles County.

More lobbyists were paid to influence MTA decisions in 1993 (1,234) than to lobby the state legislature (1,155). The role that lobbyists play in influencing board and staff decisions on major contract decisions is "...particularly troubling to critics of the MTA."<sup>50</sup> For example, the award of a \$65 million contract is under investigation by the MTA Inspector General and the U.S. Department of Justice. A review of articles in *the Los Angeles Times* finds that the MTA has been embroiled in various ethical controversies, including allegations of:

- insider contracts,
- a revolving door of employment between the agency and contractors,
- billing fraud,
- improper lobbying,
- laundering of illegal campaign contributions from contractors,
- kickbacks,
- conflict of interest,
- bribery, and
- large gifts and charitable contributions from interested parties.\*

The composition of the MTA's 14-person governing board is established by state law:

- the five members of the Los Angeles Board of Supervisors or their appointees,
- the Mayor of Los Angeles or his appointee,
- two public members and one Los Angeles City Council member appointed by the Mayor, and

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\* The *Los Angeles Times* has published many articles on ethics problems at the MTA, "where decisions take place in a tangled web of special interests." Jon D. Markman and Richard Simon, "Bidding War for Contract Casts Light on MTA Affairs; Construction Decisions Are Made Amid Web of Special Interests, Political Alliances and Rivalries," *Los Angeles Times*, October 27, 1996, Page A1.

- four members who are mayors or city council members of areas within Los Angeles County, but outside of the City.

City of Los Angeles ethics ordinances apply to city council members who also serve on the MTA board (see discussion on Los Angeles above). In 1992, the state required the MTA to adopt ordinances regulating lobbying and acceptance of gifts.<sup>51</sup> In 1997, the state enacted a law strictly restricting campaign contributions from Metro Rail contractors to MTA board members. Board members are prohibited from participating in a decision regarding a contract if they have received a campaign contribution of more than \$10 in the prior four years from a party with a financial interest in the contract.

Recently the federal government, which is the source of many transit funds, required the MTA to adopt a comprehensive ethics code of conduct. That code was adopted in early 1997. It is the most comprehensive ethics code of any special district in California. The following discussion summarizes key provisions.

*Gifts*—Standards for MTA board members, alternates and their staff differ than those for employees. State law<sup>52</sup> requires MTA Board members, alternates and designated employees to follow the gift limitations in the Political Reform Act: up to \$290 from a single donor in a year, as long as the donor is not a lobbyist; and less than \$10 a month from lobbyists. In contrast, MTA employees may accept gifts worth \$50 per year from a single source that is conducting business with the agency, and no more than \$10 each month. They may annually accept up to \$290 in gifts from any source who is not conducting business with the MTA. Gifts from lobbyists are limited to \$10 a month, and employees are forbidden to receive any gifts from bidders or proposers on an MTA contract.

*Secondary Employment*—MTA employees must request permission to engage in outside employment. Permission will be denied if an employee has gained his or her secondary employment as a result of employment with the MTA, or if there is a conflict with MTA employment. Board members, alternates and their staff are likewise forbidden from outside employment which is “inconsistent, incompatible, or in conflict with” their duties at the MTA.<sup>53</sup>

*Post-Employment*—Board members, alternates and their staff may not contract with the MTA for one year after leaving office. During that year, the MTA may not contract with any business in which a former board member, alternate or staffperson has an interest as a partner, official, employee, or shareholder. In addition, former employees may not contract with the MTA to offer services that were within their realm of responsibility as an MTA employee for one year after leaving office. The MTA may not contract with any business, or any business that has a subcontractor in which a former employee has an interest, if the contract is for services that were within the employee’s responsibility at the MTA. No former employee may lobby the MTA for a year after leaving MTA employment. Finally, an MTA employee or Board member is prohibited from working for a business for three years after leaving the agency if that business received a contract as a result of the employee or member’s participation, evaluation, award or implementation of that contract.

*Lobbyist Regulation*—The MTA has some of the strictest lobbying rules in the country. A lobbyist is defined as a person who receives any compensation for attempting to influence MTA action through direct or indirect action.<sup>54</sup> Lobbyists, lobbying firms and lobbyist employers must register with the MTA’s Ethics/Lobby Registration Department. (The initial lobbyist registration fee is \$20, with a \$10 annual renewal fee. The initial fee for a lobbyist firm or employer is \$50, with a \$35 annual renewal fee.) Lobbyists, lobbying firms, and lobbyist employers must file quarterly disclosure reports in which they describe their activities, payments, and attempts to influence the MTA. The MTA also requires lobbyists, firms, and employers to keep all financial records for a period of four years, subject to MTA audits. When a lobbyist, firm, or employer ceases lobbying activities, that individual or organization must file a notice of termination with the MTA.

*Conflict of Interest*—The MTA’s code of conduct states that employees, board members/alternates and their staff should avoid all conflicts of interest as well as any appearance of conflict of interest. The code of conduct discusses contracts, charitable contributions and campaign contributions at length. Appearance of impropriety is defined as “...likely to create in the minds of reasonable, objective, fair-minded observers the perception that their public position was used improperly.”

*Financial Disclosure*—Board members and alternates are required to file addenda to their statements of economic interest disclosing financial interests within and outside Los Angeles County. They must also disclose all income received by organizations in which they have substantial interests. Financial disclosure forms are filed with the Ethics Office.

*Code of Conduct for MTA Contractors and Consultants*—This section specifies standards to ensure the integrity of the MTA procurement process. The MTA Ethics Department is charged with providing education and advice about the standards.

*Enforcement and Training*—The MTA has an Ethics Officer who reports directly to the Board of Directors and an Ethics Office. The Ethics Office is responsible for providing opinions, advice and training to MTA employees. The agency’s General Counsel offers guidance regarding legal questions. An Inspector General has wide-ranging investigative powers and duties. Whistleblowers are protected from retaliation. Sanctions for violating the MTA code of conduct include public censure, disqualification, temporary and permanent removal from office, monetary fines, and civil or criminal penalties.

## **IMPLICATIONS AND OPTIONS**

The following options are not necessarily recommended by the Bureau or the author, but are offered for potential legislative and administrative consideration and action.

### **Model Code**

The California Research Bureau survey of local government ethics ordinances has turned up a wide variety of ordinances, regulations and policies. There is very little uniformity in their provisions (see Chart 4, page 18), often suggesting piecemeal responses to particular problems and scandals. The City of Santa Cruz's lobbying restrictions apply only to cable television lobbyists, for example. Furthermore, many jurisdictions do not apply the same ethical standards to their elected officials when they act in an appointed capacity on other boards such as redevelopment agencies (see pages 33-34).

Cities, counties and special districts share many of the same ethical issues. There may be a central core of issues that all local governments should examine when constructing their ethics codes. Rather than expect each agency to begin from scratch, it might be useful to create a model local ordinance that could be adopted in whole or in part. In fact, requests from local agencies for such assistance in part motivated Senator Craven, who chairs the Senate Local Government and Ethics Committees, to request the survey reported in this paper.

Such a code might be developed by a working group composed of the Fair Political Practices Commission, the League of California Cities, the County Supervisors Association of California and associations representing school boards, school districts, and other types of special districts. To ensure that project moves forward, the Legislature could consider appropriating funds for the working group and establishing a time frame for an expected product. The participating associations could take responsibility for disseminating the model code to their constituents. The Legislature might also want to adopt some of the recommended provisions in state law, to ensure uniformity of key standards.

Alternatively, it may be that existing state law, which is fairly comprehensive, sufficiently covers the full range of issues and potential ethical problems facing California local governments.

### **Centralized Collection of Local Ordinances and Codes**

There is no one location where one can review local ethics ordinances and codes. In fact it is quite difficult to obtain these documents. It required a personalized letter, two follow-up postcards and personalized phone calls to obtain survey response forms from 41 California counties and 92 cities (see Charts 2 and 3, page 15). The return from special districts, which did not receive the additional follow-up attention, was quite low (see pages 35-36).

This inaccessibility is of concern to a variety of interests, such as companies that conduct business in multiple jurisdictions, and elected officials whose constituents live in more than one jurisdiction. Individuals and companies that neglect to honor local standards, even through ignorance, may receive considerable criticism at a minimum. Civil and criminal penalties may be levied for violations of local ethics ordinances.

Given the wide range of local standards uncovered in the CRB survey, the Legislature might consider requiring local governments to send copies of their ethics policies to a centralized location. The Fair Political Practices Commission is one possible repository. The commission currently collects local campaign ordinances, which it keeps in several binders in an office. Another option is to make the documents available at the Law Library in the California State Library. The Law Library could make the documents available in a catalogued and accessible format, which would also be reachable through the statewide online catalogue MELVYL.\*

### **Review of Local Ordinances and Codes**

The California Research Bureau (CRB) survey has uncovered several instances where local codes and/or administrative policies appear to contradict state law.

The *City of South Lake Tahoe's* Code of Ethics (Resolution No. 1992-49) prohibits persons in the public service from accepting "favors or gratuities which, as a general guideline, collectively exceed \$1,000 in any one year from any one person." Furthermore, the \$1,000 limit excludes "favors or gratuities when received as the authorized representative or delegate of the City..." "Favors and gratuities" are not defined, but may be in violation of the Ethics in Government Act's gift limitation of \$290 a year.

In the *City and County of San Francisco*, officers and employees may not receive outside compensation for their expertise, except for "fees for speeches and published writing" (C8.105). (Fees for speeches sounds remarkably like an honorarium, the receipt of which is illegal under the Ethics in Government Act.)

Perhaps there should be a reviewing mechanism within state government to ensure that local agency employees, and individuals conducting business with them, are not offered bad guidance by local ordinances, regulations and policies. The Fair Political Practices Commission could conduct such a review. It is the code reviewing authority for ordinances enforcing the state's conflict of interest and financial disclosure laws. Alternatively, the various local agency associations might informally offer such a service to their members.

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\* MELVYL searches the collections of the University of California and the California State Library (<http://www.melvyl.ucop.edu/>)

## **Ethics Education**

The CRB survey found that very few local agencies offer their elected officials or employees any training in the applicable federal, state and local ethics requirements (see pages 35-37). Ignorance is a poor policy. Ethics education is a preventive tool that could be encouraged to improve this situation. The Legislature might consider requiring local agencies to offer classes to their employees and elected officials on a yearly basis, including a penalty for noncompliance and/or nonattendance. This would follow the Legislature's lead in mandating ethics classes for itself and for state lobbyists. An alternative to a state mandate might be to establish several positions in the Fair Political Practices Commission that would be responsible for working with local governments to foster ethics education.

## **Special Districts**

Very few special districts have adopted ethics ordinances or policies in response to the difficult ethical issues generated by their wide-ranging responsibilities (see pages 35-37). This is particularly troubling given the large amounts of money which flow through their budgets and their generally low visibility to voters and the press.

The MTA is the only special district in California to have adopted a comprehensive code of ethics (pages 36-39). The Legislature may want to carefully consider whether existing provisions of state law offer sufficient ethical safeguards for special districts. For example, the state's revolving door limitations on post-employment lobbying do not apply.

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**APPENDIX A:**

**CALIFORNIA RESEARCH BUREAU  
LOCAL GOVERNMENT ETHICS SURVEY**

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## California Local Government Ethics Survey

A Joint Project of the California State Senate Ethics Committee and the  
California Research Bureau, California State Library

**Return Survey to:** Local Government Ethics Survey Project  
California Research Bureau  
900 N Street, Suite 300  
P.O. Box 942837  
Sacramento, California 94237-0001

1. Local Government Agency Name: \_\_\_\_\_
  
2. Agency contact for survey and phone number: \_\_\_\_\_
  
3. Agency Jurisdiction: *Please circle* County, City, School District, Community  
College District, Special District/Other \_\_\_\_\_ (type)
  
4. Agency's approximate budget (FY 1995): \_\_\_\_\_
  
5. Has the agency adopted a statement of ethical principles (for example, similar to the  
American Bar Association's Model Code of Ethics)?  
  
Yes \_\_\_\_\_ (Please include a copy or a citation)  
No \_\_\_\_\_
  
7. Has the agency adopted an ethics ordinance or regulation?  
  
Yes \_\_\_\_\_ (Please include a copy or a citation)  
No \_\_\_\_\_  
Proposal Under Consideration \_\_\_\_\_

8. If the agency has adopted an ethics ordinance or regulation, please check which of the following elements apply to elected officials and staff:

Key Elements	Elected Officials	Staff
Code of Conduct		
Financial Disclosure		
Post-employment restrictions		
Nepotism		
Registration/reporting of lobbyists		
Fair Political Practices Commission Model Code		
Conflict of Interest		
Appearance of Conflict of Interest		
Restricts use of public money*		
Whistleblower protection		
Limits on secondary employment		
Limitations on travel and gifts*		
Other (please specify)		
<i>*More restrictive than state law</i>		

9. Has the agency adopted an ordinance or regulations pertaining to campaign ethics or finance?

Yes \_\_\_\_\_ (Please include a copy or a citation)

No \_\_\_\_\_

If yes, please check which of the following elements apply:

	Yes	No
Disclosure requirements		
Campaign materials		
Contribution limits		
Expenditure limits		
Public Financing		
Voter guide	Electronic or Print (please circle)	

10. Please check which of the following ethics enforcement mechanisms apply to your agency:

	Yes	No
Advisory Opinions		
Audits		
Fines		
Dismissal		
Civil remedies		
Criminal Remedies		

11. Does the agency have an ethics board, commission or committee?

Yes\_\_\_\_\_ No\_\_\_\_\_

If yes, what is its yearly budget for FY 1995-1996? \$\_\_\_\_\_

12. Please check which of the following ethics educational tools apply to your agency?

Ethics classes for elected officials Yes\_\_\_\_\_ No\_\_\_\_\_

Ethics classes for staff Yes\_\_\_\_\_ No\_\_\_\_\_

Ethics Handbook Yes\_\_\_\_\_ No\_\_\_\_\_

Other Yes\*\_\_\_\_\_ No\_\_\_\_\_

\*If Yes, please specify\_\_\_\_\_

13. What important ethics issues are facing the agency in your opinion?

14. Please add any other useful comments about local ethics issues or the survey.

*Thank you for your helpful assistance!*

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**APPENDIX B:**  
**SURVEY SUMMARIES OF COUNTIES, CITIES AND SPECIAL DISTRICTS**  
**WITH EXTENDED ORDINANCES AND REGULATIONS**

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<b>County</b>	<b>Source of Ethics Regulation</b>	<b>Type of Ethics Regulation</b>
<b>Alameda</b>	Alameda County Charter section 66	conflict of interest
<b>Contra Costa</b>	ordinance under revision	unknown
<b>Fresno</b>	Board of Supervisors Administrative Policy no. 1	code of conduct
	Fresno County Charter section 41	conflict of interest
	unknown	quarterly disclosure of gifts
	Board of Supervisors Administrative Policy no. 35	conflict of interest
		appearance of conflict of interest
		restricts use of county property
		limits on secondary employment
<b>Kern</b>	Conflict of Interest Code	conflict of interest
<b>Los Angeles</b>	Los Angeles County Code chapter 2.160	registration of lobbyists
	Los Angeles County Code chapter 2.180	post-employment restrictions
	Los Angeles County Code chapter 5.02.060	whistleblower protection
	Los Angeles County Code chapter 5.44.050	limits on secondary employment
	Conflict of Interest and Disclosure Code	conflict of interest
		financial disclosure
<b>Monterey</b>	Ethical Standards for Purchasing	conflict of interest
		post-employment restrictions
		limits on gifts
		confidential information
<b>Orange</b>	Orange County Gift Ban Ordinance section 1-3-23	prohibition on gifts
	Code of Ethics and Commitment to Public Service	code of conduct
		conflict of interest
		post-employment restrictions
		restricts use of public information
	Board-adopted Personnel and Salary Resolution	conflict of interest
		nepotism
		limits on secondary employment
		restricts use of public property
<b>Riverside</b>	Ethics in Riverside County Government Act	post-employment restrictions
<b>San Bernardino</b>	County Code section 13.072	post-employment restrictions
<b>San Francisco</b>	San Francisco Charter	limits on secondary employment
		post-employment restrictions
		registration of lobbyists
		conflict of interest
		whistleblower protection
		prohibition on gifts
<b>San Luis Obispo</b>	Department of Social Services Handbook	code of conduct
		appearance of conflict of interest
		conflict of interest
		limits on gifts
<b>San Mateo</b>	San Mateo County Charter	nepotism
		conflict of interest
<b>Santa Clara</b>	Ethical Standards for the Board of Supervisors	limits on secondary employment
		post-employment restrictions
		registration of lobbyists
		restricts use of public property

<b>Santa Cruz</b>	County Charter	registration of cable television lobbyists
<b>Stanislaus</b>	Code of Ethics for Stanislaus County	code of conduct
		conflict of interest
	Revised Gifts Policy	appearance of conflict of interest
<b>Ventura</b>	Administrative Manual	prohibition on gifts

<b>City</b>	<b>Source of Ethics Regulation</b>	<b>Type of Ethics Regulation</b>
<b>Anaheim</b>	Code of Ethics	code of conduct
<b>Berkeley</b>	Conflict of Interest Code	conflict of interest
	Administrative Regulations 1.1	conflict of interest
	City Charter section 35	post-employment restrictions
	Administrative Regulations 2.8	limits on outside employment
<b>Chico</b>	City Charter	conflict of interest
		nepotism
<b>Chula Vista</b>	Code of Ethics	code of conduct
		post-employment restrictions
		conflict of interest
		appearance of conflict of interest
		restricts use of public property
<b>Dunsmuir</b>	City Code	nepotism
<b>Escondido</b>	Code of Ethics	conflict of interest
		restricts use of public property
<b>Galt</b>	Administrative Policy on Gifts	limits on gifts
<b>Fresno</b>	Code of Ethics	code of conduct
		conflict of interest
		prohibition on gifts
		limits on secondary employment
		restricts use of public property
<b>Huntington Beach</b>	Code of Ethics	code of conduct
		prohibition on gifts
		post-employment restrictions
		conflict of interest
		limits on secondary employment
<b>Laguna Beach</b>	Code of Ethics	code of conduct
		conflict of interest
		restricts use of public property
<b>Lawndale</b>	Code of Ethics	code of conduct
		conflict of interest
		appearance of conflict of interest
		post-employment restrictions
<b>Los Angeles</b>	Governmental Ethics Ordinance	whistleblower protection
		limits on secondary employment
		limits on gifts
		post-employment restrictions
	Municipal Lobbying Ordinance	registration of lobbyists
		lobbying restrictions
<b>Los Gatos</b>	Policy on Gifts	prohibition on gifts
<b>Richmond</b>	Municipal Code	registration of lobbyists
	City Charter	conflict of interest
		nepotism
	Personnel manual	nepotism
		limits on secondary employment
<b>Sacramento</b>	Civil Service Board Rules	limits on secondary employment
<b>Santa Ana</b>	Municipal Code	prohibition on gifts

<b>Santa Clarita</b>	Council Norms and Procedures	code of conduct
	Conflict of Interest Code	conflict of interest
<b>San Diego</b>	Code of Ethics	conflict of interest
		prohibition on gifts
		restricts use of city property
<b>San Diego</b>	Administrative Regulation	conflict of interest
		appearance of conflict of interest
		code of conduct
		prohibition on gifts
		limits on secondary employment
		restricts use of city property
		*city also has a lobbying ordinance, currently under revision
<b>San Jose</b>	County Code title 12	limits on gifts
		post-employment restrictions
		registration of lobbyists
		limits on secondary employment
<b>Sebastopol</b>	Conflict of Interest Code	conflict of interest
<b>Simi Valley</b>	Conflict of Interest Code	conflict of interest
		appearance of conflict of interest
<b>South Lake Tahoe</b>	Code of Ethics	code of conduct
		conflict of interest
		limits on gifts
		limits on outside employment
		post-employment restrictions
		restricts use of public property
<b>Thousand Oaks</b>	Code of Ethics	conflict of interest
		prohibition on gifts
		post-employment restrictions
		restricts use of public property
<b>Yreka</b>	City Charter	nepotism

<b>Special District</b>	<b>Source of Ethics Regulation</b>	<b>Type of Ethics Regulation</b>
<b>Alpine, Mother Lode, San Joaquin EMS</b>	unknown	nepotism
		conflict of interest
<b>Kensington Police Protection</b>	Law Enforcement Code of Ethics	code of conduct
<b>Los Rios Community College District</b>	Statement of Ethics	code of conduct
		conflict of interest
<b>Metropolitan Transportation Authority</b>	Code of Conduct for Board Members	code of conduct
		limits on gifts
		appearance of conflict of interest
		conflict of interest
		post-employment restrictions
		financial disclosure
		limits on outside employment
	Code of Conduct for MTA Employees	appearance of conflict of interest
		limits on gifts
		conflict of interest
		limits on outside employment
		post-employment restrictions
	Information Manual for Lobby Registration	registration of lobbyists
<b>Muni. Water Dist. of Orange County</b>	Ethics Policy	conflict of interest
		prohibition on gifts
		code of conduct
<b>Palos Verdes Library District</b>	Policy and Procedure Manual	nepotism
<b>San Diego Association of Governments</b>	Administrative Rules and Regulations	conflict of interest
		limits on outside employment
		prohibition on gifts
		nepotism
<b>San Joaquin Valley Unified APCD</b>	unknown	prohibition on gifts
<b>Santa Margarita Water District</b>	Code of Conduct	prohibition on gifts
		limits on outside employment
<b>Shasta College</b>	Code of Ethics	code of conduct
	Board Policy number 1112	code of conduct
		conflict of interest
	ACCA Statement of Ethics	code of conduct
<b>S. Coast Air Quality Management Dist.</b>	Code of Ethics	code of conduct
		prohibition on gifts
<b>S. California Assoc. of Governments</b>	Personnel Rules	limits on outside employment
		prohibition on gifts
<b>Stanislaus Drug Enforcement Agency</b>	Operations Manual	code of conduct
<b>Vacaville Unified School District</b>	Code of Ethics	code of conduct
		conflict of interest

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**APPENDIX C:**  
**SURVEY RESPONSE OF COUNTIES AND CITIES BY POPULATION**

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Counties with Ethics Regulations		Counties with State Law Only		No Response	
<u>Name</u>	<u>Population</u>	<u>Name</u>	<u>Population</u>	<u>Name</u>	<u>Population</u>
Alameda	1,362,900	Butte	204,330	Alpine	1,230
Contra Costa*	883,400	Colusa	18,000	Amador	33,850
Fresno	764,800	Del Norte	29,250	Calaveras	38,700
Kern	627,700	El Dorado	148,600	Kings	116,300
Los Angeles	9,244,600	Glenn	27,100	Lake	57,500
Monterey	371,000	Humboldt	128,900	Merced	202,800
Orange	2,641,400	Imperial	141,500	Modoc	10,700
Riverside	1,393,500	Inyo	18,900	Mono	11,250
San Bernardino	1,618,200	Lassen	29,800	Nevada	89,500
San Francisco	759,300	Madera	109,500	Shasta	166,100
San Luis Obispo	236,000	Marin	245,500	Sierra	3,460
San Mateo	695,100	Mariposa	16,550	Siskiyou	46,500
Santa Clara**	1,607,700	Mendocino	86,200	Solano	377,600
Santa Cruz	242,600	Napa	120,600	Sutter	74,900
Stanislaus	420,000	Placer***	210,000	Tehama	55,700
Ventura	720,500	Plumas	21,500	Tulare	355,200
		Sacramento	1,149,200	Yolo	153,700
*Contra Costa's ethics policy is under revision.		San Benito	43,050		
		San Diego	2,720,900		
		San Joaquin	530,700		
**Santa Clara's ethics ordinance is under revision.		Santa Barbara	396,900		
		Sonoma	432,200		
		Trinity	13,950		
		Tuolumne	53,300		
		Yuba	64,100		
		***Placer has a proposed code of ethics.			
<b>Total Populations:</b>	23,369,250		6,960,530		1,794,990

Cities with Ethics Regulations		Cities with State Law Only				No Response	
Name	Population	Name	Population	Name	Population	Name	Population
Anaheim	296,500	Emeryville	6,500	Moreno Valley	135,600	379 others	20,993,268
Berkeley	105,900	Livermore	64,800	Murrieta	33,450		
Chico	48,450	Piedmont	11,300	Palm Springs	42,450		
Chula Vista	153,400	Amador City	1,230	Temecula	40,400		
Dunsmuir	2,120	Plymouth	840	Folsom	40,850		
Escondido	120,000	Brentwood	11,850	Hollister	24,100		
Fresno	405,100	Danville	36,500	Montclair	30,600		
Galt	15,250	Lafayette	24,100	Lemon Grove	25,200		
Huntington Beach	189,800	Pleasant Hill	32,250	National City	54,900		
Laguna Beach	55,700	Eureka	28,600	Vista	81,200		
Lawndale	29,050	Bakersfield	212,600	Ripon	9,000		
Los Angeles	3,593,700	Corcoran	15,050	Brisbane	3,150		
Los Gatos	29,000	Culver City	40,050	Burlingame	28,350		
Richmond	93,000	Paramount	53,200	Hillsborough	11,300		
Riverside	247,800	Rancho Palos Verdes	42,100	Millbrae	21,450		
Sacramento	396,000	Redondo Beach	63,000	San Bruno	40,850		
San Diego	1,197,700	San Fernando	23,300	S. San Francisco	57,300		
San Jose	846,000	Westlake Village	7,750	Santa Maria	68,900		
Santa Ana	311,500	Madera	35,000	Campbell	38,250		
Santa Clarita	127,900	Larkspur	11,850	Los Altos	27,200		
Sebastopol	7,750	Mill Valley	14,000	Santa Cruz	52,700		
Simi Valley	103,700	San Rafael	53,200	Redding	78,500		
South Lake Tahoe	23,950	Fort Bragg	6,350	Montague	1,430		
Thousand Oaks	112,600	Point Arena	430	Benicia	27,800		
Yreka	7,500	Livingston	10,500	Vacaville	84,600		
		Pacific Grove	17,400	Cotati	6,725		
		Salinas	122,400	Rohnert Park	39,200		
		Truckee	11,800	Ceres	31,250		
		Fullerton	123,700	Patterson	9,700		
		Lake Forest	15,800	Tehama	440		
		Mission Viejo	89,800	Moorpark	27,550		
		Newport Beach	70,100	San Buenaventura	100,700		
		Placentia	45,350	Winters	5,125		
		Rocklin	27,200	Wheatland	2,010		
<b>Total Populations:</b>	<b>8,519,370</b>				<b>2,612,132</b>		<b>20,993,268</b>

## ENDNOTES

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- <sup>1</sup> Dennis Thomson, 1992, p. 256 as cited in OECD, *Ethics in the Public Service*, Occasional Paper No. 14, 1996, p. 15.
- <sup>2</sup> Marvin Zetterbaum, *Tocqueville and the Problem of Democracy*, Stanford University Press, 1967, p. 157.
- <sup>3</sup> Michael Josephson, "More Than a Set of Rules," *Western City*, March 1989. p. 3.
- <sup>4</sup> Library of Congress, Law Library, *Legislative Ethics in Democratic Countries: A Comparative Analysis*, April 1997, p. 1.
- <sup>5</sup> See <http://www.transparency.de/press/1997.31.7.cpi.html/>
- <sup>6</sup> OECD, *Ethics in the Public Service*, Occasional Papers No. 14, 1996, p. 8.
- <sup>7</sup> "Since its founding in 1969, The Hastings Center has worked to shed light on the ethical and social issues arising out of recent developments in medicine, the life sciences, and the professions." The Hastings Center, *The Ethics of Legislative Life*, New York, 1985, pp. vii, xiv, 24.
- <sup>8</sup> Alan Rosenthal, *Drawing the Line*, University of Nebraska Press, 1996, p. 58.
- <sup>9</sup> Montgomery Van Wart, "The Sources of Ethical Decision Making for Individuals in the Public Sector," *Public Administration Review*, November/December 1996, Vol. 56 No. 6.
- <sup>10</sup> American Bar Association, *Model Code of Professional Responsibility and Code of Judicial Conduct*, ABA Press, 1986, p. 1.
- <sup>11</sup> Library of Congress, Law Library, *Legislative Ethics in Democratic Countries: A Comparative Analysis*, April 1997, p. 1
- <sup>12</sup> Stuart C. Gilman, Carol W. Lewis, "Public Service Ethics: A Global Dialogue," *Public Administration Review*, November/December 1996, Vol. 56, No. 6, p. 522.
- <sup>13</sup> Frederick M. Herrmann, "Bricks Without Straw: The Plight of Governmental Ethics Agencies in the United States," *Public Integrity Annual 1997*, Council of State Governments, 1997, p. 13.
- <sup>14</sup> Council on Excellence in Government ([www.excelgov.org/graph97](http://www.excelgov.org/graph97)).
- <sup>15</sup> See Corey Cook, *Campaign Finance Reform*, California Research Bureau, 1996, for an excellent discussion of campaign finance issues and state practices prior to the enactment of Proposition 208.
- <sup>16</sup> Alan Rosenthal, *Drawing the Line; Legislative Ethics in the States*, Twentieth Century Fund, University of Nebraska Press, 1996, p. 59.
- <sup>17</sup> Marshall R. Goodman, Timothy J. Holp, Karen M. Ludwig, "Understanding State Legislative Ethics Reform: The Importance of Political and Institutional Culture," *Public Integrity Annual*, Council of State Governments, 1996, p. 53.
- <sup>18</sup> Section 81001 of the California Government Code.
- <sup>19</sup> Government Code Sec. 87100.
- <sup>20</sup> Section 83111 of Government Code.
- <sup>21</sup> Alan Rosenthal, p. 59.
- <sup>22</sup> Section 89501 of Government Code.
- <sup>23</sup> George E. Mowry, *The California Progressives*, University of California Press, 1951, page 23.
- <sup>24</sup> Op.cit., p. 38.
- <sup>25</sup> *San Jose Mercury News*, 1908, cited in Tom McEnery, *The New City State*, Roberts Rinehart Publishers, Colorado, 1994, pp. 251-252.
- <sup>26</sup> Frank Anechiarico, James B. Jacobs, "Changing Visions of Corruption and Corruption Control," *Public Administration Review*, September/October 1994, Vol. 54, No. 5, p. 467.
- <sup>27</sup> Alan Altshuler and William Parent, "Breaking Old Rules: Four Themes for the 21<sup>st</sup> Century," *Achieving Excellence, Building Trust; Innovations in American Government*, the Ford Foundation, The John F. Kennedy School of Government, Harvard University, and the Council for Excellence in Government, 1997, p. 11.
- <sup>28</sup> Peter Hart/Robert Teeter, Council on Excellence In Government ([www.excelgov.org/graph97](http://www.excelgov.org/graph97)).
- <sup>29</sup> Anthony Saul Alerpin, *Deputy City Attorney, Los Angeles* 3 FPPC 77 (No. 76-084, Aug. 18, 1977).
- <sup>30</sup> Evan M. Berman, Jonathan P. West, "Managing Ethics to Improve Performance and Build Trust," *Public Integrity Annual 1997*, page 25.

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- <sup>31</sup> Carol W. Lewis, "Ethics Codes and Ethics Agencies: Current Practices and Emerging Trends," *Ethics and Public Administration*, ed., H. George Frederickson, M. E. Sharpe, New York, 1993, p. 142.
- <sup>32</sup> The Hastings Center, pp. 52-55.
- <sup>33</sup> Quoted in Goodman, Holp and Ludwig, p. 52.
- <sup>34</sup> International City Management Association, *City Management Code of Ethics*, adopted in 1924; last amended in 1976.
- <sup>35</sup> Donald C. Menzel, "Ethics Complaint Making and Trustworthy Government," *Public Integrity Annual*, Council of State Governments, 1996, page 74.
- <sup>36</sup> Section 49.5.1 of Los Angeles Municipal Code.
- <sup>37</sup> Section 48.01 of Los Angeles Municipal Code.
- <sup>38</sup> Sections 2.180.010, 5.44.050 and 5.02.060 of the Los Angeles County Code.
- <sup>39</sup> City of San Diego Administrative Regulation No. 95.60.
- <sup>40</sup> Fresno County Board of Supervisors Administrative Policy No. 1.
- <sup>41</sup> Assembly Legislative Ethics Committee and Senate Committee on Legislative Ethics, *Ethics Orientation Course for Lobbyists*, 1997, p. 19.
- <sup>42</sup> Section 8.08.010 of Santa Cruz County Code.
- <sup>43</sup> Frederick M. Herrmann, "Bricks Without Straw: The Plight of Governmental Ethics Agencies in the United States," *Public Integrity Annual 1997*, Council of State Governments, p. 13.
- <sup>44</sup> Op cit. pp. 16-19.
- <sup>45</sup> "Ethics as Humor," *San Francisco Examiner*, July 22, 1997, p. A-12.
- <sup>46</sup> Debra W. Stewart, Norman Sprinthall, Renanta Siemienska, "Ethical Reasoning in a Time of Revolution: A Study of Local Officials in Poland," *Public Administration Review*, September/October 1991, Vol. 57, No.5, p. 451.
- <sup>47</sup> *Quandaries* can be downloaded from the Department of Justice website, <http://www.usdoj.gov/jmd/ethics/index.html>
- <sup>48</sup> Dennis F. Thompson, "Paradoxes of Government Ethics," *Public Administration Review*, May/June 1992, Vol. 52, No. 3, p. 254.
- <sup>49</sup> Due to the expense, CRB did not send a follow-up postcard as was done for cities and counties.
- <sup>50</sup> Op.cit., page 41.
- <sup>51</sup> Public Utilities Section 1300051.17, Statutes of 1992, chapters 586 & 5.
- <sup>52</sup> Public Utilities Code 130051.17.
- <sup>53</sup> MTA Code of Conduct for Board Members/Alternates and Board Members/Alternates Staff.
- <sup>54</sup> Public Utilities Code 130051.18.