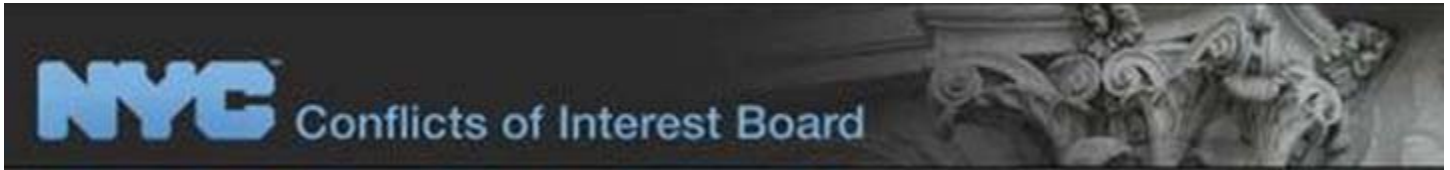


Roy Koshy

From: Wayne Hawley
Sent: Wednesday, March 29, 2017 11:53 AM
To: Wayne Hawley
Subject: Conflicts of Interest Board Advisory Opinion No. 2017-2
Attachments: AO2017_2_legal_defense_fund.pdf; AO2017_2_summary_legal defense fund.pdf



FOR IMMEDIATE RELEASE: March 29, 2017

CONTACT: Wayne Hawley, General Counsel, at hawley@coib.nyc.gov or (212) 437-0720

The Conflicts of Interest Board today releases its Advisory Opinion No. 2017-2 on the subject of legal defense funds.

The Opinion advises that contributions to legal defense funds to defray legal expenses must be viewed as gifts to public servants within the meaning of Chapter 68. Exempting legal defense fund contributions from otherwise applicable gift restrictions would require a Charter amendment or local legislation that so provides.

As a result, under current law, a public servant may accept, whether through a legal defense fund or otherwise, gifts to offset legal expenses *only* on the following terms:

- 1) A public servant may not accept contributions from his or her City subordinates.
- 2) A public servant may not accept a valuable gift, that is, a contribution of \$50.00 or more, or a series of contributions (or other gifts) over any twelve-month period worth \$50.00 or more, from any person or firm having, or intending to have, business dealings with the City. If two or more donors are relatives or domestic partners of one another, the \$50.00 per twelve-month period restriction applies to the aggregate of their donations. So, too, if two or more donors are directors, trustees, or employees of the same firm or affiliated firms, the public servant may not accept contributions totaling \$50.00 or more in the aggregate from such groups of people in any twelve-month period. A public servant is required to make a reasonable inquiry to determine if a donor has business dealings with the City.
- 3) A public servant may accept contributions in *any* amount from a family member or close personal friend who is not engaged in business dealings with the City, who does not appear before the City, and who otherwise has no non-ministerial dealings with the City.
- 4) For contributions from virtually all others—from non-subordinate City employees, constituents, and others who, although not engaged in business dealings with the City, know of a public servant by virtue of his or her City position—the Board will presume that the public servant is being offered contributions only because of his or her City position. As a result, the public servant’s acceptance from these persons of a valuable gift, that is, a contribution of \$50.00 or more, would presumably violate Charter Section 2604(b)(3) as a misuse of the public servant’s City position.

Attached are the Opinion and its Summary.

COIB is the independent, non-mayoral City agency charged with interpreting, administering, and enforcing the City's Conflicts of Interest Law, Annual Disclosure Law, and Lobbyist Gift Law. The agency's jurisdiction extends to all City agencies and current and former officers, elected officials, and employees of the City, as well as lobbyists. Learn more about COIB and the law at

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