



King County

Government Accountability and Oversight Committee

Staff Report

Agenda Item:	6	Name:	Mark Melroy
Proposed No.:	2012-0090	Date:	May 30, 2013

SUBJECT

An ordinance that would authorize elected officials, or employees who are acting on behalf of elected officials, to solicit and receive public office fund contributions. This ordinance relates to the King County's code of ethics and adds a new section to King County Code.

BACKGROUND

History of Office Funds

In 1993 the state rules and regulations concerning office funds (42.17.243) were repealed. Prior to this repeal, state code described what constitutes a public office fund, restrictions on its use, and requirements for reporting of and disposal of remaining funds. One interpretation of the repeal of these statewide rules is that local jurisdictions were then free to create their own rules and regulations concerning office funds.

Since the repeal, the City of Seattle and the Governor's office are two institutions in Washington State that have received attention for creating and using office funds.

Executive staff and representatives from the Prosecuting Attorney's Office report that the current proposal before the Committee was modeled on the office fund legislation that governs City of Seattle elected officials (SMC 2.04.480).

Office funds in these jurisdictions have been used to pay for such items as flowers for sick employees, lunches, gifts for foreign visitors and, in the case of Mayor Nickels, for expenses related to his inaugural ball.

The Ethics Board has advised that solicitation of funds for the County from persons doing or seeking to business with the county violates the ethics code. Subsequent to that advice, ordinances have been enacted authorizing the director of the parks division to solicit gifts in support of the parks and recreations programs and functions and specifically exempting from the ethics code solicitation on behalf of the healthcare coalition.

Highlights of Current Proposal

Proposed Ordinance 2012-0090 would allow county elected officials, or an employee who is acting on behalf of an elected official, to solicit and receive public office fund contributions.

Proposed Ordinance 2012-0090 notes that County office holders are often called upon to participate in:

“various official events and functions and to undertake certain official duties that involve expense to the county or to the individual office holder” [including] “costs of travel, meals, accommodations and events admissions”.

The proposed ordinance would

*“establish a mechanism for allowing office holders to solicit or accept private funds to defray such expenses to the public or to the office holder that are incurred **while he or she is carrying out public responsibilities**”.*

Further the proposed ordinance states that:

*“Private office funds authorized by this ordinance may only be used for reimbursement of expenses incurred in **carrying out activities relating to the elected official’s public office responsibilities**; may not be transferred to a political committee or used to promote or oppose a candidate or ballot measure; and limit individual contributions to no more than two hundred and fifty dollars in a calendar year.”*

The proposed ordinance also includes reporting requirements including statements

“filed with the Board of Ethics identifying the fund administrator, indicating the amount and source of all contributions received by the ...

fund and describing the nature and amount of all payments made from the public office fund. Quarterly statements updating such information shall be filed with the board of ethics by the 20th day of the month following the end of each calendar quarter"

Proposed Ordinance 2012-0090 also creates an exemption from Title 3 of the King County Code for certain actions related to "soliciting and receiving contributions for or from a public office fund ... if such solicitations occur on the employee's own time, outside of the workplace and without use of King County resources".

Title 3, Chapter 3.04, of the King County Code describes the King County Employee code of ethics and details things like "conflicts of interests", "solicitation or acceptance of gifts, bequests or donations". Chapter 3.04 also outlines the Board of Ethics membership, terms purpose and authority.

King County Code Section 3.04.100 states that

"Whenever requested by a county officer or employee, or whenever it deems it in the public interest, the board of ethics shall render advisory opinions, in writing, concerning questions of ethics, conflicts of interest, and the applicability of the code of ethics. Copies of the opinion shall be delivered to any officer or employee requesting the opinion, the ombudsman, the county executive and all members of the King County council"

Executive staff reported consulting with the Ethics Board and have solicited and received a letter of endorsement for Proposed Ordinance 2012-0090. That letter is included as **Attachment 4** to this staff report.

ANALYSIS

Differences between current proposal and Seattle City Code

City code has several references to other sections of city code that provide additional detail on the administration and limits on expenditures of the fund.

There is no mention of "*employee(s)* acting on behalf of elected official" in City Code

City Ethics code prohibits elected officials from accepting contributions from entities with business before the City. Proposed ordinance 2012-0090 creates an exemption in the King County Ethics Code so as to allow entities with business before the County to contribute to office funds.

ATTACHMENTS

1. Proposed Ordinance 2012-0090
2. Transmittal Letter dated February 15, 2012
3. Fiscal Note
4. Letter from King County Ethics Board to Sung Yang, dated March 8, 2013



KING COUNTY
Signature Report

1200 King County Courthouse
 516 Third Avenue
 Seattle, WA 98104

May 30, 2013

Ordinance

Proposed No. 2012-0090.1

Sponsors McDermott

1 AN ORDINANCE relating to King County's code of
 2 ethics; authorizing elected officials, or employees who are
 3 acting on behalf of elected officials, to solicit and receive
 4 public office fund contributions; and adding a new section
 5 to K.C.C. chapter 3.04.

6 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

7 **SECTION 1. Findings:**

8 A. As part of their official county duties, county office holders are often called
 9 upon to participate in various official events and functions and to undertake certain
 10 official duties that involve expense to the county or to the individual office holders.

11 B. Such an expense includes, among other matters, costs of travel, meals,
 12 accommodations and event admissions.

13 C. While expenses of this nature are nominal in terms of the overall county
 14 budget and may not always be subject to public reimbursement, they nonetheless can
 15 result in additional public cost that can be avoided or reduced if privately paid for.

16 D. This ordinance establishes a mechanism for allowing office holders to solicit
 17 or accept private funds to defray such expenses to the public or to the office holder that
 18 are incurred while he or she is carrying out public responsibilities.

19 E. The solicitations or receipts are allowed by this ordinance only under specified
20 conditions that appropriately safeguard against potential for unjust and inequitable
21 treatment or conflicts of interest.

22 F. Private office funds authorized by this ordinance may only be used for
23 reimbursement of expenses incurred in carrying out activities relating to the elected
24 official's public office responsibilities; may not be transferred to a political committee or
25 used to promote or oppose a candidate or ballot measure; and limit individual
26 contributions to no more than two hundred and fifty dollars in a calendar year.

27 NEW SECTION. SECTION 2. There is hereby added to the K.C.C. chapter 3.04
28 a new section to read as follows:

29 A. This chapter does not preclude an elected official, or an employee who is
30 acting on behalf of an elected official, from soliciting and receiving contributions for or
31 from a public office fund, as described in this section, if such solicitations occur on the
32 employee's own time, outside of the workplace and without use of King County
33 resources.

34 B. For purposes of this section, "public office fund" means a privately
35 administered account that:

36 1. Is established for the sole purpose of directly paying or reimbursing an
37 elected official or employee acting on his or her behalf for expenses that are incurred in
38 carrying out activities relating to his or her public office responsibilities;

39 2. Precludes fund amounts from being transferred to a political committee or
40 used to promote or oppose a candidate or ballot measure;

41 3. Limits contributions from any person or legal entity to an amount of no more
42 than two hundred and fifty dollars in a calendar year; and

43 4. Provides that any funds remaining after all permissible public office related
44 expenses have been paid shall be:

45 a. returned to contributors in amounts not exceeding their respective
46 contributions;

47 b. donated to a charitable organization registered in accordance with chapter
48 19.09 RCW; or

49 c. transferred to the county's general fund.

50 C. Within two weeks of establishing a public office fund, the elected official shall
51 file a statement with the board of ethics, identifying the fund administrator, indicating the
52 amount and source of all contributions received by the public office fund and describing
53 the nature and amount of all payments made from the public office fund. Quarterly
54 statements updating such information shall be filed with the board of ethics by the 20th
55 day of the month following the end of each calendar quarter.

56 D. Nothing in this section is intended to alter the requirements imposed by

57 chapter 42.17 RCW, the county charter or county ordinance regarding campaigns for
58 elected office or ballot measures.
59

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Larry Gossett, Chair

ATTEST:

Anne Noris, Clerk of the Council

APPROVED this ____ day of _____, _____.

Dow Constantine, County Executive

Attachments: None

February 15, 2012

The Honorable Larry Gossett
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Gossett:

I am pleased to transmit legislation that adopts a Public Office Fund, which establishes a mechanism for office holders to solicit or accept private funds to defray expenses to the public or to the office holder that are incurred while he or she is carrying out public office responsibilities.

The funds authorized by this ordinance may only be used for reimbursement of expenses incurred in carrying out activities relating to the elected official's public office responsibilities, and may not be transferred to a political committee or used to promote or oppose a candidate or ballot measure. Individual contributions are limited to no more than two hundred and fifty dollars in a calendar year. This proposal supports the King County Strategic Plan in how it promotes robust public engagement that informs, involves, and empowers people and communities through interactions with their elected officials.

An elected official who establishes a public office fund shall file an initial statement with the Board of Ethics and then quarterly statements thereafter. Any public office funds that remain after all permissible public office related expenses have been paid shall be returned to contributors (in amounts not exceeding their respective contribution), donated to charitable organizations (registered in accordance with Chapter 19.09 RCW), or transferred to the County's general fund.

The Honorable Larry Gossett
February 15, 2012
Page 2

If you have any questions about this legislation, please contact Tom Koney, at 206-263-9755, or by email at tom.koney@kingcounty.gov.

Sincerely,

Dow Constantine
King County Executive

Enclosures

cc: King County Councilmembers
ATTN: Cindy Domingo, Acting Chief of Staff
Mark Melroy, Senior Principal Legislative Analyst, BFM Committee
Anne Noris, Clerk of the Council
Fred Jarrett, Deputy County Executive, King County Executive Office (KCEO)
Carrie S. Cihak, Chief Advisor, Policy and Strategic Initiatives, KCEO
Dwight Dively, Director, Office of Performance, Strategy and Budget
Amy Calderwood, Ombudsman, King County Ombudsman
Paul Sherfey, Chief Administrative Officer, King County Superior Court
Tricia Crozier, Chief Administrative Officer, King County District Court
The Honorable Lloyd Hara, King County Assessor
The Honorable Sherril Huff, Director, King County Elections Office
The Honorable Sue Rahr, King County Sheriff
The Honorable Daniel Satterberg, King County Prosecuting Attorney
Caroline Whalen, County Administrative Officer, Department of Executive Services (DES)
Tom Koney, Deputy Director, DES
Kelli Williams, Administrator, King County Board of Ethics, DES



FISCAL NOTE

Ordinance/Motion No. Title: Public Office Fund Ordinance Affected Agency and/or Agencies: General Fund Note Prepared By: Aaron Rubardt Note Reviewed By: Dwight Dively
--

Impact of the above legislation on the fiscal affairs of King County is estimated to be: minimal

Revenue to:

Fund/Agency	Fund Code	Revenue Source	Current Year 2011	1st Year 2012	2nd Year 2013	3rd Year 2014
General Fund	0010		\$0	\$0	\$0	\$0
TOTAL			\$0	\$0	\$0	\$0

Expenditures from:

Fund/Agency	Fund Code	Department	Current Year 2011	1st Year 2012	2nd Year 2013	3rd Year 2014
General Fund ¹	0010		\$0	\$0	\$0	\$0
TOTAL			\$0	\$0	\$0	\$0

Expenditures by Categories

	Fund Code	Department	Current Year 2011	1st Year 2012	2nd Year 2013	3rd Year 2014
Minor Elected Official Expenses ¹	0010		\$0	\$0	\$0	\$0
TOTAL			\$0	\$0	\$0	\$0

Footnotes:

¹ All Public Office Funds will be financed, including the cost of administration, by outside contributions. There will likely be minor General Fund savings because elected officials may use a Public Office Fund instead of the County's General Fund for allowable expenses.

[Blank Page]

**King County**

King County Board of Ethics
Department of Executive Services
The Chinook Building
401 Fifth Avenue, Suite 215
Seattle, WA 98104-1818 CNK-ES-0215
206-263-7821 Fax 206-296-4329
board.ethics@kingcounty.gov
www.kingcounty.gov/ethics

March 8, 2013

Sung Yang, Chief of Staff
King County Executive's Office
King County Chinook Building
401 5th Avenue, Suite 800
Seattle, WA 98104

RE: Public Office Fund

Dear Mr. Yang:

I am writing today in regard to the proposed Public Office Fund Ordinance which I understand is before the Government Accountability, Oversight and Financial Performance Committee next Tuesday, March 12, 2013. The Board of Ethics was initially briefed on this proposed legislation at their October 24, 2011 meeting by you, Joe Woods, Deputy Chief of Staff, King County Executive's Office and Michael Sinsky, Senior Deputy Prosecuting Attorney, King County Attorney's Office. After that meeting, the Board discussed the legislation and raised some procedural questions to which you, Joe Woods and Michael Sinsky addressed and answered at the Board's next meeting on November 21, 2011. While the Board has not reviewed the legislation since that time, it did not have any additional questions or concerns about the legislation.

Please do not hesitate to contact me if you have any questions or concerns or need access to the Board of Ethics.

Kind regards,

Kelli Williams, Director
King County Board of Ethics