



Legislation Text

File #: 21-2380, **Version:** 1

STRATEGIC PRIORITY: Ad Hoc Committee on General Investigating and Ethics
AGENDA DATE: December 8, 2021
COUNCIL DISTRICT(S): All
DEPARTMENT: Mayor and City Council Office
EXECUTIVE: Kimberly Bizer Tolbert

SUBJECT

An ordinance amending Chapter 12A, "Code of Ethics," of the Dallas City Code, **(1)** establishing an Inspector General Division; **(2)** creating a personal benefit recusal; **(3)** simplifying the code by consolidating the gift policies and reordering various sections; **(4)** consolidating the various gift and travel reporting requirements into one article; **(5)** prohibiting a person from lobbying a councilmember on a public subsidy matter and prohibiting a councilmember from discussing the public subsidy matter with the person; and **(6)** making other general non-substantive changes; a resolution creating a new Inspector General position and authorizing an increase in appropriations in an amount not to exceed \$197,558.00 in the City Attorney's Office from General Fund Contingency Reserve; a resolution repealing Resolution Nos. 92-0779 and 98-0751; a resolution repealing Resolution Nos. 08-1723, as amended and 17-0516 - Not to exceed \$197,558.00 annually - Financing: General Fund Contingency Reserve

BACKGROUND

The proposed ordinance amending the Code of Ethics is based on the recommendations in the Report of the City's Ethics Reform Task Force (Report) with a focus on implementing the "High-Level Overview of Principal Proposals" in the Report.

The ordinance incorporates recommendations from the Task Force and feedback from other cities that have established inspector general programs with the goals of (1) simplifying and clarifying the code; (2) consolidating various gift policies and reporting requirements; and (3) simplifying the economic interest conflict starting by replacing it with a personal benefit recusal.

The ordinance moves code of conduct rules, fiduciary duty, anti-discrimination, and retaliation, actions of others, ethics training, and other conduct regulations to Article II, to highlight these rules before the substance of the ethics code begins.

The ordinance replaces the current economic interest recusal with the personal benefit recusal, consolidates the gift policies for city councilmembers, board/commission members, and employees into a single gifts section, and organizes Article III to (1) begin with the gift rules; (2) address personal benefit conflict of interest, which requires recusal; and (3) include rules for donations to the city.

The ordinance also consolidates the various reporting requirements into Article VI, "Reporting Requirements," that includes financial disclosure, gift, donation, and travel reporting requirements.

The ordinance establishes the "Division of the Inspector General," in Article VII, and includes powers and duties; quarterly reporting; the issuance of advisory opinions; and a description of the integrity officer program (IOP) that designates the chief integrity officer to administer the IOP, develop and implement training, etc.

Under Article VIII, "Ethics Advisory Commission," (EAC) the ordinance amends the composition of the commission to include 15 members divided into three panels with a random assignment of ethics complaints for impartiality and amends the qualifications of the EAC members to add special qualifications. This article also (1) revises the procedure for filing an ethics complaint; (2) eliminates the preliminary panel; (3) allows for investigations by the IG resulting in dismissals, settlements, or prosecutions before the EAC; and (4) updates hearing procedures.

The ordinance also includes: (1) a prohibition on taking action on a municipal question if that city official or employee has an economic interest in a property within the notification area of the matter; (2) an allowance for councilmembers to use their title in endorsements; and (3) a prohibition on lobbying a councilmember regarding matters that include the sale or lease of city-owned or city-controlled real property.

This matter also includes: (1) a resolution repealing the gift policy for councilmembers and city officials and the gift policy for city employees; and (2) a resolution repealing the authorization of the City Auditor to operate a fraud hotline and the City of Dallas Policy and Procedures Regarding Fraud Waste, and Abuse.

This action authorizes funding for the Inspector General position only. Future costs as well as budget and position reallocations from the City Attorney, the City Auditor, and the City Secretary will be presented to the City Council at a future date.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Ad Hoc Committee on General Investigating and Ethics was briefed regarding this matter on October 21, 2021, November 4, 2021, and November 18, 2021.

City Council was briefed on the "Proposed amendments to Chapter 12A, Code of Ethics, based on the September 2021 Report of the City of Dallas Ethics Reform Task Force" on December 1, 2021.

FISCAL INFORMATION

| Fund | FY 2022 | FY 2023 | Future Years |
|--------------|--------------|--------------|--------------|
| General Fund | \$197,558.00 | \$197,558.00 | \$197,558.00 |
| | | 0 | |

Funding includes a transfer from General Fund Contingency Reserve.