



TOWN OF HILLSBOROUGH

FORM 700 REVIEW POLICY

POLICY 418

CREATED 2/8/2021

PURPOSE: To provide a clear policy to Town of Hillsborough elected and appointed officials and staff regarding Form 700 reporting and compliance and to set an initial internal February 1 deadline for draft Form 700 submittals to the Filing Officer/City Clerk for all elected and appointed officials, excluding Town staff and consultants.

POLICY:

Background

Under the Political Reform Act ("Act"), local officials and designated employees are required to file statements of economic interests ("Form 700") for the purpose of disclosing pertinent economic interests. The Act establishes two categories of public officials and employees who must disclose their personal financial interests: (1) officials and candidates specified in Gov. Code section 87200 ("87200 Filers"), and (2) local officials and employees designated in a public agency's conflict of interest code ("Code Filers").

Pursuant to the Act, the Town of Hillsborough has adopted and maintains a conflict of interest code which specifically lists each member, official, employee, and consultant involved in the making or participating in making decisions and requires each of these designated positions to disclose specific types of investments, business positions, interests in real property, and sources of income located in or doing business in the jurisdiction. (Gov. Code § 87302.)

87200 Filers must file Form 700 statements with the Fair Political Practices Commission ("FFPC") or the City Clerk. However, individual officials and employees have a responsibility to comply with Form 700 requirements and comply with the Act on a day-to-day basis.

The City Clerk, as Filing Officer, administers these requirements at the local level and notifies each designated position of his or her filing obligation. 87200 filers and local code filers are required to file an Assuming Office Statement when they assume a designated position, an Annual Statement each year and a Leaving Office Statement within thirty days of resignation or termination. Additionally, candidates for elected positions are required to file a Candidate statement. Each type of statement has a specified "reporting period." Filers must sign the Form 700 under penalty of perjury. Once filed, the form is a public document and must be made available to the public upon request. The City Attorney along with the FFPC

is available to answer legal questions on reporting obligations and this policy is intended to provide a clear policy as to roles and resources for those reporting requirements.

Deadlines

The Town of Hillsborough hereby requires that each elected or appointed official serving on the City Council, Architectural Design and Review Board (ADRB), Financial Advisory Committee (FAC), or Administrative Hearing Panel, submit a draft of their Form 700 with the City Clerk, as the Filing Officer, no later than **February 1** annually. The FPPC sets a deadline of April 1 for annual reporting and the February 1 draft deadline is intended to provide ample time for these filers to ask questions of Town staff, receive staff input, and determine if they need to ultimately seek advice from the FPPC.

Disclosures

The Town of Hillsborough will include on each agenda for the City Council, ADRB, FAC, and Administrative Hearing Panel, an agenda item asking each public official to disclose any conflicts of interest related to any of the items on the agenda. In response, any public official who has confirmed a conflict of interest or has reason to believe they have a conflict of interest, should disclose the conflict on the record and abide by the disqualification requirements contained in the FPPC regulations.

It is anticipated that each public official of the above legislative bodies will review the agenda in advance of the meeting and if any official has reason to believe they have a conflict of interest, the official should contact the City Attorney's office in advance of the meeting in order to confirm whether a conflict of interest truly exists. A public official's Form 700 should be used as a guiding tool to identify conflicts of interests.

Legal Advice

Compliance with the Act, including completing the Form 700, is the responsibility of each 87200 Filer and Code Filer, as he/she will be individually accountable to the FPPC pursuant to State law. The City Attorney represents the Town as a whole, and not any individual public official or employee.

However, the City Attorney's Office can provide guidance on complying with the Form 700 reporting requirements. If a filer needs additional advice beyond the City Attorney's Office, the City Attorney's Office can assist a filer with seeking advice from the FPPC.

Reviewing Obligations - Duties of Filing Officer/City Clerk and City Attorney

Duties of Filing Officer/City Clerk (Imposed Pursuant to FPPC Regulation 18115, et seq. and subject to future amendments)

- Notify officials and employees of filing obligations and provide the Form 700.

- Maintain a tracking log of all filers as to who has filed a Form 700 and who has failed to meet the deadline. Such a “tracking log” does not include tracking or researching an individual’s reportable gifts, events or economic interests from the past year.
- Review completed statements and conduct a facial review of the Form 700s consistent with requirements of FPPC Regulation 18115 and any subsequent amendments.
- Notify a filer if it appears a statement has not been filed or appears incomplete or incorrect.
- Report any violations to the FPPC consistent with FPPC Regulation 18115.

Duties of City Attorney

- To be available to both the City Clerk/Filing Officer and any filer to answer questions on Form 700 reporting.
- To assist the City Clerk/Filing Officer and any filer with legal advice on reporting obligations.
- To assist any filer with seeking advice from the FPPC on reporting obligations.
- To review all Form 700s for elected and appointed officials on the City Council, ADRB, FAC, and Administrative Hearing Panel, to identify any potential conflicts of interest that could arise with regard to future governmental decisions based on pending Town matters, and to advise these filers of those potential conflicts of interest.

FPPC

As stated on the FPPC website, the FPPC is available to answer any questions on Form 700 reporting as the FPPC is the State agency charged with enforcing conflict of interest laws and can provide definitive guidance on compliance with the Political Reform Act.

www.fppc.ca.gov/Form700

General Questions: advice@fppc.ca.gov

Advice Line: 866-275-3772 (866-ASK-FPPC)

After Filing

The City Manager and staff shall remind elected and appointed officials of the financial interests reported on their Form 700 statements as the interests may relate to upcoming agenda items by providing phone or email notification to the official.

If a potential conflict of interest is identified, the public official shall work with the City Attorney and/or the FPPC to ascertain if a conflict of interest truly exists and requires disqualification.