



Los Angeles City Ethics Commission

September 5, 2012

The Honorable City Council
c/o June Lagmay, City Clerk
200 North Spring Street
City Hall – 3rd Floor
Los Angeles CA 90012

Re: **Council File Number 12-1291**
Appointment of Bryan Kang to the Board of Transportation Commissioners

FOR COUNCIL CONSIDERATION

Dear Councilmembers:

On August 14, 2012, the Mayor transmitted to the City Clerk a letter indicating his appointment of Mr. Bryan Kang to the Board of Transportation Commissioners. The Ethics Commission received Mr. Kang's pre-confirmation statement of economic interests (SEI) on September 4, 2012, and this letter is provided for your consideration as part of the confirmation process. A copy of this letter is also being provided to Mr. Kang to help him avoid potential conflicts of interests that may arise in the course of his tenure as a member of the Board of Transportation Commissioners.

Mr. Kang reports on his SEI his ownership interests in Rhapsody Clothing, Inc., BNY, Inc., and BYS Group, Inc. Additionally, he reports several interests in real property and multiple sources of rental income of \$10,000 or more which are listed in Attachment A. If a matter involving any of these interests comes before the Board of Transportation Commissioners, Mr. Kang should, before acting, seek the advice of the City Attorney regarding whether he should disqualify himself. We are unable to assess if or how frequently Mr. Kang would be in a position of having to recuse himself.

Interests disclosed on an SEI are not the only interests that can give rise to a conflict of interests. For example, state law may require recusal by a board or commission member due to certain business activities of the clients of that member's employer. Additionally, recusal may be required under City Charter § 222, which states that the City Attorney may provide a written opinion concerning the obligation of a City official to refrain from acting on a matter when it may violate state law or when action may not be in the public interest.

If a matter raises a potential conflict of interests, we encourage Mr. Kang to seek the advice of the City Attorney before acting. If Mr. Kang is required to disqualify himself from acting on a matter, Los Angeles Municipal Code § 49.5.6(J) and Executive Directive 2005-1 require him to file a Recusal Notification Form (CEC Form 51) with the Ethics Commission and

the Mayor's office. If a board or commission member is disqualified from acting on three or more agenda items in a year because of a conflict caused by the same interest, the Ethics Commission is required by City Charter § 707 to review the conflict. If the Ethics Commission determines that the member has a significant and continuing conflict of interests, it must order divestment of the interest that is causing the conflict.

In addition to reviewing a nominee's SEI, the Ethics Commission also verifies that the nominee is a registered City voter. We have received a completed Residence Verification Form for Mr. Kang, which affirms that he is registered to vote in the City.

If you have questions, please feel free to contact Ethics Program Manager Shannon Prior at (213) 978-1960.

Sincerely,



Heather Holt
Executive Director

Attachment

cc: Mayor Antonio Villaraigosa
Mr. Bryan Kang

Attachment A

Bryan Kang

Pre-confirmation Form 700

September 2012

Rental Income of \$10,000 or More

Rhapsody Clothing, Inc.

Laguna Fabrics

Hyun Jin Ahn dba Zipper

Hye Sun Jang

Dong Uk Kim

Andy Choi

Young Chang

Hyun S. Han