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CITY ATTORNEY

REPORT NO. R 19-0310
SEP 23 2019

REPORT RE:

**DRAFT ORDINANCE AMENDING CHAPTER 5 OF DIVISION 24 OF THE
LOS ANGELES ADMINISTRATIVE CODE TO REVISE CITY ETHICS COMMISSION
REGULATIONS FOR THE CITY'S TICKET DISTRIBUTION POLICY**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Honorable Members:

As requested by the City Ethics Commission, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The draft ordinance amends Chapter 5 of Division 24 of the Los Angeles Administrative Code by revising Ethics Commission regulations regarding the City's Ticket Distribution Policy (Policy).

Summary of the Ordinance

State law permits an agency to adopt a Policy governing an agency's distribution and disclosure of free or discounted tickets and passes to entertainment and recreation events for redistribution to City officials and employees and third parties. Distribution of tickets and passes pursuant to Policy are not subject to individual gift limits and reporting. 2 Cal. Code Regs. § 18944.1. The agency must disclose tickets or passes distributed pursuant to this Policy to the Ethics Commission on Form 802 and adhere to various requirements. The City previously approved Ethics Commission regulations adopting a Ticket Distribution Policy in 2015.

In May 2019, the Fair Political Practices Commission (FPPC) approved changes to state law regarding the distribution of tickets and passes under agency policy. The state law changes require the City's Policy to prohibit the disproportionate use of tickets or passes by a member of the governing body, chief administrative officer of an agency, political appointee, or department head. 2 Cal. Code Regs. § 18944.1(b)(4). This change and another technical change to the City's Policy are included in this ordinance.

Time Limit and Authority for Council Action

Pursuant to Charter Section 703, the City Council must hold a public hearing and either approve or disapprove Ethics Commission regulations within 60 days of adoption by the City Ethics Commission. If not disapproved within that time, the Mayor has ten days to approve or disapprove the regulations. If not disapproved by the Mayor, the regulations have the force of law. The City Ethics Commission adopted these regulations on August 20, 2019. The last regular City Council meeting day to act on this matter is October 15, 2019, due to Council recess.

Pursuant to Los Angeles City Charter Section 703, the City Council may only approve or disapprove the ordinance and cannot amend it, as the ordinance is the codification of the Ethics Commission's regulations.

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the City Ethics Commission, and its comments have been incorporated.

If you have any questions regarding this matter, please contact Assistant City Attorney Renee Stadel at (213) 978-7100. She or another member of this Office will be present when you consider this matter to answer questions you may have.

Sincerely,

MICHAEL N. FEUER, City Attorney

By 

DAVID MICHAELSON
Chief Assistant City Attorney

DM:RS:cl
Transmittal