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FAIR POLITICAL PRACTICES COMMISSION

November 6, 1995

Carl O. Waggoner, Esq.
Law Offices of Waggoner & Loeffler
318 McHenry Avenue
Modesto, California 95354

Re: Your Request For Advice
Our File No. A-95-343

Dear Mr. Waggoner:

This letter responds to your request for advice regarding the Political Reform Act (the "Act")¹ on behalf of City of Patterson Councilmember Michael Petrie.

QUESTION

Does income received from a public hospital district disqualify Michael Petrie from decisions as a city councilmember concerning the hospital district?

ANSWER

No. Salary from a public entity is not disqualifying.

FACTS

Michael Petrie is a city councilmember for the City of Paterson. Mr. Petrie is also employed as a Paramedic Director by the Patterson Hospital District, a public hospital district formed in accordance with the provisions of Health & Safety Code Section 32000. Periodically there are decisions before the city council concerning the hospital district. Presently, one of the issues before the city council is the establishment of a growth impact mitigation fee for the hospital district which the city will charge future residential developers.

¹ Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Sections 18109-18995.

ANALYSIS

Section 87100 of the Act prohibits a public official from making, participating in making, or otherwise attempting to influence the making of a government decision in which that official knows or has reason to know that he or she has a financial interest. An official has a financial interest in a decision, within the meaning of Section 87100, if it is reasonably foreseeable that the decision will have a material financial effect on any one of five economic interests, including any source of income of \$250 or more within the twelve months preceding the decision. (Section 87103.)

Under Section 82030(b), salary and reimbursement for expenses received from a state, local, or federal government agency are excluded from the definition of "income." A hospital district formed pursuant to Health and Safety Code Section 32000 is a local government agency. (Section 82041.) As the conflict-of-interest provisions of the Act prohibit only financial conflicts, and as Mr. Petrie's salary from the hospital district is not deemed to be a financial interest under the Act, no conflict exists based on the salary he receives from the hospital district. (Schneider Advice Letter, No. I-94-283 [no conflict of interest based on salary from public entity].)

Should you have any further questions regarding operation of the Act, please contact this office for further advice.

Sincerely

Steven G. Churchwell
General Counsel



By: Daniel E. Muallem
Staff Counsel, Legal Division