



FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329

(916) 322-5660 • Fax (916) 322-0886

October 29, 2009

Joel D. Kuperberg
City Attorney
City of La Palma
Rutan & Tucker, LLP
611 Anton Blvd, Suite 1400
Costa Mesa, CA 92626

Re: Your Request for Advice
Our File No. A-09-233

Dear Mr. Kuperberg:

This letter responds to your request for advice regarding the conflict-of-interest provisions of the Political Reform Act (the "Act").¹ Nothing in this letter should be construed to evaluate any conduct that may have already taken place, and any conclusions contained in this letter apply only to prospective actions. In addition, this letter is based on the facts presented. The Fair Political Practices Commission ("the Commission") does not act as a finder of fact when it renders assistance. (*In re Oglesby* (1975) 1 FPPC Ops. 71.)

Please note that our advice is based solely on the provisions of the Act. We therefore offer no opinion on the application, if any, of other conflict-of-interest laws such as common law conflict of interest or Government Code Section 1090.

QUESTIONS

1. May council members make, participate in making, or influence city council decisions related to the closure of a school despite owning personal residences within the service boundaries of the school?

¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

2. May a council member make, participate in making, or influence city council decisions related to the closure of a school despite the fact that the council member has a child attending the school?

CONCLUSIONS

1. Council members with properties more than 500 feet from the physical boundaries of a school may make, participate in making, or influence governmental decisions related to the closure of the school so long as additional facts do not indicate a reasonably foreseeable material financial effect on any other economic interests they may have, such as their economic interests in their personal finances.

For the council member with an economic interest in a property within 500 feet of the physical boundaries of a school, the council member's economic interest is directly involved in governmental decisions related to the closure of the school. The financial effect of these decisions is presumed to be material. Accordingly, the council member may not make, participate in making, or influence the decisions unless he or she can rebut the presumption of materiality, by showing that it is not reasonably foreseeable the governmental decision will have *any* financial effect on his or her real property, and determine that there will be *no* reasonably foreseeable material financial effects on any other economic interests he or she may have.²

2. A council member with a child attending a school may make, participate in making, or influence a decision related to the closure of the school only if the decision will not have a reasonable foreseeable material financial effect on his or her economic interests including an effect on his or her personal finances, or the personal finances of his or her immediate family, of \$250 or more, such as an increase in the cost of the child's transportation to and from the school.

FACTS

You are the City Attorney for the City of La Palma (the "City"). In the near future, the La Palma City Council (the "City Council") may discuss and vote on actions related to the closing of Steve Luther Elementary School ("Luther Elementary"). More specifically, as an issue of general community-wide concern, the City Council would like to place a discussion item upon its monthly agenda to publically discuss alternative

² While the facts you have provided indicate that the public generally exception for an official's domicile in a small jurisdiction found in Regulation 18707.10 applies to the two real property interests 500 feet or more from the boundaries of the school, this exception does not apply to the real property interest that is 300 feet or less from the school or other economic interests the council members may have, such as their economic interests in their personal finances. Moreover, we do not have sufficient facts to determine whether the basic public generally exception found in Regulation 18707.1 applies to any of the economic interests you have indicated.

potential actions and responses to the potential closure. However, the ultimate decision to close Luther Elementary will be made by the Cypress School District (the "District").

As background information, you indicate that the City has a total area of 1.9 square miles according to the United States Census Bureau. This makes the City the smallest city in Orange County in terms of area. As of the 2000 Federal Census, 15,408 people, comprising 4,979 households or 4,227 families, resided in the City. Currently, you estimate that there are 5,015 residential properties within the City and 1,144 residential properties within the service boundaries of Luther Elementary.

Luther Elementary is the only school within the City that is administered by the District. The District is a public school district, and its boundaries include territory in the City and the City of Cypress. Recently, the District's Superintendent gave a presentation to the City Council regarding the possibility of closing Luther Elementary due to declining enrollment within the District. Discussion ensued regarding how many students are gained or lost through intra-district or inter-district transfers, to whom the City should direct questions, bussing, where Luther Elementary students would go if the school is closed, and long term enrollment projections. If Luther Elementary is closed, the District has indicated that it would retain ownership of the site and will consider leasing the site. However, potential tenants have not yet been identified.³

Three of five members of the City Council own their personal residences within the current service boundaries of Luther Elementary. The three council members are required to live within the jurisdiction and have been elected in an at-large election. The council members' three respective properties are each valued in excess of \$2,000. While two of the three properties are located more than 500 feet from the physical boundaries of Luther Elementary, one property is located 300 feet or less from the school. None of the three council members' properties are located on a lot more than one-quarter acre in size, and there are at least 20 other properties under separate ownership within 500 feet of the physical boundaries of Luther Elementary that are similar in value to the council members' properties. In addition, one council member's child currently attends kindergarten at Luther Elementary.

ANALYSIS

Section 87100 prohibits any public official from making, participating in making, or otherwise using his or her official position to influence a governmental decision in which the official has a financial interest. A public official has a "financial interest" in a governmental decision, within the meaning of the Act, if it is reasonably foreseeable that the decision will have a material financial effect on one or more of the public official's economic interests. (Section 87103; Regulation 18700(a).) The Commission has

³ We emphasize that nothing in this letter should be construed to evaluate any conduct that may have already taken place, and any conclusions contained in this letter apply only to prospective actions.

adopted an eight-step standard analysis for deciding whether an individual has a disqualifying conflict of interest in a given governmental decision.

Step One: Are the individuals “public officials?”

The Act’s conflict-of-interest provisions apply to all “public officials.” (Sections 87100, 87103; Regulation 18700(b)(1).) A “public official” is “every member, officer, employee or consultant of a state or local government agency . . .” (Section 82048.) As members of the City Council, the individuals are public officials within the meaning of the Act.⁴

Step Two: Are the officials making, participating in making, or influencing a governmental decision?

A public official “makes a governmental decision” when the official, acting within the authority of his or her office or position, votes on a matter, obligates or commits his or her agency to any course of action, or enters into any contractual agreement on behalf of his or her agency. (Regulation 18702.1.) A public official “participates in a governmental decision” when, acting within the authority of his or her position and without significant intervening substantive review, the official negotiates, advises, or makes recommendations to the decisionmaker regarding the governmental decision. (Regulation 18702.2.) A public official is attempting to use his or her official position to influence a decision if, for the purpose of influencing, the official contacts or appears before any member, officer, employee, or consultant of his or her agency. (Regulation 18702.3(a).) A public official is also attempting to use his or her position to influence a governmental decision when the official, for the purpose of influencing a decision by another agency, act or purports to act on his or her agency’s behalf before an official of the other agency. (Regulation 18702.3(b).) As members of the City Council, the individuals are making, participating in making, or influencing a governmental decision when taking part in a council decision regarding the closure of Luther Elementary and would be doing the same if they act or purport to act in their official positions before an official of the District for the purpose of influencing the District’s decision to close the school.

⁴ If a public official’s office is listed in Section 87200 (“87200 filers” include members of a county board of supervisors) and he or she has a conflict of interest in a decision noticed at a public meeting, then he or she must: (1) immediately prior to the discussion of the item, verbally identify each type of economic interest involved in the decision as well as details of the economic interest, as discussed in Regulation 18702.5(b)(1)(B), on the record of the meeting; (2) recuse himself or herself; and (3) leave the room for the duration of the discussion and/or vote on the item. For closed sessions, consent calendars, absences and speaking as a member of the public regarding personal interests, special rules found in Regulation 18702.5, subdivisions (c) and (d) apply. (Section 87105.)

Step Three: What are the officials' economic interests?

Section 87103 provides that a public official has a "financial interest" in a governmental decision if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on the official, a member of his or her immediate family, or on any of the official's economic interests, described as follows:

- An economic interest in a business entity in which he or she has a direct or indirect investment of \$2,000 or more (Section 87103(a); Regulation 18703.1(a)); or in which he or she is a director, officer, partner, trustee, employee, or holds any position of management. (Section 87103(d); Regulation 18703.1(b).)
- An economic interest in real property in which he or she has a direct or indirect interest of \$2,000 or more. (Section 87103(b); Regulation 18703.2.)
- An economic interest in a source of income, including promised income, which aggregates to \$500 or more within 12 months prior to the decision. (Section 87103(c); Regulation 18703.3.)
- An economic interest in a source of gifts to him or her if the gifts aggregate to \$420 or more within 12 months prior to the decision. (Section 87103(e); Regulation 18703.4.)
- An economic interest in his or her personal finances, including those of his or her immediate family. This is known as the "personal financial effects" rule. (Section 87103; Regulation 18703.5.)

From your account of the facts, the following economic interests are implicated:

Real Property – Each of the three council members own a property, at which they reside, within the service boundaries of Luther Elementary. You have stated that the council members' interests in their respective properties are valued at \$2,000 or more. Accordingly, the three council members each have an economic interest in their respective property. (Section 87103(b).)

Personal Finances – Each of the three council members will always have an economic interest in their respective personal finances and those of their immediate family. A governmental decision will have an effect on an official's economic interest in his or her personal finances if the decision will result in the personal expenses, income, assets or liabilities of the official or his or her immediate family increasing or decreasing. (Section 87103; Regulation 18703.5.)

Step Four: Are the officials' economic interests directly or indirectly involved in the decision?

Real Property:

Regulation 18704.2(a) states, in pertinent part, that real property in which a public official has an economic interest is *directly* involved in a governmental decision if “[t]he real property in which the official has an interest, or any part of that real property, is located within 500 feet of the boundaries (or the proposed boundaries) of the property which is the subject of the governmental decision”⁵

From the facts you have provided, the council members' respective properties are all within the service boundaries of Luther Elementary. However, only one of the properties is within 500 feet of the physical boundaries of Luther Elementary. Accordingly, the pertinent question is whether to use the service boundaries or the physical boundaries of Luther Elementary when determining whether the council members' properties are within 500 feet of the property that is the subject of the governmental decisions related to the closure of the school.

The plain language of the Regulation 18704.2(a)(1) requires that the distance be measured from the boundaries of the property that is the subject of the governmental decision. For a government decision regarding the closure of a school, we have previously applied the distance between the physical boundary of the school and the official's property to determine whether an economic interest in real property is within 500 feet of the property subject to the decision. (See *McLaughlin* Advice Letter, No. A-05-033.) Thus, only the property within 500 feet of the physical boundary of Luther Elementary appears to be directly involved in a governmental decision regarding the closure of the school. Moreover, it appears that the other two properties are only indirectly involved in the decision.

Personal Finances:

As for an official's economic interest in his or her personal finances, an official's economic interest in his or her personal finances is deemed to be directly involved in the governmental decision if facts suggest any financial effect on the economic interest. (Regulation 18704.5.)

⁵ “If a public official's economic interest is not directly involved in a governmental decision, it is indirectly involved.” (Regulation 18704(a).)

Steps Five and Six: Will there be a reasonably foreseeable material financial effect on the individuals' economic interests?

Materiality

Having identified the economic interests involved, and determined whether each interest is directly or indirectly involved in the decision at issue, it is necessary to identify the materiality standard appropriate to each economic interest.

Real Property:

Any financial effect of a governmental decision on real property *directly* involved in the governmental decision is presumed to be material. (Regulation 18705.2(a)(1).) This presumption may be rebutted only by proof that it is not reasonably foreseeable that the governmental decision will have any financial effect on the real property. (*Ibid.*) However, the size of the financial effect does not matter. If there is *any* financial effect at all, even "one-penny," that effect is presumed to be "material."

For properties *indirectly* involved in a governmental decision, Regulation 18705.2(b)(1) provides that the financial effect is presumed not to be material. However, this presumption may be rebutted by proof that there are specific circumstances regarding the governmental decision, its financial effect, and the nature of the real property in which the public official has an economic interest that make it reasonably foreseeable the decision will have a material financial effect on the real property in which the official has an interest. Examples of these specific circumstances include, but are not limited to, circumstances where the decision affects:

“(A) The development potential or income producing potential of the real property in which the official has an economic interest;

“(B) The use of the real property in which the official has an economic interest;

“(C) The character of the neighborhood including, but not limited to, substantial effects on: traffic, view, privacy, intensity of use, noise levels, air emissions, or similar traits of the neighborhood.”

Personal Finances:

Effects on an official's personal finances are material as stated in Regulation 18705.5(a), which provides:

“A reasonably foreseeable financial effect on a public official's personal finances is material if it is at least \$250 in any 12-month period.

When determining whether a governmental decision has a material financial effect on a public official's economic interest in his or her personal finances, neither a financial effect on the value of real property owned directly or indirectly by the official, nor a financial effect on the gross revenues, expenses, or value of assets and liabilities of a business entity in which the official has a direct or indirect investment interest shall be considered."

Foreseeability

Once a public official has determined the materiality standard applicable to each of his or her economic interests, the next step is determining whether it is "reasonably foreseeable" that the standard will be met. A material financial effect on an economic interest is "reasonably foreseeable" if it is substantially likely that one or more of the materiality standards will be met as a result of the governmental decision. (Regulation 18706(a).) An effect need not be certain to be considered "reasonably foreseeable," but it must be more than a mere possibility. (*In re Thorner* (1975) 1 FPPC Ops. 198.)

Ultimately, whether a material financial effect is foreseeable at the time a decision is made depends on facts and circumstances peculiar to each case. (*In re Thorner, supra*, at 198.) Because the Commission does not act as a finder of fact in providing advice (*In re Oglesby* (1975) 1 FPPC Ops. 71), the foreseeability of a particular financial effect is a determination that must be left, in most instances, to the informed judgment of the public official.

The issue of foreseeability may be of special significance in this case because the City Council does not make the ultimate decision to close Luther Elementary. For example, if the City Council is merely discussing issues arising from the closure of the school but takes no action that affects or attempts to affect the closure, it is possible that there would be no reasonably foreseeable financial effect on their various economic interests. However, as discussed, this determination will turn on the nature of each decision made by the City Council and the specific economic interest involved.

Real Property:

From the facts you have provided, two of the three properties are more than 500 feet from Luther Elementary. Barring additional facts that indicate an effect on the development or income producing potential of these properties, the use of the properties, or the character of the neighborhood, the financial effect on these two properties is presumed not to be material. You have provided no facts suggesting that these two properties would fall out of this presumption. Based upon the facts provided, the two council members, who own these properties, may make, participate in making, or influence the decisions related to the closure of Luther Elementary, so long as the decisions do not have a reasonably foreseeable material financial effect on any of their

other potential economic interests such as their economic interests in their personal finances as discussed below.

Notwithstanding the conclusion regarding the two properties more than 500 feet from Luther Elementary, the remaining property is located within 500 feet of the school. While ultimately the determination of whether the financial effect is material must be left up to the official's informed judgment, the financial effect on the council member's economic interest in this property is *presumed to be material* because the property is within 500 feet of the property subject to the governmental decision. Accordingly, you have indicated a reasonably foreseeable financial effect on the council member's economic interest in this property, and the councilmember may not make, participate in making, or influence the governmental decisions related to the closure of the school unless he or she can rebut the presumption of materiality.

Personal Finances:

Under the facts provided, decisions related to the closure of a school may or may not have a financial effect on the personal finances of a public official who has a child attending the school. For example, the cost to a public official for the child's transportation to and from school may or may not be affected depending on whether the public official foresees providing the child's transportation to the alternative school at his or her own cost or whether the official's child will utilize district provided transportation. Accordingly, the council member may make, participate in making, or influence governmental decisions related to the closure of the school only if the reasonably foreseeable financial effect of the closure of the school on the official's personal expenses, income, assets or liabilities, or those his or hers immediate family, would be less than \$250 in any 12-month period.

Steps Seven and Eight: Does an exception to the conflict-of-interest rules apply to the governmental decision?

Public Generally Exception

Even if an official has a conflict of interest, disqualification is not required if the governmental decision affects the public official's economic interests in a manner that is indistinguishable from the manner in which the decision will affect the public generally. (Section 87103; Regulation 18707(a).) Particularly pertinent to your account of the facts is Regulation 18707.10, which establishes the public generally exception for an official's domicile in a small jurisdiction. Under Regulation 18707.10 and barring a reasonably foreseeable financial effect on any other economic interests the officials may have, an official with an economic interest in a residential real property that is the official's domicile may make, participate in making, or influence a governmental decision with a financial effect on the real property under the following conditions:

“(1) The jurisdiction of the public official's agency has a population of 30,000 or less and covers a geographic area of ten square miles or less;

“(2) The public official is required to live within the jurisdiction;

“(3) The public official, if elected, has been elected in an at-large jurisdiction;

“(4) The official's property is more than 300 feet from the boundaries of the property that is the subject of the governmental decision;

“(5) The official's property is located on a lot not more than one-quarter acre in size or not larger than 125 percent of the median residential lot size for the jurisdiction; and

“(6) There are at least 20 other properties under separate ownership within a 500 foot radius of the boundaries of the property that is the subject of the governmental decision that are similar in value.”
(Regulation 18707.10.)

Based upon the facts you have provided, the public generally exception for a public official's domicile in a small jurisdiction appears to apply to the property interests of both of the council members whose properties are located more than 500 feet from Luther Elementary. Accordingly, these two council members may make, participate in making, or influence decisions related to the closure of Luther Elementary under the specialized public generally exception of Regulation 18707.10 even if facts exist rebutting the presumption that the financial effect on their two properties is not material. However, the public generally exception of Regulation 18707.10 only applies to the two council members' economic interests in their two properties. The council members may not make, participate in making, or influence governmental decisions related to the closure of Luther Elementary, under the public generally exception of Regulation 18707.10, if the decisions will have a reasonably foreseeable material financial effect on other economic interests the council members may have, such as their economic interest in their personal finances.

Moreover, the public generally exception for an official's domicile in a small jurisdiction does not apply to the council member whose property is located 300 feet or less from Luther Elementary. Thus, the council member owning this property and any council member whose personal finances may be affected by the governmental decision may make, participate in making, or influence governmental decisions related to the closure of the school only if the basic public generally exception of Regulation 18707.1 applies. Regulation 18707 (b) sets forth a four-step process to determine “if the effect of a decision is not distinguishable from the effect on the public generally:”

“(1) Step One: Identify each specific person or real property (economic interest) that is materially affected by the governmental decision.

“(2) Step Two: For each person or real property identified in Step One, determine the applicable ‘significant segment’ rule according to the provisions of [Regulation 18707.1(b)].

“(3) Step Three: Determine if the significant segment is affected by the governmental decision as set forth in the applicable ‘significant segment’ rule. If the answer is ‘no,’ then the analysis ends because the first prong of a two-part test set forth in [Regulation 18707.1(b)] is not met, and the public official cannot participate in the governmental decision. If the answer is ‘yes,’ proceed to Step Four.

“(4) Step Four: Following the provisions of [Regulation 18707.1(b)(2)], determine if the person or real property identified in Step One is affected by the governmental decision in ‘substantially the same manner’ as other persons or real property in the applicable significant segment. If the answer is ‘yes’ as to each person or real property identified in Step One, then the effect of the decision is not distinguishable from the effect on the public generally and the public official may participate in the decision. If the answer is ‘no’ as to any person or real property identified in Step One, the public official may not participate in the governmental decision unless one of the special rules set forth in [Regulations 18707.2 through 18707.9] applies to each person or real property triggering the conflict of interest.” (Regulation 18707(b)(1)-(4).)

Step One:

Real Property – As discussed above, you have indicated a reasonably foreseeable material financial effect on a council member’s economic interest in real property that is 300 feet or less from Luther Elementary.

Personal Finances – As discussed above, there may be a reasonably foreseeable material financial effect on a council member’s economic interest in his or her personal finances such as an increase in the cost of providing transportation, for the council member’s child currently attending Luther Elementary, to and from school.

Step Two:

Real Property – The applicable “significant segment” for decisions that affect an interest in real property, under Regulation 18707.1(b)(1)(B)(i), is “[t]en percent or more of all property owners or all residential property owners in the jurisdiction of the

official's agency or the district the official represents" or "5,000 property owners or residential property owners in the jurisdiction of the official's agency."

Personal Finances – The applicable "significant segment" for decisions that affect the personal expenses, income, assets, or liabilities of a public official or a member of his or her immediate family, or that affect an individual who is a source of income or a source of gifts to a public official, under Regulation 18707.1(b)(1)(A), is "[t]en percent or more of the population in the jurisdiction of the official's agency or the district the official represents" or "5,000 individuals who are residents of the jurisdiction."

Step Three:

Real Property – You have provided that 1,144 (22.8 percent) of the 5,015 residential property owners within the City are located within the service boundaries of Luther Elementary.⁶ If a specific governmental decision pertaining to the closure of the school will affect the value of real property of all 1,144 property owners within the service boundaries of the school, the minimal threshold of ten percent of the property owners, as provided in Regulation 18707.1(b)(1)(B)(i), has been met.

Personal Finances – You have not provided the number of residents that will be affected by a decision to close Luther Elementary. To apply the public generally exception to an economic interest in an official's personal finances, you will still need to determine whether any specific governmental decision pertaining to the closure of Luther Elementary will affect the minimal threshold of ten percent of the population of the City, as provided in Regulation 18707.1(b)(1)(A).

Step Four:

The final step requires the council members to determine the financial effects on their respective economic interests and measure these effects against the financial effects on the public generally. What becomes critical for the council members is the identification that the minimum threshold of the significant segment identified is affected in *substantially the same manner*.

Many factors play a role in determining whether or not economic interests will be financially affected in a manner substantially the same as the significant segment identified including, but not limited to: the proximity of a property or business to a specific project or property subject to the government decision; location of a property or business; impact on an individual, property, or business from noise or traffic; impact on a business or property due to development potential; and the size of a property or business. (See *Berger Advice Letter*, No. A-05-054; also see Regulation 18707.1(b)(2)(A).)

⁶ Note that Regulation 18707.1(b)(1)(B)(iii) permits an official "to count each residential property affected as being owned by one property owner if, and only if, the official counts himself or herself as the sole owner of the public official's residential property regardless of his or her actual ownership.

Real Property – As we are not the finder of facts, we cannot determine whether a residential property located 300 feet or less from Luther Elementary will be financially affected in substantially the same manner as a residential property bordering the edge of the school's service area. Because you have not provided us with any quantifiable information regarding the financial effect on the council member's real property or other properties within the significant segment identified, we are unable to advise you regarding the question of whether or not decisions related to the closure of the school will financially affect the significant segment in substantially the same manner as the council member's property that is 300 feet or less from the school.⁷

Personal Finances – In terms of the council member's economic interests in their personal finances, we again do not have sufficient facts to determine whether these interests will be affected in substantially the same manner as the applicable significant segment.

Legally Required Participation

The Act recognizes that there may be instances where a governmental body cannot function without the participation of a public official who has a conflict of interest. The Act contains a narrow exception to the conflict-of-interest rules codified at Section 87101 allowing an official, otherwise disqualified from a governmental decision, to participate in the decision if the official's participation is "legally required." This exception is narrowly construed and applies only where there is no "alternative source of decision consistent with the purposes and terms of the statute authorizing the decision." (Regulation 18708(a)(c); *In re Tobias* (1999) 13 FPPC Ops. 5.)

Based upon our conclusions above, it only appears that one or two of the council members will be prohibited from making, participating in making, or influencing City Council decisions related to the closure of Luther Elementary. Accordingly, it does not appear that the legally required participation exception is applicable to the facts you have presented.⁸

⁷ As an example, for real property economic interests, we have previously advised that the financial effect on properties within the "significant segment" could vary by a specified financial range equal to plus or minus two-percent of the value of the public official's property and still be considered to be affected in "substantially the same manner" as the official's property. For example, if the public official's property was valued at \$500,000, and the financial effect of the decision is a three-percent increase (\$15,000) on the official's property, any increases between \$5,000 and \$25,000 on properties within the significant segment would be considered substantially the same. (*Berger Advice Letter, supra.*)

⁸ The legally required participation exception may apply only if you conclude three or more of the five members of the city council will be prohibited from making, participating in making, or influencing decisions related to the closure of the school. If the exception does apply, it only permits the participation of the minimum number of council members necessary to establish a quorum, and the selection of the otherwise disqualified council member(s) to participate in the decision must be done randomly. Moreover,

If you have other questions on this matter, please contact me at (916) 322-5660.

Sincerely,

Scott Hallabrin
General Counsel

A handwritten signature in black ink, appearing to read "B. Lau", with a long horizontal flourish extending to the right.

By: Brian G. Lau
Counsel, Legal Division