

Summary: Public Compensation Disclosure Act of 2010

In enacting this Act, the Legislature finds and declares that open access to the compensation paid to state and local public officials and public employees is necessary to advance the transparency of government and is critical to a functioning democratic process and ensures public accountability.

Section 1. New Compensation Disclosure Requirements. Provides that by March 1, 2011, and each year thereafter, all state and local agencies are required to disclose on their website, if the agency has one, and make available for immediate public inspection at the offices of the agency, all of the following information:

- **Salary Ranges.** The approved salary ranges for all employment positions in the agency.
- **Compensation to Elected Officials.** The full name, title, and total taxable compensation (highest compensation reported on the Form W-2¹ and Form 1099) received by members of the agency's elected governing body for service as a member of the governing body, including compensation received for serving on boards, commission, task forces, or non-profit entities formed by the agency.
- **Compensation to Appointed Officials and Employees.** The full name, title, and total compensation (highest compensation reported on the Form W-2 or Form 1099) for every appointed public official or employee earning more than \$100,000 in the previous calendar year.
- **Payments to Certain Contractors.** The full name, title and total payments in the prior calendar year (reported on Form 1099) to contractors acting in the capacity of a public official or public employee (e.g., contract Director of Public Works).

New Contract Disclosure Requirements. Requires that the following be made available for immediate public inspection in the offices of the agency:

- All current contracts with employees.
- All current contracts that exceed \$100,000 in the previous calendar year with private firms that require a contractor to act in the capacity of a public official or public employee.

Section 2. Extended Notice for Contracts With Continuous ("Evergreen") Provisions. Amends the Brown Act to require no less than a 7-day notice (currently 72 hours) if a local agency is considering approval of an agreement with an employee making over \$100,000 annually total taxable compensation that contains contract provisions that increase compensation automatically without further action by the legislative body, unless the increase is consistent with other agency employee compensation increases (e.g., COLA, rate increases, or amount increases received by unrepresented employees).

Section 3. Prohibit Approval of Employment Contracts in Closed Sessions. Adopt clarifying amendments to the Brown Act making it absolutely clear that final action on the proposed compensation of one or more unrepresented employees may only be taken in open session after being included in the public agenda packet.

¹ This will typically be Box 5 (Medicare Wages and Tips) which will include all deferred compensation and any taxable employer provided benefits (e.g., auto allowance, insurance, etc.).