Code of Ethical Conduct

A. Introduction and General Rule

This Code of Ethical Conduct (“Code”) applies to all Board members, officers, and employees of the Environmental Facilities Corporation (“EFC”). The Code is intended to implement provisions of the Public Officers Law and the Public Authorities Law, as well as the regulations, guidelines, executive orders and best practices applicable to EFC.

Board members, officers, or employees shall not have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of their duties in the public interest.

B. Ethical Standards Applicable to Board Members, Officers, and Employees

1. Board members, officers, and employees should not accept other employment which will impair their independence of judgment in the exercise of their official duties to EFC.

2. Board members, officers, and employees should not accept employment or engage in any business or professional activity which will require them to disclose confidential information which they have gained by reason of their official position or authority with EFC.

3. Board members, officers, and employees should not disclose confidential information acquired in the course of their official duties with EFC nor use such information to further their personal interests.

4. Board members, officers, and employees should not use or attempt to use their official position with EFC to secure unwarranted privileges or exemptions for themselves or others, including but not limited to, the misappropriation to themselves or to others of the property, services or other resources of EFC or the State for private business or other compensated non-governmental purposes.

5. Board members, officers, and employees should not engage in any transaction as representative or agent of EFC with any business entity in which they have a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of their official duties with EFC.
6. Board members, officers, and employees should not by their conduct give reasonable basis for the impression that any person can improperly influence them, or unduly enjoy their favor in the performance of the official duties to EFC, or that they are affected by the kinship, rank, position or influence of any party or person.

7. Board members, officers, and employees shall not directly or indirectly make, advise, or assist any person to make any financial investment based upon information available through their official position that could create any conflict between their duties to EFC in the public interest and their private interests.

8. Board members, officers, and employees should not pursue a course of conduct that will raise suspicion among the public that they are likely to be engaged in acts that are in violation of the public’s trust.

C. Ethical Standards Regarding Board Member, Officer, and Employee Participation in Outside Activities

1. Board members, officers, and employees shall not receive, or enter into any agreement express or implied for, compensation for services to be rendered in relation to any case, proceeding, application, or other matter before any State agency, or any executive order, or any legislation or resolution before the State legislature, where their compensation is dependent or contingent upon any action by such agency or legislature.

2. Board members, officers, or employees shall not receive, directly or indirectly, or enter into any agreement express or implied for, any compensation, in whatever form, for the appearance or services by themselves or another against the interest of the State in relation to any case, proceeding, application or other matter before, or the transaction of business by themselves or another with, the Court of Claims.

3. Board members, officers, and employees, or corporation that a Board member, officer, or employee directly or indirectly owns or controls 10% or more of shall not (i) sell any goods or services having a value in excess of $25 to any State agency, or (ii) contract for or provide such goods or services with or to any private entity where the power to contract, appoint or retain on behalf of such private entity is exercised, directly or indirectly, by a State agency or officer thereof, unless such goods or services are provided pursuant to competitive procurement.

4. Board members, officers, and employees shall not, directly or indirectly solicit, accept or receive any gift having more than a nominal value, whether in the form of money, service, loan, travel, lodging, meals, refreshments, entertainment, discount, forbearance or promise, or in any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence them, or could reasonably be expected to influence them, in the performance of their official duties or was intended as a reward for any official action on their part.
5. Board members, officers, and employees, other than in the proper discharge of official governmental duties, shall not receive, directly or indirectly, or enter into any agreement express or implied for, any compensation, in whatever form, for the appearance or services by themselves or another in relation to any case, proceeding, application or other matter before a State agency where such appearance or rendition of services is in connection with:

a. the purchase, sale, rental or lease of real property, goods or services, or a contract therefor, from, to or with any such agency;

b. any proceeding relating to rate making;

c. the adoption or repeal of any rule or regulation having the force and effect of law;

d. the obtaining of grants of money or loans;

e. licensing; or

f. any proceeding relating to a franchise provided for in the Public Service Law.

6. Board members, officers, and employees shall not receive, directly or indirectly, or enter into any agreement express or implied, for any compensation, in whatever form, for the rendering of consulting, representational, advisory, or other services by themselves or another in connection with any proposed or pending bill or resolution in the Senate or Assembly.

7. No person who has served as an EFC Board member, officer, or employee shall within a period of two years after the termination of such service or employment appear or practice before EFC or receive compensation for any services rendered by such former Board member, officer, or employee on behalf of any person, firm, corporation or association in relation to any case, proceeding or application or other matter before EFC.

8. No person who has served as an EFC Board member, officer, or employee shall after the termination of such service or employment appear, practice, communicate or otherwise render services before any State agency on behalf of any person, firm, corporation or other entity in relation to any case, proceeding, application or transaction with respect to which the Board member, officer, or employee was directly concerned and in which they personally participated during the period of service or employment with EFC, or which was under their active consideration.

9. A Board member, officer, or employee who is a member, associate, retired member, of counsel to, or shareholder of any firm, association or corporation which is appearing or rendering services in connection with any case, proceeding, application or other matter listed in paragraph 5 of this Section C
shall not orally communicate, with or without compensation, as to the merits of such cause with an officer or an employee of the agency concerned with the matter.

10. No Board member, officer, or employee may participate in any decision to hire, promote, discipline, or discharge a relative for any compensated position at EFC.

11. Board members, officers, and employees shall not:

   a. participate in any State contracting decision involving the payment of more than $1,000 to that individual, any relative of that individual, or any entity in which that individual or any relative has a financial interest; or

   b. participate in any decision to invest public funds in any security of any entity in which that individual or any relative of that individual has a financial interest, is an underwriter, or receives any brokerage, origination or servicing fees.

12. Board members, officers, employees involved in the awarding of State grants or contracts shall not ask a current or prospective grantee or contractor, or any officer, director or employee thereof, to disclose: (i) the party affiliation of such grantee or contractor, or any officer, director or employee thereof; (ii) whether such grantee or contractor, or any officer, director or employee thereof, has made campaign contributions to any party, elected official, or candidate for elective office; or (iii) whether such grantee or contractor, or any officer, director or employee thereof, cast a vote for or against any elected official, candidate or political party.

13. Board members, officers, and employees shall not award or decline to award any State grant or contract, or recommend, promise or threaten to do so, in whole or in part, because of a current or prospective grantee’s or contractor’s refusal to answer any inquiry prohibited by paragraph 12 of this Section C, or giving or withholding or neglecting to make any contribution of money or service or any other valuable thing for any political purpose.

14. Board members, officers, and employees shall not, during the consideration of an employment decision, ask any applicant for public employment to disclose: (i) the political party affiliation of the applicant; (ii) whether the applicant has made campaign contributions to any party, elected official, or candidate for elective office; or (iii) whether the applicant cast a vote for or against any elected official, candidate or political party. The provisions of this section shall not apply where (1) such inquiry is necessary for the proper application of any State law or regulation; or (2) such inquiry is consistent with publicly disclosed policies or practices of EFC, whose purpose is to ensure the representation of more than one political party on any multi-member body.
15. Board members, officers, and employees shall not decline to hire or promote, discharge, discipline, or in any manner change the official rank or compensation of any State official or employee, or applicant for employment, or promise or threaten to do so, based upon a refusal to answer any inquiry prohibited by paragraph 14 of this Section C, or for giving or withholding or neglecting to make any contribution of money or service or any other valuable thing for any political purpose.

16. Board members, officers, and employees shall not, directly or indirectly, use their official authority to compel or induce any other State officer, director, or employee to make or promise to make any political contribution, whether by gift of money, service or other thing of value.

Specific policy and approval procedures for Board members, officers, and employees regarding participation in outside activities can be found in EFC’s Policy on Participation in Outside Activities.

D. Ethical Standards Regarding Conflicts of Interest

A conflict of interest exists when the financial, familial, or personal interests of a Board member, officer, or employee of EFC comes into actual or perceived conflict with the individual’s duties and responsibilities to EFC. Perceived conflicts of interest are situations where there is the appearance that a Board member, officer, or employee may personally benefit from actions or decisions made in their official capacity, or where a Board member, officer, or employee may be influenced to act in a manner that does not represent the best interests of EFC. The perception of a conflict occurs if circumstances would suggest to a reasonable person that an individual may have a conflict. The appearance of a conflict and an actual conflict are to be treated in the same manner for purposes of this Code.

1. Board members, officers, and employees must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of or relationship with any other party, or that they are acting in violation of their public trust. While it is not possible to describe or anticipate all circumstances that might involve a conflict of interest, a conflict of interest arises whenever a Board member, officer, or employee has or will have:

   a. A financial or personal interest in any person, firm, corporation or association which has or will have a transaction, agreement or any other arrangement in which EFC participates;

   b. The ability to use the position, confidential information or the assets of EFC to the individual’s personal advantage;

   c. Solicited or accepted a gift of any amount under circumstances in which it could reasonably be inferred that the gift was intended to influence the individual, or could reasonably be expected to influence the individual, in
the performance of official duties or was intended as a reward for any action on the individual’s part; or

d. Any other circumstance that may or appears to make it difficult for the Board member, officer, or employee to exercise independent judgment and properly exercise the individual’s official duties.

2. Board members, officers, and employees shall not participate in any decision or take any official action with respect to any matter requiring the exercise of discretion, including discussing the matter and voting, when they know or have reason to know that the action could confer a direct or indirect financial or material benefit on themselves, a relative, or any organization in which they are deemed to have an interest. Board members, officers, and employees must recuse themselves from deliberations, votes, or internal discussion on matters relating to any organization, entity or individual where their impartiality in the deliberation or vote might be reasonably questioned, and are prohibited from attempting to influence other Board members, officers, or employees in the deliberation and voting on the matter.

a. All material facts related to a conflict of interest, or any potential or perceived conflict of interest (including information about the conflicting transaction and the nature of the interest) shall be disclosed in good faith to the Governance Committee and/or EFC’s Ethics Officer either in writing, or by the Board member at a Board or Committee Meeting prior to discussion of the conflicting transaction. The minutes of EFC’s meeting during which a perceived or actual conflict of interest is disclosed or discussed shall reflect the name of the interested person, the nature of the conflict, and a description of how the conflict was resolved.

b. The Governance Committee and/or the Ethics Officer who receives a written disclosure of a conflict of interest will advise the individual who may have a conflict of interest how to proceed. Prior to offering such advice, the Governance Committee and/or Ethics Officer may consult with other New York State agencies, such as the Authorities Budget Office, State Inspector General, or the Joint Commission on Public Ethics.

E. Executive Orders

The provisions of the following Executive Orders shall apply as set forth therein to EFC Board members, officers, and employees:

1. Governor Hochul’s Executive Order No. 6, dated October 8, 2021 (continuing Governor Paterson’s Executive Order No. 7, dated June 18, 2008), prohibiting: (1) the use of State property for non-governmental purposes, including for personal purposes or for outside activities of any kind, and (2) campaign contributions to the Governor.
2. Governor Hochul’s Executive Order No. 6, dated October 8, 2021 (continuing Governor Cuomo’s Executive Order No. 3, dated January 2, 2011), with regard to required biennial ethics training for the President, General Counsel, and Ethics Officer.

F. Implementation

This Code shall be provided to all Board members, officers, and employees upon commencement of employment or appointment and shall be reviewed annually by EFC’s Governance Committee.

EFC’s Ethics Officer shall be responsible for EFC’s compliance with this Code.

G. Violations

Board members, officers, and employees should promptly report any violations of this Code to the Ethics Officer, Deputy Director of Corporate Operations, or Human Resources Manager in accordance with EFC’s Whistleblower Protection Policy.

In addition to any penalties imposed by an ethics regulatory entity, Board members, officers, or employees who fail to comply with this Code may be fined, suspended, or removed from office or employment in the manner provided by law.

H. Legal Effect

This policy is not intended to set forth a fixed, general principle to be rigidly applied. Rather, its tenets are to be utilized solely as guidance and should be applied only after considering the specific facts and circumstances of each particular instance where an ethical question arises. This Code may be amended by majority vote of the Board members present at any meeting at which a quorum is in attendance. In addition, with respect to officers and employees of EFC, the provisions of this Code shall be in addition to any existing policies, guidelines or rules of EFC.

EFC has reviewed and readopted this Code, effective June 13, 2022.