



BOARD OF ETHICS CITY OF CHICAGO

THE “TRADE-SKILL” EXEMPTION TO THE CITY’S ETHICS LAWS: A PRIMER

All major cities, like Chicago, and most states and the federal government, have post-employment or “revolving door” restrictions in their ethics laws. They’re designed to prevent former government personnel from improperly profiting for themselves or their post-government employers or clients from their government connections or “inside” knowledge. In Chicago, after **any** City employee or official leaves City employment or service (whether voluntarily, involuntarily or by retirement), there may be certain activities, contracts, matters or projects with or before the City on which they cannot work. These prohibitions may last for 1 or 2 years, or even longer, such as for the entire life of a City contract – “freeze periods” in which the former City employee or official cannot represent or assist his or her new employer or client on matters involving the City.

However, the Board of Ethics has long recognized a **“trade-skill exception”**: the Ordinance’s goals are **not** furthered by prohibiting former City personnel **from merely performing trade skills** they’ve developed and acquired, for a new employer or client, even if they acquired these skills during their City employment. However, for the exemption to apply, the former employee must merely be performing these trade skills, and cannot use or employ any specialized knowledge of City-specific standards or regulations until the relevant one-year “freeze period” runs out. The Board has applied this to electricians, plumbers, machinists and opticians, for example.

But whether any proposed post-City work falls into this exception is a determination that must be made by the Board of Ethics on a case-by-case basis.

Because the penalties for violation of the City’s post-employment laws are severe, including fines of \$2,000 per violation, and potential termination of contracts and loss of contracting rights, the Board strongly recommends that departing employees or their potential employers seek confidential Board advice.

For further information, or to seek a confidential Board opinion as to whether the trade-skill exemption applies in a particular situation, please contact us.

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