

BEFORE THE  
COMMISSION ON STATE MANDATES  
STATE OF CALIFORNIA

In the Matter of:

Amendments to California Code of  
Regulations, Title 2, Division 2, Chapter 2.5,  
Article 9

No. 11-01

ORDER TO INITIATE RULEMAKING  
PROCEEDINGS

*Conflict of Interest Code: Appendix  
Section 1189.10*

Pursuant to California Code of Regulations, title 2, section 1189.2, the Commission on State Mandates (Commission) hereby adopts this order to institute rulemaking proceedings in accordance with the procedures of Government Code sections 11346.2, 11346.4, 11346.8, and 11346.9.

**PROPOSED REGULATORY ACTION.** The Commission proposes to amend California Code of Regulations, title 2, section 1189.10 to update its Conflict of Interest Code Appendix to accurately reflect the Commission employees who are designated to file economic interest statements with the Fair Political Practices Commission (FPPC) and their disclosure categories and make other non-substantive changes for purposes of consistency.

**AUTHORITY AND REFERENCE.** Government Code section 17527(g) authorizes the Commission to adopt the proposed regulations. The purpose of this rulemaking is to update the Commission's Conflict of Interest Code Appendix to accurately reflect the Commission employees who are designated to file economic interest statements with the FPPC and their disclosure categories and make other non-substantive changes for purposes of consistency.

**WRITTEN COMMENT PERIOD.** Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to the Commission. The Commission will only consider written comments received at the Commission's office by 5:00 p.m. on October 11, 2011. Submit comments to:

Heidi Palchik, Program Analyst  
Commission on State Mandates  
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**PUBLIC HEARING.** The Commission will hold a hearing on October 27, 2011, if it receives a written request for a public hearing from any interested person, or his or her authorized representative, no later than September 26, 2011.

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Drew Bohan, Executive Director

Dated: July 29, 2011

## Article 9. Conflict of Interest Code

### § 1189.10. General Provisions.

The Political Reform Act, Government Code sections 81000, et seq., requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (Cal. Code of Regs., tit. 2, § 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments to the Political Reform Act after public notice and hearings. Therefore, the terms of California Code of Regulations, title 2, section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the Commission.

Designated employees shall file statements of economic interests with their ~~agency~~ agencies.

Upon receipt of the statements of the Commission members, their alternates, and the executive director, the Commission shall make and retain a copy and forward the originals to the Fair Political Practices Commission. Statements for all other designated employees shall be retained with the Commission and made available for public inspection and reproduction. (~~Gov. Code, § 81008~~).

Note: Authority cited: Sections 87300, 87301, 87302, 87304 and 87306, Government Code.  
Reference: Sections 11146, 11146.3, 82019, 87206, 87207, 87300, 87301, 87302, 87304 and 87306, Government Code.

### Appendix

#### *Designated Employees*

#### *Disclosure Categories*

Members and alternates of the Commission on	
State Mandates	1
Executive Director	1
Chief Legal Counsel (Career Executive Assignment)	1
<u>Staff Counsel III</u>	<u>1</u>
Staff Counsel	1
Staff Services Manager I, II	2, 3
<del>Staff Services Manager III</del>	<del>1</del>
Staff Services Analyst	2, 3
Associate Governmental Program Analyst	2, 3
Graduate Legal Assistant	1
<del>Information Services Technician</del>	<del>2</del>
<del>Assistant Information Systems Analyst</del>	<del>2</del>
<u>Senior Information Systems Analyst</u>	<u>2</u>
Staff Information Systems Analyst	2
Consultants*	1

#### *Disclosure Category*

Category 1 designated employees must disclose all investments, ~~and~~ business positions in any business ~~entities~~ entity, interests in real property, and income and gifts from any source.

Category 2 designated employees shall report all investments, business positions in any business entity, interests in real property, and income and gifts from any source of the type which has contracted, or in the future may contract, with the Commission to provide services, supplies, materials, machinery, or equipment.

Category 3 designated employees shall report all business positions and income from any school district, local governmental agency, or special district which has received, or in the future may receive, state reimbursement under article XIII B, section 6 of the California Constitution.

\* The disclosure by consultants is subject to the following limitation:

The executive director may determine in writing that a particular consultant, although a "designated employee," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The executive director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.