Amend 2 Cal. Code Regs. Section 18703 to read:

§ 18703 Economic Interests, Defined Public Generally.

For purposes of Title 2, Division 6, Chapter 7 of the California Code of Regulations, the term "economic interest" includes the interests defined in Title 2, California Code of Regulations, sections 18703.1 through 18703.5, inclusive.


(a) For purposes of Section 87103, a governmental decision’s financial effect on a public official’s financial interest is “distinguishable from its effect on the public generally” if:

(1) The decision affects a distinct or recognizable group or person separate from the public generally and the official’s financial interest is either included in the group or is the only person affected, and

(2) The financial effect on the group or person is noticeably disproportionate to its effect on the public generally.

(b) The scope of “public generally” is determined by the official’s financial interest at issue:

(1) For a business entity, all business entities within the jurisdiction and any financially affected business entities outside the jurisdiction.

(2) For real property, all real property within the jurisdiction and any financially affected real property outside the jurisdiction. If the financial effect is limited to a specific type or types of real property, such as residential, commercial or agricultural, the public generally is limited to property of that type.

(3) For any other financial interest, all individuals residing in the jurisdiction and any financially affected individuals residing outside the jurisdiction.

(c) “Jurisdiction” means the jurisdiction of the state or local government agency as defined in Section 82035, or other geographical area the official was elected to represent, or the area to which the official’s authority and duties are limited if not elected.

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(d) Exceptions: Notwithstanding the above provisions, the financial effect of a governmental decision on a public official’s financial interest is indistinguishable from that of the public generally in any of the following cases:

(1) Required Representative Interest: The decision is made by a board or commission where the law that creates the board or commission requires that certain appointees have a representative interest in a particular industry, trade, or profession and the public official is an appointed member representing that particular industry, trade, or profession. This exception is limited to the financial effects on that represented industry, trade or profession as a whole and does not apply to a financial effect on a member’s financial interest distinguishable from the financial effect on the rest of the industry, trade, or profession the member represents.

(2) State of Emergency: The governmental decision is made pursuant to an official proclamation of a state of emergency, the governmental decision is required to mitigate against the effects directly arising out of the emergency, and the financial effect of the governmental decision on the official’s financial interest is proportional to the damages for which relief is available subject to the provisions of the state of emergency.

(3) Residential Rental Properties: The financial effect results from a decision of general application limited to tenants and owners of residential rental property in the jurisdiction, or a division or district within the jurisdiction, and the official owns three or fewer residential rental units.

(4) Limited Neighborhood Effects: The financial effect is on residential real property resulting from a decision limited to a specific location to establish, amend, eliminate, or otherwise provide rules that restrict on-street parking, impose traffic controls, deter vagrancy, or take any action related to the reduction of nuisance type activities, or the improvement of safety in a limited neighborhood, provided the body considering the decision conducts appropriate studies that support the need for the action in the specific location.

(5) General Use or Licensing Fees: The financial effect is on the official's personal finances as a result or an increase or decrease to a general fee or charge, such as parking rates,
permits, license fees, application fees, or any general fee that applies to the community as a whole.