



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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To: Chair Remke, Commissioners Audero, Hatch, and Hayward

From: Sukhi Brar, Senior Commission Counsel

Subject: Proposed Amendments to Regulation 18351- Fair Political Practices Commission's Conflict of Interest Code

Date: August 7, 2017

Requested Action

Adopt the proposed amendments to Regulation 18351,¹ which is the conflict of interest code for the Fair Political Practices Commission (FPPC).

Background

Section 87300 requires every agency to “adopt and promulgate a Conflict of Interest Code” to: (1) designate all “positions within the agency, other than those specified in Section 87200, which involve the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest,” and (2) identify those interests of the designated employees that are reportable. Each state agency must amend its conflict of interest code when it creates new job classifications, revises job titles, deletes positions or alters the scope of job duties for designated employees. (Section 87306.)

Discussion and Summary of Proposed Actions

The FPPC's code is contained in Regulation 18351, which was last amended in 2016. The current proposed amendments to Regulation 18351 include: (1) adding new positions, (2) reflecting title changes to existing job classifications, (3) eliminating job classifications that no longer exist or which are no longer making or participating in governmental decisions, (4) revising disclosure categories for existing job classifications with expanded duties, and (5) making other non-substantive revisions.

The most significant changes stem from the reorganization and renaming of the former Technical Assistance Division (TAD) to the External Affairs and Education Division. The wide-spectrum of duties under TAD included: (1) the Statement of Economic Interests (SEI) unit, tasked with processing and assisting filers with their Form 700s; (2) Political Reform Consultants (PRCs), responsible for providing technical assistance over the telephone and by email; (3) reviewing and approving Conflicts of Interest Codes for various state and multi-county agencies; (4) drafting

¹ The regulations of the FPPC are contained in sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to this source. The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code.

and updating all educational material (i.e., manuals, fact sheets) to assist with the Political Reform Act; and (5) conducting seminars and webinars for filing officers and others subject to the provisions of the Act.

To centralize certain activities and enhance others, the following changes were made:

- (1) With the implementation of the electronic-filing system for Form 700s, the SEI unit was moved under the Administration and Technology Division;
- (2) Since the PRCs regularly work with the Legal Division in fulfilling some of their key duties, a Staff Services Manager II position and several PRCs were moved from TAD to the Legal Division to provide email advice and review Conflict of Interest Codes – both functions that are best coordinated with attorneys;
- (3) Several PRCs remain in the External Affairs and Education Division (former TAD), to continue to provide technical assistance over the telephone while developing new methods to enrich our educational tools; and
- (4) The Information Officer and Legislative and External Affairs Coordinator were moved under the External Affairs and Education Division to help coordinate the agency’s outreach and educational efforts.

The specific changes to the existing job classifications are set forth in detail in the “Proposed Final Statement of Reasons,” which is attached to this memorandum. The public comment period runs through August 15, 2017. As of the date of this memorandum, no comments have been received.

Following the Commission’s action, the code must be submitted to the FPPC’s code reviewing body, the Attorney General. Once approved, we will submit the regulations to the Office of Administrative Law for final adoption. The code amendment is effective 30 days from the endorsement date of the Secretary of State.

Attachments:

- 1- Proposed Final Statement of Reasons**
- 2- Amendment to Regulation 18351**