



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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TITLE 2. FAIR POLITICAL PRACTICES COMMISSION

NOTICE IS HEREBY GIVEN that the Fair Political Practices Commission (the Commission), under the authority vested in it by the Political Reform Act (the Act)¹ by Section 83112 of the Government Code proposes to adopt, amend, or repeal regulations in Title 2, Division 6 of the California Code of Regulations. The Commission will consider the proposed regulation at a public hearing on or after **August 18, 2016**, at the offices of the Fair Political Practices Commission, 428 J Street, Suite 800, Sacramento, California, commencing at approximately **10:00 a.m.** Written comments should be received at the Commission offices no later than **5:00 p.m.** on **August 16, 2016**.

BACKGROUND/OVERVIEW:

Section 87300 requires every agency to “adopt and promulgate a Conflict of Interest Code” (1) designating 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) identifying those interests of the designated employees that are reportable. A newly created agency is required to submit a code to its code reviewing body for approval, “not later than six months after it comes into existence.” (Section 87303.) An agency must submit a code amendment to its code reviewing body for approval, “within 90 days after the changed circumstances necessitating the amendments have become apparent.” (Section 87306.) Agencies must also review their existing codes biennially. (Sections 87306 and 87306.5.) The Commission is the code reviewing body for all state agencies, other than agencies in the judicial branch of government, and all local government agencies with jurisdiction in more than one county (multi-county agencies). (Section 82011.)

Current Regulation 18751 provides the procedure for requesting an exemption from the Act’s requirement to adopt a conflict of interest code that applies to any state agency or multi-county agency whose code is subject to the Commission’s review and approval.

REGULATORY ACTION:

Repeal and Adopt 2 Cal. Code Reg. Section 18751.

Proposed Regulation 18751 simplifies and clarifies existing procedural requirements for requesting an exemption from the Commission from the Act’s requirement to promulgate and adopt a conflict of interest code. These requirements apply to all state and multi-county agencies

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All further statutory references are to the Government Code. The regulations of the Fair Political Practices Commission are contained in sections 18110 through 18997 of Title 2 of the California Code of Regulations (hereafter Regulation).

whose codes are subject to the Commission's review and approval. In considering proposed Regulation 18751, the Commission may examine and revise all existing requirements and may impose any additional requirements consistent with the Commission's regulatory authority under the Act, including but not limited to the following:

- Streamlining the existing procedure for requesting an exemption or extension including clarifying the supporting information that must be submitted with a request.
- Streamlining the existing procedure for the approval of an exemption or extension including clarifying the requirements for approving a request.

SCOPE:

The Commission may adopt the language noticed herein, or it may choose new language to implement its decisions concerning the issues identified above or any related issues.

FISCAL IMPACT STATEMENT:

Fiscal Impact on Local Government. This regulation will have no fiscal impact on any local entity or program.

Fiscal Impact on State Government. This regulation will have no fiscal impact on any state entity or program.

Fiscal Impact on Federal Funding of State Programs. This regulation will have no fiscal impact on the federal funding of any state program or entity.

AUTHORITY:

Government Code Section 83112 provides that the Fair Political Practices Commission may adopt, amend, and rescind rules and regulations to carry out the purposes and provisions of the Political Reform Act.

REFERENCE:

The purpose of this regulation is to implement, interpret, and make specific Government Code Sections 87300.

CONTACT:

Any inquiries should be made to Brian G. Lau, Fair Political Practices Commission, 428 J Street, Suite 620, Sacramento, CA 95814; telephone (916) 322-5660 or 1-866-ASK-FPPC. Proposed regulatory language can be accessed at <http://www.fppc.ca.gov/the-law/fppc-regulations/proposed-regulations-and-notices.html>.