

## TITLE 2. FAIR POLITICAL PRACTICES COMMISSION

NOTICE IS HEREBY GIVEN that the Fair Political Practices Commission (the "Commission"), under the authority vested in it under the Political Reform Act (the "Act")<sup>1</sup> 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 **December 20, 2018,** at the offices of the Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California, commencing at approximately **10:00 a.m.** Written comments must be received at the Commission offices no later than **5:00 p.m.** on **December 18, 2018**.

## BACKGROUND/OVERVIEW:

Section 87500.2 of the Act authorizes an agency to permit electronic filing of a statement of economic interests ("SEI") and governs an agency's electronic filing of SEIs. It also requires the Commission to develop database design requirements for electronic filings, and review and certify agency electronic filing systems. Further, Section 87500.2 permits the Commission to audit an agency system to evaluate its performance to ensure compliance with the requirements of the statute, and authorizes the Commission to adopt regulations implementing its provisions. Existing Regulation 18756 implements Section 87500.2 and further clarifies its provisions.

Commission staff has identified an issue with some agencies' electronic filing systems: those agencies' systems are currently incapable of autonomously transferring data to or receiving data from the Commission's electronic filing system. Current Regulation 18756 does not specifically refer to data exchange requirements for electronic filing systems.

To address this issue, Commission staff has prepared amendments to Regulation 18756 requiring an agency's electronic filing system to "meet data exchange requirements necessary for the free exchange of data between the agency's system and the Commission's electronic filing system." The proposed amendments to Regulation 18756 would also make technical, non-substantive changes updating the regulation.

REGULATORY ACTION: <u>Amend 2 Cal. Code Regs. Section 18756 – Statements of Economic Interests: Certification of Electronic Filing Systems.</u> Commission staff proposes amendment of Regulation 18756 to ensure an agency's electronic filing system for SEIs incorporates the Data Exchange Requirements necessary to interface with the Commission's electronic filing system.

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 related issues.

<sup>&</sup>lt;sup>1</sup> The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

## FISCAL IMPACT STATEMENT:

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

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

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

AUTHORITY: 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 Act. Section 87500.2 authorizes the Commission to adopt regulations implementing its provisions.

REFERENCE: The purpose of Regulation 18756 is to clarify and implement Section 87500.2.

CONTACT: Any inquiries should be made to Matthew F. Christy, Fair Political Practices Commission, 1102 Q St., Suite 3000, Sacramento, CA 95811; telephone (916) 322-5660 or 1-866-ASK-FPPC. The language of the proposed amendment of Regulation 18756 can be accessed at http://www.fppc.ca.gov/the-law/fppc-regulations/proposed-regulations-and-notices.html.