

February 13, 2013

Joe Guzzetta, General Manager  
Joshua Basin Water District  
PO Box 675  
Joshua Tree, California 92252

Re: Your Request for Advice  
**Our File No. A-13-013**

Dear Mr. Guzzetta:

This letter responds to your request for advice on behalf of the members of the Joshua Basin Water District (the “water district”) regarding economic interest reporting provisions of the Political Reform Act (the “Act”).<sup>1</sup>

### **QUESTION**

Are the officials at the water district who are required to file Statements of Economic Interests pursuant to Section 87200 required to report real property they own that is located outside the jurisdiction of the water district?

### **CONCLUSION**

No, the officials only report property they own in the jurisdiction. However, the Act defines jurisdiction to include real property if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the local government agency.

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<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.

## ANALYSIS

The Act requires specified public officials of state and local government agencies to file Statements of Economic Interests (FPPC Form 700) disclosing defined financial interests. These officials fall into two categories:

(1) Officials holding positions specified in Section 87200, who are required to disclose the broadest range of financial interests (Sections 87200 - 87210); and

(2) Officials holding agency positions that involve participation in government decisions that have financial impacts. These positions are designated in the agency's conflict-of-interest code and disclosure for each position is tailored to the scope of the official's job duties. (Sections 87300 - 87313.)

Your questions specifically concern officials at the water district who are filers based on Section 87200. You ask whether they must report real property owned outside the water district's jurisdiction.

Section 82033 defined an "interest in real property" to include:

"[A]ny leasehold, beneficial or ownership interest or an option to acquire such an interest in real property *located in the jurisdiction* owned directly, indirectly or beneficially by the public official, or other filer, or his or her immediate family if the fair market value of the interest is two thousand dollars (\$2,000) or more. Interests in real property of an individual includes a pro rata share of interests in real property of any business entity or trust in which the individual or immediate family owns, directly, indirectly or beneficially, a 10-percent interest or greater." [Emphasis added.]

Section 82035 defines "jurisdiction" as:

"[T]he state with respect to a state agency and, with respect to a local government agency, the region, county, city, district or other geographical area in which it has jurisdiction. *Real property shall be deemed to be 'within the jurisdiction' with respect to a local government agency if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the local government agency.*" [Emphasis added.]

Therefore, the officials who file under Section 87200 are only required to report property they own in the jurisdiction, including any real property within two miles of the boundaries or the water district or within two miles of any land owned or used by the water district.

If you have other questions on this matter, please contact me at (916) 322-5660.

Sincerely,

Zackery P. Morazzini  
General Counsel

By: John W. Wallace  
Assistant General Counsel  
Legal Division

JWW:jgl

## LEGAL DIVISION ASSIGNMENT SHEET

<b>Tracking Number:</b>	13013
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ITEM DESCRIPTION			
<b>Advice Letter No.</b>	13-013	<b>Requestor</b>	Guzzetta, Joe
<b>Regulation Project No.</b>			
<b>Other (describe)</b>			

<b>Received By FPPC On:</b>	02/11/13	<b>Due Date:</b>	03/13/13
<b>Assigned To:</b>	JWW	<b>Date To Assignee:</b>	02/12/13

REVIEWERS	Date To Review	1st Approval & Date (Including Regulation Notices)	Date To Review	Final Approval & Date (Incl. Regulation Adoption Memos)
<b>Proofed</b>				
<b>Senior</b>				
<b>TAD Chief (SEI, Campaign, Conflict of Interest Code letters)</b>				
<b>Assistant GC</b>				
<b>General Counsel</b>				
<b>Executive Director (discretion of GC)</b>				
<b>Chair (discretion of GC)</b>				