2004/2005

FORM 700
Statement of Economic Interests

a public document

Fair Political Practices Commission
428 J Street, Suite 620 • Sacramento, CA 95814
Toll-Free Advice Line: 866-ASK-FPPC • (866) 275-3772
Telephone: (916) 322-5660
www.fppc.ca.gov

QUICK TIPS FOR EASIER FILING

Most questions asked by filers are answered in detail in the instructions opposite each schedule. In addition, here are some quick tips for easier filing.

1. Know your jurisdiction.
You only have to report investments and business positions in business entities, real property, and income from sources that are located or doing business in your agency's jurisdiction. Gifts are reportable regardless of the jurisdiction. (See Appendix-9 for an explanation of jurisdiction.)

2. Determine your type of disclosure.
Two types of public officials complete the Form 700.

- If you file this form because you hold a position listed under Gov. Code section 87200, or you are filing as a board/commission member of a newly created agency not yet covered under a conflict-of-interest code, disclose all of your economic interests in your agency's jurisdiction. (See Appendix-1 for a complete list of 87200 filers and information on newly created agencies.)
- If you file because your position is listed in a state or local agency's conflict-of-interest code, review your disclosure categories because they will describe the specific interests you must report. **Obtain your disclosure categories from your agency. They are part of your agency's conflict-of-interest code, and ~~They~~ are not contained in the Form 700.**

3. Reporting periods
Generally speaking, you should not change the pre-printed dates on the form. ~~Report your economic interests based on the type of statement you are filing. If you are completing a 20034 Annual Statement, **do not** change the pre-printed dates to reflect 20045. Your annual statement is used for reporting the previous year's economic interests. Economic interests for your annual filing covering January 1, 20045, through December 31, 20045, will be disclosed on your statement filed in 20056.~~ Refer to Appendix-2 if you need help determining the correct reporting period for your statement.

4. Check your calendar.
File this form by the due date. Statements that are mailed are considered filed on the date of the postmark. The law does not provide for filing deadline extensions.

Statements ~~under~~ of 30 pages or fewer may be faxed by the deadline as long as the paper version is sent within 24 hours. The faxed version must be the same as the paper version.

5. Use the provided schedules.
Do not attach brokerage statements or other financial documents. For further guidance, the instructions for each schedule contain a detailed list of reportable interests.

6. Use your computer.
An interactive version of Form 700 is available on our website (*www.fppc.ca.gov*).

7. Review your statement.
Your Form 700 is a public record. Take a second look at your statement for accuracy and completeness before it is filed.

8. Sign your statement.
File your originally signed statement with your filing official. Keep a copy of your statement for your files. Remember that when you sign your statement, you are stating under penalty of perjury that it is true and correct.

9. Amendments.
You may amend your statement at any time. Amendment schedules are available from your filing official, the FPPC, or on our website (*www.fppc.ca.gov*).

10. Call us.
Call toll-free at 866-ASK-FPPC or locally at (916) 322-5660 if you need assistance.

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Form 700 Public Access

Statements of Economic Interests are public documents. The filing officer must permit any member of the public to inspect and copy any statement.

- Forms are available for public inspection during the agency's regular business hours.
- No conditions may be placed on persons seeking access to the forms.
- No information or identification may be requested from persons seeking access.
- Reproduction fees of no more than 10 cents per page may be charged.

Where to Find…

✧ **Types of Statements** — See Appendix-2.
✧ **When to File** — See Appendix-3.
✧ **Where to File** — See Appendix-3.
✧ **Terms and Definitions** — See Appendix-5.

INTRODUCTION

The Political Reform Act (Gov. Code sections 81000-91015) requires most state and local government officials and employees to publicly disclose their personal assets and income. They also must disqualify themselves from participating in decisions which may affect their personal economic interests. The Fair Political Practices Commission (FPPC) is the state agency responsible for issuing the attached Statement of Economic Interests, Form 700, and for interpreting the law's provisions.

Gift Prohibition
Most state and local officials, employees, and candidates are prohibited from accepting gifts totaling more than ~~$340~~360 (effective January 1, 2005) in a calendar year from a single source.

In addition, state officials, state candidates, and certain state employees are subject to a $10 limit per calendar month on gifts from lobbyists and lobbying firms registered with the Secretary of State. (See Appendix-7 for more detailed information.)

State and local officials and employees also should check with their agency to determine if any other restrictions apply.

Honorarium Ban
Most state and local officials, employees, and candidates are prohibited from accepting an honorarium for any speech given, article published, or attendance at a conference, convention, meeting, or like gathering. (See Appendix-7 for more detailed information.)

Loan Prohibitions
State and local public officials may not receive any personal loan totaling more than $250 from an official, employee, or consultant of, or from anyone who contracts with, their governmental agencies. In addition, elected officials may not receive any personal loan totaling more than $500 from a single lender unless certain terms of the loan are specified in writing. Under certain circumstances, a personal loan that is not being repaid or is being repaid below certain amounts may become a gift to the official who received it. (See Appendix-10 for more detailed information.)

Disqualification
Public officials are, under certain circumstances, required to disqualify themselves from making, participating in, or attempting to influence governmental decisions that will affect their economic interests. This may include interests they are not required to disclose (for example, certain sources of income of $500 or more are not reportable, but may be disqualifying). Specific disqualification requirements apply to 87200 filers ~~such as~~ (for example, city councilmembers, members of boards of supervisors and planning commissioners). These officials must orally identify the economic interest that creates a conflict of interest and leave the room before a discussion or vote takes place at a public meeting. For more information, consult Government Code section 87105 and regulation 18702.5, or refer to the booklet entitled "Can I Vote? Conflicts of Interest Overview," all of which are available on the FPPC website. Visit ~~(~~*www.fppc.ca.gov*~~,~~ and click on the Library & Publications icon~~)~~.

Post-Governmental Employment
Members of the State Legislature and certain state agency officials and employees who leave office are subject to restrictions on representing clients or employers before their former agencies. For more information, refer to the fact sheet entitled "Leaving Your State Job? Post-Employment Restrictions May Affect You," available on the FPPC website.

~~**New Legislation Affecting Prospective Employment for Local Officials**~~
~~*(Effective January 1, 2004)*~~
~~Pursuant to this new legislation, local (as well as state) public officials may not make, participate in making, or use their official positions to influence, any governmental decision directly relating to any person with whom they are negotiating, or have any arrangement concerning, prospective employment. (AB 1678, Negrete-McLeod)~~

Registered Domestic Partners (Effective ~~1/1/05~~ January 1, 2005)
When reporting activity for the year 2005, filers must report investments and interests in real property held by, and sources of income to, registered domestic partners. In most cases this will apply to assuming or leaving office statements. (*In re Roberts* (2004) 17 FPPC Ops. 9)

Federal Employees (Effective January 1, 2005)

A federal officer or employee serving in an official federal capacity on a state or local government agency is not required to fill out the Form 700. (SB 1353, Chapter 484, Stats. 2004.)

~~**Enforcement**~~ **Late Filing**
The filing officer who retains originally signed statements of economic interests may impose a fine for any statement that is filed late. The fine is $10 per day up to a maximum of $100. Late filing penalties can be reduced or waived under certain circumstances.

Persons who fail to timely file their Form 700 may be referred to the FPPC's enforcement division (and in some cases to the Attorney General or district attorney) for investigation and possible prosecution ~~for violations of the Act~~. In addition to the late filing penalties, a fine of up to $5,000 per violation may be imposed. ~~The FPPC has instituted an expedited enforcement program to handle Form 700 nonfilers. To report a suspected violation, or to find out more about the expedited enforcement program, call the FPPC's enforcement staff at 1-800-561-1861.~~

For assistance concerning reporting, prohibitions, and restrictions under the Act:

- Call the FPPC toll-free at (866) ASK-FPPC.
- See the booklet entitled "Your Duty to File: A Basic Overview of State Economic Disclosure Law and Reporting Requirements for Public Officials."

- ~~Obtain the following FPPC publications from the FPPC website (*www.fppc.ca.gov*):~~
  - ~~-- Fact Sheet entitled "Can I Vote? Conflicts of Interest Overview"~~
  - ~~-- Fact Sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans"~~
  - ~~-- Fact Sheet entitled "Leaving Your State Job? Post-Employment Restrictions May Affect You"~~
  - ~~-- Pamphlet entitled "Your Duty to File: A Basic Overview of State Economic Disclosure Law and Reporting Requirements for Public Officials"~~

INSTRUCTIONS — COVER PAGE

Enter your name, mailing address, and daytime telephone number in the spaces provided. Because ~~T~~the Form 700 is a document available for public review, ~~so~~ you may list your business/office address instead of your home address.

Part 1. Office, Agency, or Court

- Enter the name of the office sought or held, or the agency or court. (Examples: State Assembly; Board of Supervisors; Office of the Mayor; Department of Finance; Hope County Superior Court.)
- Indicate the name of your division, board, or district, if applicable. (Examples: Division of Waste Management; Board of Accountancy; District 45.)
- Enter your position title. (Examples: Director; Chief Counsel; City Council Member; Staff Services Analyst.)
- If you hold multiple positions (for example, a city council member who also is a member of a county board or commission), you may be required to file statements with each agency.

  To simplify your filing obligations, you may complete an expanded statement.

  To do this, enter the name of the other agency(ies) with which you are required to file and your position title(s) in the space provided. Attach an additional sheet if necessary. Complete one statement covering the disclosure requirements for all positions. Each copy must contain an original signature. Therefore, before signing a statement make a copy for each agency. Sign each copy with an original signature and file with each agency.

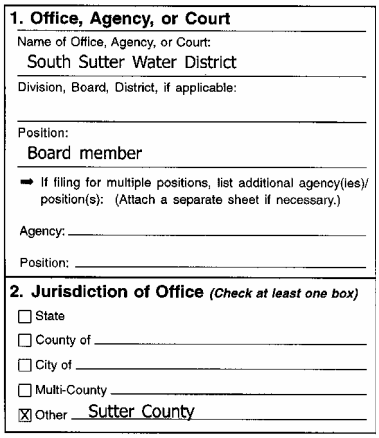
  Remember that if you assume or leave a position after a filing deadline, you must complete a separate statement. For example, a city council member who assumes a position with a county special district after the April 1 annual filing deadline must file a separate assuming office statement. In subsequent years, the city council member may expand his or her annual filing to include both positions.

Part 2. ~~Office~~ Jurisdiction of Office

- Check the box indicating the jurisdiction of your agency and, if applicable, identify the jurisdiction. Judges, judicial candidates, and court commissioners have statewide jurisdiction ~~(*In re Baty* (1979) 5 FPPC Ops. 10)~~. All other filers should review Appendix-9 to determine their jurisdiction.
- If your agency is a multi-county office, list each county in which your agency has jurisdiction.
- If your agency is other than a state office, court, county office, city office, or multi-county office (for example, school districts and special districts), check the "other" box and enter the county or city in which the agency has jurisdiction.

Example:

This filer is a member of ~~the Sacramento City Council.~~ a water


1. Office, Agency, or Court
Name of Office, Agency, or Court: South Sutter Water District
Division, Board, District, if applicable:
Position: Board member
➡ If filing for multiple positions, list additional agency(ies)/position(s): (Attach a separate sheet if necessary.)
Agency:
Position:
2. Jurisdiction of Office (Check at least one box)
☐ State
☐ County of
☐ City of
☐ Multi-County
☒ Other Sutter County

Part 3. Type of Statement

Check at least one box. The period covered by a statement is determined by the type of statement you are filing. If you are completing a 200~~3~~4 Annual Statement, **do not** change the pre-printed dates to reflect 2004~~5~~. Your annual statement is used for reporting the previous year's economic interests. Economic interests for your annual filing covering January 1, 2004~~5~~, through December 31, 2004~~5~~, will be disclosed on your statement filed in 2005~~6~~. (See Appendix-2 for detailed information about types of statements.)

Combining Statements: Certain types of statements may be combined. For example, if you leave office after January 1 but before the deadline for filing your annual statement, you may combine your annual and leaving office statements. File by the earliest deadline. Consult your filing officer or the FPPC.

Part 4. Schedule Summary

- Check the "Yes" box for each schedule you use to disclose interests.

  - or -

  If you have nothing to disclose on any schedules, check the "No reportable interests" box. ~~(~~Please do not attach any blank schedules.~~)~~
- Enter the total number of completed pages ~~(~~including the cover page~~)~~.

Part 5. Verification

Complete the verification by signing the statement and entering the date signed. When you sign your statement, you are stating, under penalty of perjury, that it is true and correct. **An unsigned statement is not considered filed and you may be subject to late filing penalties.**

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION

STATEMENT OF ECONOMIC INTERESTS

COVER PAGE

A Public Document

Date Received
Official Use Only

Please type or print in ink

NAME (LAST)	(FIRST)	(MIDDLE)	DAYTIME TELEPHONE NUMBER ( )
MAILING ADDRESS (May be use business address) STREET	CITY	STATE ZIP CODE	OPTIONAL: FAX / E-MAIL ADDRESS

1. Office, Agency, or Court

Name of Office, Agency, or Court:

_____

Division, Board, District, if applicable:

_____

Your Position:

_____

➡ If filing for multiple positions, list additional agency(ies)/ position(s): (Attach a separate sheet if necessary.)

Agency: _____

Position: _____

2. Jurisdiction of Office *(Check at least one box)*

☐ State

☐ County of _____

☐ City of _____

☐ Multi-County _____

☐ Other _____

3. Type of Statement *(Check at least one box)*

☐ Assuming Office/Initial Date: ____/____/____

☐ Annual: The period covered is January 1, 2003 4, through December 31, 2003 4.

-or-

○ The period covered is ____/____/____, through December 31, 2003 4.

☐ Leaving Office Date Left: ____/____/____
(Check one)

○ The period covered is January 1, 2003 4, through the date of leaving office.

-or-

○ The period covered is ____/____/____, through the date of leaving office.

☐ Candidate

4. Schedule Summary

(Check applicable schedules or "No reportable interests.")

➡ During the reporting period, did you have any reportable interests to disclose on:

Schedule A-1 ☐ Yes – schedule attached
Investments (Less than 10% Ownership)

Schedule A-2 ☐ Yes – schedule attached
Investments (10% or greater Ownership)

Schedule B ☐ Yes – schedule attached
Real Property

Schedule C ☐ Yes – schedule attached
Income, Loans, & Business Positions (Income Other than Gifts and Travel Payments)

Schedule D (Eliminated – report loans on Schedule C)

Schedule E ☐ Yes – schedule attached
Income – Gifts

Schedule F ☐ Yes – schedule attached
Income – Travel Payments

-or-

➡ ☐ No reportable interests on any schedule

Total number of pages completed including this cover page: _____

5. Verification

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed _____
(month, day, year)

Signature _____
(File the originally signed statement with your filing official.)

WHAT SCHEDULE DO I USE TO REPORT?

Business positions ..... Schedule A-2 or Schedule C

Commission income ..... Schedule A-2 or Schedule C (see Appendix-5)

Gifts received by family members ..... Disclosure may not be required, see Schedule E

Gifts received from family members ..... Disclosure not required, see Schedule E

Income to my business ..... Schedule A-2

Individual Retirement Account ..... Schedule A-1 or Schedule B (see Appendix-10)

Investments ..... Schedule A-1 or Schedule A-2

Loans made to others ..... Disclosure not required, but report repayments on Schedule C

Loans received ..... Schedule B for real property or Schedule ~~D~~C

Loans to my business ..... Schedule A-2

Owning a business or partnership

- If I own less than 10% ..... Schedule A-1
- If I own 10% or more ..... Schedule A-2

Real estate holdings ..... Schedule B (Schedule A-2 if held by a business entity/trust)

Rental income ..... Schedule B or Schedule C

Rental property ..... Schedule B (Schedule A-2 if held by a business entity/trust)

Sale of my home/automobile/boat ..... Schedule C

Sole proprietorship ..... Schedule A-2

Spouse's or registered domestic partner's income ..... Schedule A-2 or Schedule C

Stock holdings

- If I own less than 10% of a company's stock ..... Schedule A-1
- If I own 10% or more of a company's stock ..... Schedule A-2

Tickets and passes ..... Schedule E

Travel reimbursements or payments ..... Schedule F

Trusts ..... Schedule A-2 (see Appendix-11)

~~ANSWERING YOUR~~ QUESTIONS AND ANSWERS

Q. I hold two other board positions in addition to my position with the county. Must I file three statements of economic interests?

A. Yes. However,~~unless~~ you may complete ~~only~~ one statement ~~by~~ listing the county and the two boards on the cover page of the Form 700 as the agencies for which you will be filing. Report your economic interests using the broadest jurisdiction and disclosure requirements assigned to you by the three agencies. Make two copies of the entire statement **before signing it**, sign each copy with an original signature, and distribute one original to the county and to each of the two boards. Remember to complete separate statements for positions that you leave or assume during the year.

Q. How do I disclose my spouse's or registered domestic partner's income from an employer?

A. Report the name of ~~_____~~ the employer as a source of income~~, and all other required information,~~ on Schedule C. Beginning in 2005, filers must report the income received by a registered domestic partner. Therefore, this new requirement will affect assuming and leaving office statements filed in 2005. Because the 2004 annual statement covers income received in 2004, income from a registered domestic partner is not required to be reported on an annual statement.

Q. I am classified as a department head but recently began acting as city manager. Should I file as the city manager?

A. Yes. File an assuming office statement as city manager. Persons serving as "acting" or "interim" or "alternate" must file as if they hold the position.

Q. I left one state agency to work for another state agency. Must I file a leaving office ~~and assuming office~~ statement~~s~~?

A. Yes.

Q. I have an investment interest in shares of stock in a company that does not have an office in my jurisdiction. Must I still disclose my investment interest in this company?

A. ~~_____~~Probably. The definition of "doing business in the jurisdiction" is not limited to whether the business has an office in your jurisdiction. See Appendix-9 for guidance.

~~Q. My economic interests are the same as those that I reported last year. May I file a copy of last year's statement?~~

~~A. No. You must file a new statement for the current reporting period.~~

Q. My spouse and I have a living trust. The trust holds rental property in my jurisdiction, our primary residence, and investments in diversified mutual funds. I have full disclosure. How is this trust disclosed?

A. Disclose the name of the trust, the rental property and its income on Schedule A-2. Your primary residence and investments in diversified mutual funds registered with the SEC are not reportable.

~~Q. On Schedule B-Interests in Real Property, I have disclosed my interest in a rental property. Must I also disclose the names of my tenants?~~

~~A. Only disclose the names of those tenants from whom your pro rata share of the income received was $10,000 or more in the reporting period. Otherwise, leave the space blank.~~

Q. I believe I am not required to disclose the names of clients from whom my pro rata share of income is $10,000 or more on Schedule A-2 because of their right to privacy. Is there an exception for reporting clients' names?

A. Regulation 18740 provides a procedure in which a client's name may not be disclosed if disclosure of the name would violate a legally recognized privilege under California law. This regulation may be obtained from our website at *www.fppc.ca.gov*.

Q. I am the sole owner of my business. Where do I disclose my income - on Schedule A-2 or C?

A. Sources of income to a business in which you have an ownership interest of 10% or greater are disclosed on Schedule A-2. See Appendix-5 which defines "business entity" for more information.

Q. I am required to report all investments. I hold many stocks through an account managed by a brokerage firm ~~and I am required to report all investments~~. Must I disclose these stocks ~~since~~ even though I did not decide which stocks to purchase?

A. Yes, you must disclose on Schedule A-1 or A-2 any stock worth $2,000 or more in a business entity located or doing business in your jurisdiction ~~worth $2,000 or more~~. ~~must be disclosed on Schedule A-1 or A-2.~~

Q. If I receive a gift of two tickets to a concert valued at $100 each, but gave the tickets to a friend because I could not attend the concert, do I have any reporting obligations?

A. Yes. Since you accepted the gift and exercised direction and control of the use of the tickets, you must disclose the gift on Schedule E.

INSTRUCTIONS – SCHEDULES A-1 AND A-2
INVESTMENTS

"Investment" means ~~any~~ a financial interest in any business entity which is located in, doing business in, planning to do business in, or which has done business during the previous two years in your agency's jurisdiction (see Appendix-9) in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling $2,000 or more at any time during the reporting period. (Filers must report investments of a registered domestic partner if the reporting period covers activity in 2005.)

Reportable investments include:

- Stocks, bonds, warrants, and options, including those held in margin or brokerage accounts~~.~~
- Sole proprietorships~~.~~
- Your own business or your spouse's or registered domestic partner's business (see Appendix-5 for the definition of business entity)~~.~~
- Your spouse's or registered domestic partner's investments that are ~~held~~ legally separate~~ly.~~ property.
- Partnerships~~———~~ (for example, a law firm~~,~~ or family farm~~, etc).~~
- Investments in reportable business entities held in a retirement account (see Appendix-11)~~.~~
- If you, your spouse or registered domestic partner, or dependent children had a 10% or greater ownership interest in a business entity or trust (including a living trust), you must disclose investments held by the business entity or trust. (See Appendix-11 for more information on disclosing trusts.)
- Business trusts~~.~~

You are <u>not</u> required to disclose:

- Diversified mutual funds registered with the Securities and Exchange Commission (SEC) under the Investment Company Act of 1940~~.~~
- Bank accounts, savings accounts, and money market accounts~~.~~
- Insurance policies~~.~~
- Annuities~~.~~
- Shares in a credit union~~.~~
- Government bonds (including municipal bonds).
- Retirement accounts invested in non-reportable interests ~~such as~~ (for example, insurance policies, diversified mutual funds, or government bonds ~~(--~~see Appendix-9)~~.~~

REMINDERS

- Do you know your agency's jurisdiction?
- Did you hold investments at any time during the period covered by this statement?
- Code filers – Your disclosure categories may require disclosure only of specific investments.

- Defined benefit pension plans and profit sharing plans qualified under Internal Revenue Code section 401(a).
- Interests held in a blind trust (see Appendix-11)~~.~~

Use Schedule A-1 to report investments if your ownership interest in the entity was less than 10%~~, such as~~ (for example, stock). You also may be required to complete Schedule C to indicate gross income received. (See second example below.)

Use Schedule A-2 to report investments in which your ownership interest in the entity was 10% or greater (for example, ~~such as~~ a sole proprietorship).

TO COMPLETE SCHEDULE A-1:

Do not attach brokerage or financial statements.

- Disclose the name of the business entity.
- Provide a general description of the business activity of the entity (for example, ~~such as~~ pharmaceuticals, computers, automobile manufacturing, or communications~~, etc~~).
- Check the box indicating the highest fair market value of your investment during the reporting period. If you are filing a candidate or an assuming office statement, indicate the fair market value on the filing date or the date you took office, respectively~~. The fair market value is how much your investment was worth on the open market at its highest value during the reporting period.~~
- Identify the nature of your investment (for example, ~~such as~~ stocks, warrants, options, or bonds).
- If you initially acquired or disposed of your entire investment interest during the reporting period, enter the date acquired or disposed.

Examples:

~~John Smith is a manager for a state agency.~~ John Smith left his state position in February 2005. His conflict-of-interest code requires full disclosure of investments. John must disclose his stock holdings of $2,000 or more in any company that does business in California as well as those stocks held by his spouse or registered domestic partner and dependent children.

Susan Jones is a city council member. She has a 4% interest, worth $5,000, in a limited partnership located in the city. Susan must disclose the partnership on Schedule A-1 and income of $500 or more received from the partnership on Schedule C.

~~Alice Howard supervises the purchasing department of a governmental agency. She owns stock in a utility company that only does business in New York. Alice is a code filer and her disclosure category requires reporting of investments of the type that provide services or supplies to the agency. She is **not** required to report the utility company stock because the company does not do business in her jurisdiction.~~

SCHEDULE A-1
Investments
Stocks, Bonds, and Other Interests
(Ownership Interest is Less Than 10%)

Do not attach brokerage or financial statements.

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION

Name _____

➤ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF BUSINESS ACTIVITY _____

FAIR MARKET VALUE
- ☐ $2,000 - $10,000
- ☐ $10,001 - $100,000
- ☐ $100,001 - $1,000,000
- ☐ Over $1,000,000

NATURE OF INVESTMENT
- ☐ Stock
- ☐ Other _____ (Describe)

IF APPLICABLE, LIST DATE:

____/____/ 04 ACQUIRED ____/____/ 04 DISPOSED

➤ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF BUSINESS ACTIVITY _____

FAIR MARKET VALUE
- ☐ $2,000 - $10,000
- ☐ $10,001 - $100,000
- ☐ $100,001 - $1,000,000
- ☐ Over $1,000,000

NATURE OF INVESTMENT
- ☐ Stock
- ☐ Other _____ (Describe)

IF APPLICABLE, LIST DATE:

____/____/ 04 ACQUIRED ____/____/ 04 DISPOSED

➤ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF BUSINESS ACTIVITY _____

FAIR MARKET VALUE
- ☐ $2,000 - $10,000
- ☐ $10,001 - $100,000
- ☐ $100,001 - $1,000,000
- ☐ Over $1,000,000

NATURE OF INVESTMENT
- ☐ Stock
- ☐ Other _____ (Describe)

IF APPLICABLE, LIST DATE:

____/____/ 04 ACQUIRED ____/____/ 04 DISPOSED

➤ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF BUSINESS ACTIVITY _____

FAIR MARKET VALUE
- ☐ $2,000 - $10,000
- ☐ $10,001 - $100,000
- ☐ $100,001 - $1,000,000
- ☐ Over $1,000,000

NATURE OF INVESTMENT
- ☐ Stock
- ☐ Other _____ (Describe)

IF APPLICABLE, LIST DATE:

____/____/ 04 ACQUIRED ____/____/ 04 DISPOSED

➤ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF BUSINESS ACTIVITY _____

FAIR MARKET VALUE
- ☐ $2,000 - $10,000
- ☐ $10,001 - $100,000
- ☐ $100,001 - $1,000,000
- ☐ Over $1,000,000

NATURE OF INVESTMENT
- ☐ Stock
- ☐ Other _____ (Describe)

IF APPLICABLE, LIST DATE:

____/____/ 04 ACQUIRED ____/____/ 04 DISPOSED

➤ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF BUSINESS ACTIVITY _____

FAIR MARKET VALUE
- ☐ $2,000 - $10,000
- ☐ $10,001 - $100,000
- ☐ $100,001 - $1,000,000
- ☐ Over $1,000,000

NATURE OF INVESTMENT
- ☐ Stock
- ☐ Other _____ (Describe)

IF APPLICABLE, LIST DATE:

____/____/ 04 ACQUIRED ____/____/ 04 DISPOSED

Comments: _____

INSTRUCTIONS – SCHEDULE A-2
INVESTMENTS

Use Schedule A-2 to report investments in a business entity or trust (including a living trust), in which you, your spouse or registered domestic partner, or your dependent children had a 10% or greater interest, valued at $2,000 or more, during the reporting period and which is located in, doing business in, planning to do business in, or which has done business during the previous two years in your agency's jurisdiction (see Appendix-9). (Filers must report investments of a registered domestic partner if the reporting period covers activity in 2005.) A trust located outside your agency's jurisdiction is reportable if it holds assets that are located in or doing business in the jurisdiction. You are not required to report a trust that contains no reportable interests. For example, if you have a trust containing only your personal residence, your savings account, and some municipal bonds, you would not report this trust, because these interests are not reportable.

Also report on Schedule A-2 investments and real property held by that entity or trust if your pro rata share of the interest was $2,000 or more during the reporting period. ~~For example, if you had a 20% partnership interest in a business entity and the entity owns real property, you would report that real property if your pro rata share of the value of the property was $2,000 or more (for example, if the property's value was at least $10,000).~~

TO COMPLETE SCHEDULE A-2:

Part 1. Disclose the name and address of the business entity or trust. If you are reporting an interest in a business entity, check "Business Entity" and complete the box as follows:

- ~~Check the box for "Business Entity" and complete the box.~~
- Provide a general description of the business activity of the entity.
- Check the box indicating the fair market value of your investment.
- If you initially acquired or entirely disposed of this interest during the reporting period, enter the date acquired or disposed.
- Identify the nature of your investment.
- Disclose the job title or business position you held with the entity, if any (for example, if you were a director, officer, partner, trustee, employee, or held any position of management).

Part 2. Check the box indicating your **gross** income. Gross income is the total amount of income before deducting expenses, losses, or taxes. (This includes your pro rata share of the **gross** income received **by the business entity or trust,** as well as your community property interest in your spouse's or registered domestic partner's share ~~income~~.)

Part 3. Disclose the name of each source of income which is located in, doing business in, planning to do business in, or which has done business during the previous two years in your agency's jurisdiction, as follows:

- Disclose each source of income and outstanding loan **to the business entity or trust** identified in part 1 if your pro rata share of the **gross** income (including your community property interest in your spouse's or registered domestic partner's share ~~income~~) to the business entity or trust from that source was $10,000 or more during the reporting period. (See Appendix-8 for example.) Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are **not reportable**.
- Disclose each individual or entity that was a source of commission income of $10,000 or more during the reporting period through the business entity identified in part 1. (See Appendix-5 for an explanation of commission income.)

  You may be required to disclose sources of income located outside your jurisdiction. For example, you may have a client who resides outside your jurisdiction but who does business on a regular basis with you. Such a client, if a reportable source of $10,000 or more, must be disclosed.

Leave ~~this section~~ Part 3 blank if you do not have any reportable $10,000 sources of income to disclose. Adding phrases such as "various clients" or "not disclosing sources pursuant to attorney-client privilege" may trigger a request for an amendment to your statement. (See Appendix-10 for details about privileged information.)

~~**You may be required to disqualify yourself from decisions affecting sources of $500 or more in income, even though you are not required to report them.**~~

~~**Income, business positions, and real property reported on Schedule A-2 are not required to be disclosed on Schedules B or C.**~~

Part 4. Report any investments or interests in real property held **by the entity or trust** identified in part 1 if your pro rata share of the interest held was $2,000 or more during the reporting period.

- Check the applicable box identifying ~~indicating if~~ the interest held as ~~is~~ real property or an investment.
- If ~~an~~ investment, provide the name and description of the business entity.
- If real property, report the address or other precise location (for example, ~~such as~~ an assessor's parcel number~~,~~) ~~of the real property~~.
- Check the box indicating the fair market value of your interest in the real property or investment.
- Identify the nature of your interest.
- Enter the date acquired or disposed only ~~I~~if you initially acquired or entirely disposed of your interest in the property or investment during the reporting period~~,~~ ~~enter the date acquired or disposed~~.

SCHEDULE A-2
Investments, Income, and Assets of Business Entities/Trusts
(Ownership Interest is 10% or Greater)

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION

Name _____

1. BUSINESS ENTITY OR TRUST

Name _____

Address _____

Check one
☐ Trust, *go to 2* ☐ Business Entity, *complete the box, then go to 2*

GENERAL DESCRIPTION OF BUSINESS ACTIVITY _____

FAIR MARKET VALUE
☐ $2,000 - $10,000
☐ $10,001 - $100,000
☐ $100,001 - $1,000,000
☐ Over $1,000,000

IF APPLICABLE, LIST DATE:
____/____/ 04 ACQUIRED
____/____/ 04 DISPOSED

NATURE OF INVESTMENT
☐ Sole Proprietorship ☐ Partnership ☐ _____ Other

YOUR BUSINESS POSITION _____

2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

☐ $0 - $499
☐ $500 - $1,000
☐ $1,001 - $10,000
☐ $10,001 - $100,000
☐ OVER $100,000

3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF $10,000 OR MORE (attach a separate sheet if necessary)

_____

_____

4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD BY THE BUSINESS ENTITY OR TRUST

Check one box:
☐ INVESTMENT ☐ REAL PROPERTY

_____
Name of Business Entity or
Street Address or Assessor's Parcel Number of Real Property

_____
Description of Business Activity or
City or Other Precise Location of Real Property

FAIR MARKET VALUE
☐ $2,000 - $10,000
☐ $10,001 - $100,000
☐ $100,001 - $1,000,000
☐ Over $1,000,000

IF APPLICABLE, LIST DATE:
____/____/ 04 ACQUIRED
____/____/ 04 DISPOSED

NATURE OF INTEREST
☐ Property Ownership/Deed of Trust ☐ Stock ☐ Partnership

☐ Leasehold _____ Yrs. remaining ☐ Other _____

☐ Check box if additional schedules reporting investments or real property are attached

1. BUSINESS ENTITY OR TRUST

Name _____

Address _____

Check one
☐ Trust, *go to 2* ☐ Business Entity, *complete the box, then go to 2*

GENERAL DESCRIPTION OF BUSINESS ACTIVITY _____

FAIR MARKET VALUE
☐ $2,000 - $10,000
☐ $10,001 - $100,000
☐ $100,001 - $1,000,000
☐ Over $1,000,000

IF APPLICABLE, LIST DATE:
____/____/ 04 ACQUIRED
____/____/ 04 DISPOSED

NATURE OF INVESTMENT
☐ Sole Proprietorship ☐ Partnership ☐ _____ Other

YOUR BUSINESS POSITION _____

2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

☐ $0 - $499
☐ $500 - $1,000
☐ $1,001 - $10,000
☐ $10,001 - $100,000
☐ OVER $100,000

3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF $10,000 OR MORE (attach a separate sheet if necessary)

_____

_____

4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD BY THE BUSINESS ENTITY OR TRUST

Check one box:
☐ INVESTMENT ☐ REAL PROPERTY

_____
Name of Business Entity or
Street Address or Assessor's Parcel Number of Real Property

_____
Description of Business Activity or
City or Other Precise Location of Real Property

FAIR MARKET VALUE
☐ $2,000 - $10,000
☐ $10,001 - $100,000
☐ $100,001 - $1,000,000
☐ Over $1,000,000

IF APPLICABLE, LIST DATE:
____/____/ 04 ACQUIRED
____/____/ 04 DISPOSED

NATURE OF INTEREST
☐ Property Ownership/Deed of Trust ☐ Stock ☐ Partnership

☐ Leasehold _____ Yrs. remaining ☐ Other _____

☐ Check box if additional schedules reporting investments or real property are attached

Comments: _____

INSTRUCTIONS – SCHEDULE B
INTERESTS IN REAL PROPERTY

Report~~able~~ interests in real property ~~are those properties~~ located in your agency's jurisdiction (see Appendix-9)~~,~~ in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling $2,000 or more any time during the reporting period. (Filers must report interests in real property of a registered domestic partner if the reporting period covers activity in 2005.)

Interests in real property include:

- An ownership interest (including a beneficial ownership interest)~~.~~
- A deed of trust, easement, or option to acquire property~~.~~
- A leasehold interest (see Appendix-9)~~.~~
- A mining lease~~, such as oil, gas, gold.~~
- An interest in real property held in a retirement account (see Appendix-10)~~.~~
- An interest in real property held by a business entity or trust in which you, your spouse or registered domestic partner, or your dependent children had a 10% or greater ownership interest (report on Schedule A-2)~~.~~
- Your spouse's or registered domestic partner's interests in real property that are legally held separately by him or her~~.~~

You ~~may~~ not ~~be~~ required to report:

- A residence, such as a home or vacation cabin, used exclusively as a personal residence. However, a residence for which you claim a business deduction may be reportable. In this situation, you may report the portion of the residence claimed as the tax deduction as the fair market value.
- Interests in real property held through a blind trust (see Appendix-11 for exceptions)~~.~~

TO COMPLETE SCHEDULE B:

- Report the address or other precise location example, ~~such as~~ an assessor's parcel number~~,~~) of the real property.
- Check the box indicating the fair market value of your interest in the property (regardless of what you owe on the property).
- Enter the date acquired or disposed only ~~if~~ you initially acquired or entirely disposed of your interest in the property during the reporting period~~, enter the date acquired or disposed~~.
- Identify the nature of your interest. If it is a leasehold, disclose the number of years remaining on the lease.

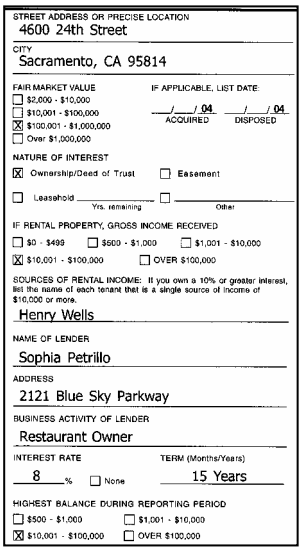
REMINDERS

- Income and loans already reported on Schedule B are not also required to be reported on Schedule C ~~or D~~.
- Code filers – Do your disclosure categories require disclosure of real property?

- If you ~~are reporting rental property~~ received rental income, check the box indicating the gross ~~rental income~~ amount you received.
- If you had a 10% or greater interest in ~~a rental~~ real property and received rental income, list the name of the tenant if ~~and~~ your pro rata share of the gross rental income from a single tenant was $10,000 or more during the reporting period~~, list the name of the tenant~~. Otherwise, ~~L~~leave this section blank ~~if you do not have any single tenant who paid at least $10,000~~. Adding phrases such as "various tenants" or "tenants" may trigger a request for an amendment to your statement.
- Loans from a private lender that total $500 or more and are secured by real property may be reportable. Reportable loans may be disclosed on Schedule B or Schedule ~~D~~C. **Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.**
  - -- Provide the name and address of the lender.
  - -- Describe the lender's business activity.
  - -- Disclose the interest rate and term of the loan. The term of a loan is the total number of months or years given for repayment of the loan at the time the loan was entered into. For variable interest rate loans, disclose the conditions of the loan (for example, ~~such as~~ Prime + 2~~,~~) or the average interest rate paid during the reporting period.
  - -- Check the box indicating the highest balance of the loan during the reporting period.
  - -- Identify a guarantor, if applicable.

If you have more than one reportable loan on a single piece of real property, report the additional loan(s) on Schedule ~~D~~C.

Example:
Joe Nelson is a city planning commissioner. Joe received rental income of $12,000 during the reporting period from a single tenant who rented property Joe owned in the city's jurisdiction. If Joe had received the $12,000 from two or more tenants, the tenants' names would not be required as long as no single tenant paid $10,000 or more.


STREET ADDRESS OR PRECISE LOCATION
4600 24th Street
CITY
Sacramento, CA 95814
FAIR MARKET VALUE
☐ $2,000 - $10,000
☐ $10,001 - $100,000
☒ $100,001 - $1,000,000
☐ Over $1,000,000
IF APPLICABLE, LIST DATE:
__/__/04 ACQUIRED __/__/04 DISPOSED
NATURE OF INTEREST
☒ Ownership/Deed of Trust ☐ Easement
☐ Leasehold ____ Yrs. remaining ☐ ____ Other
IF RENTAL PROPERTY, GROSS INCOME RECEIVED
☐ $0 - $499 ☐ $500 - $1,000 ☐ $1,001 - $10,000
☒ $10,001 - $100,000 ☐ OVER $100,000
SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of $10,000 or more.
Henry Wells
NAME OF LENDER
Sophia Petrillo
ADDRESS
2121 Blue Sky Parkway
BUSINESS ACTIVITY OF LENDER
Restaurant Owner
INTEREST RATE
8 % ☐ None
TERM (Months/Years)
15 Years
HIGHEST BALANCE DURING REPORTING PERIOD
☐ $500 - $1,000 ☐ $1,001 - $10,000
☒ $10,001 - $100,000 ☐ OVER $100,000

CALIFORNIA FORM **700**
FAIR POLITICAL PRACTICES COMMISSION

Name _____

SCHEDULE B
Interests in Real Property
(Including Rental Income)

➤ STREET ADDRESS OR PRECISE LOCATION

_____

CITY

_____

FAIR MARKET VALUE
- ☐ $2,000 - $10,000
- ☐ $10,001 - $100,000
- ☐ $100,001 - $1,000,000
- ☐ Over $1,000,000

IF APPLICABLE, LIST DATE:

____/____/ 04 ACQUIRED ____/____/ 04 DISPOSED

NATURE OF INTEREST

☐ ~~Rental Property~~ ☐ Ownership/Deed of Trust ☐ Easement

☐ Leasehold _____ Yrs. remaining ☐ _____ Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

☐ $0 - $499 ☐ $500 - $1,000 ☐ $1,001 - $10,000

☐ $10,001 - $100,000 ☐ OVER $100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of $10,000 or more.

_____

_____

NAME OF LENDER*

_____

ADDRESS

_____

BUSINESS ACTIVITY OF LENDER

_____

INTEREST RATE _____% ☐ None

TERM (Months/Years) _____

HIGHEST BALANCE DURING REPORTING PERIOD

☐ $500 - $1,000 ☐ $1,001 - $10,000

☐ $10,001 - $100,000 ☐ OVER $100,000

☐ Guarantor, if applicable

_____

➤ STREET ADDRESS OR PRECISE LOCATION

_____

CITY

_____

FAIR MARKET VALUE
- ☐ $2,000 - $10,000
- ☐ $10,001 - $100,000
- ☐ $100,001 - $1,000,000
- ☐ Over $1,000,000

IF APPLICABLE, LIST DATE:

____/____/ 04 ACQUIRED ____/____/ 04 DISPOSED

NATURE OF INTEREST

☐ ~~Rental Property~~ ☐ Ownership/Deed of Trust ☐ Easement

☐ Leasehold _____ Yrs. remaining ☐ _____ Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

☐ $0 - $499 ☐ $500 - $1,000 ☐ $1,001 - $10,000

☐ $10,001 - $100,000 ☐ OVER $100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of $10,000 or more.

_____

_____

NAME OF LENDER*

_____

ADDRESS

_____

BUSINESS ACTIVITY OF LENDER

_____

INTEREST RATE _____% ☐ None

TERM (Months/Years) _____

HIGHEST BALANCE DURING REPORTING PERIOD

☐ $500 - $1,000 ☐ $1,001 - $10,000

☐ $10,001 - $100,000 ☐ OVER $100,000

☐ Guarantor, if applicable

_____

Comments: _____

* Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.

INSTRUCTIONS – SCHEDULE C
INCOME, LOANS, & BUSINESS POSITIONS
(Income Other than Gifts and Travel Payments)

Report the source and amount of gross income of $500 or more you received during the reporting period. Gross income is the total amount of income before deducting expenses, losses, or taxes and includes loans other than loans from a commercial lending institution. Also report your job title with each reportable business entity, even if you received no income during the reporting period. You must also report the source of income to your spouse or registered domestic partner if your community property share is $500 or more during the reporting period. (Filers must report income received by a registered domestic partner if the reporting period covers activity in 2005.)

A source of income must be reported only if the source is located in, doing business in, planning to do business in, or has done business during the previous two years in your agency's jurisdiction. (See Appendix-8 and 9 for more information about doing business in the jurisdiction.) Reportable sources of income may be further limited by your agency's conflict-of-interest code.

~~Report the source and amount of **gross** income received, including loans received or outstanding during the reporting period if the amount totals $500 or more and was received from any source which is located in, doing business in, planning to do business in, or which has done business during the previous two years in your agency's jurisdiction (see Appendix-7 and 9). Gross income is the total amount of income before deducting expenses, losses, or taxes.~~

~~**Do not use this schedule to report income from or to a business entity in which you have a 10% or greater ownership interest. Use Schedule A-2 instead.**~~

~~Also use Schedule C to report the job title or business position you held with a business entity (for example, if you were a director, officer, partner, trustee, employee, or held any position of management) during the period covered by the report unless you have already reported this position on Schedule A-2. **This requirement applies even if you received no income from the business entity during the period.**~~

Commonly reportable income and loans include:

- Salary/wages, per diem, reimbursement for expenses~~-~~
- Community property interest (50%) in your spouse's or registered domestic partner's income - **report the employer's name and all other required information**~~-~~
- Income received from investment interests, such as partnerships, reported on Schedule A-1~~.~~
- Commission income not required to be reported on Schedule A-2~~.~~ (~~S~~see Appendix-5)~~.~~
- Gross income from any sale, including the sale of a house or car~~.~~ (report ~~T~~the total sale price ~~is reportable~~)~~.~~
- Rental income not required to be reported on Schedule B~~.~~
- Prizes or awards not disclosed as gifts~~.~~
- Payments received on loans you made to others, including loan repayments from a campaign committee~~.~~
- An honorarium received prior to becoming a public official~~.~~ (~~S~~see Appendix-7 concerning your ability to receive future honoraria~~.~~)
- Incentive compensation (~~S~~see Appendix-~~8~~9)~~.~~

You are not required to report:

- Salary, reimbursement for expenses or ~~and~~ per diem, social security, disability, or other similar benefit payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency.
- ~~Campaign contributions.~~
- ~~A cash bequest or cash inheritance.~~
- ~~Returns on a security registered with the Securities and Exchange Commission, including dividends, interest, or proceeds from a sale of stocks or bonds.~~
- Payments received under an insurance policy.
- Interest, dividends, or premiums on a time or demand deposit in a financial institution, shares in a credit union, an insurance policy, or a bond or other debt instrument issued by a government agency.
- ~~Your spouse's or registered domestic partner's income which is legally "separate" income.~~
- Income of dependent children.
- ~~Automobile trade-in allowances from dealers.~~
- ~~Loans and loan repayments received from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin unless he or she was acting as an intermediary or agent for any person not covered by this provision.~~
- Alimony or child support payments.
- ~~Payments received under a defined benefit pension plan qualified under Internal Revenue Code section 401(a).~~
- ~~Any loan from a commercial lending institution made in the lender's regular course of business on terms available to the public without regard to your official status.~~

REMINDERS

- Code filers – Your disclosure categories may not require disclosure ~~only~~ of ~~specific~~ all sources of income.
- If you or your spouse or registered domestic partner is self-employed, report the business entity on Schedule A-2.
- Do not disclose on Schedule C income, loans or business positions already reported on Schedules A-2 or B.

- ~~Any retail installment or credit card debts incurred in the creditor's regular course of business on terms available to the public without regard to your official status.~~
- ~~Loans made to others. However, repayments may be reportable on Schedule C.~~
- ~~A loan you co-signed for another person unless you made payments on the loan during the reporting period.~~

See Appendix-8 for more exceptions to income reporting.

TO COMPLETE SCHEDULE C:

1. Name of Source of Income

- Disclose the name and address of each source of income or loan or each business entity with which you held a business position.
- Provide a general description of the business activity of the source or business entity (for example, law firm).
- Disclose the job title or business position, if any, you held with the business entity, even if you did not receive income during the reporting period.
- ~~If you received $500 or more during the reporting period from a source or business entity, c~~Check the box indicating the amount of gross income received or the highest balance of the loan during the reporting period.
- Identify the consideration for which the income was received.
- For income from commission sales, check the box indicating the gross income received and list the name of each source of commission income of $10,000 or more (see Appendix-5).
- For income from rental property that is not required to be listed on Schedule B, enter "Rental Income" under "Name of Source," check the box indicating the gross income received, and, if you had a 10% or greater interest in the rental property, list the name of each tenant if your pro rata share of the gross income from that tenant was $10,000 or more during the reporting period.

2. Loans Received

- Disclose the interest rate and the term of the loan.
  - The term of the loan is the total number of months or years given for repayment of the loan at the time the loan was entered into.
  - For variable interest rate loans, disclose the conditions of the loan (for example, ~~such as~~ Prime + 2~~,~~) or the average interest rate paid during the reporting period.
- Identify the security, if any, for the loan.

If more than one loan was received or outstanding during the reporting period and the security for each loan is the same, ~~only~~ fill out box 2 only once and indicate in the comments section that the information in box 2 applies to all loans. If the security is different, fill out a separate box 2 for each loan.

SCHEDULE C

Income, Loans* & Business Positions

(Other than Gifts and Travel Payments)

CALIFORNIA FORM 700

FAIR POLITICAL PRACTICES COMMISSION

Name _____

1. NAME OF SOURCE OF INCOME

ADDRESS

BUSINESS ACTIVITY, IF ANY, OF SOURCE

YOUR BUSINESS POSITION

GROSS INCOME RECEIVED/HIGHEST BALANCE DURING REPORTING PERIOD, IF LOAN

☐ $500 - $1,000 ☐ $1,001 - $10,000
☐ $10,001 - $100,000 ☐ OVER $100,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED

☐ Salary ☐ Spouse's income ☐ Loan repayment

☐ Sale of _____ *(Property, car, boat, etc.)*

☐ Commission or ☐ Rental Income, *list each source of $10,000 or more*

☐ Other _____ *(Describe)*

☐ LOAN RECEIVED (complete box 2)

1. NAME OF SOURCE OF INCOME

ADDRESS

BUSINESS ACTIVITY, IF ANY, OF SOURCE

YOUR BUSINESS POSITION

GROSS INCOME RECEIVED/HIGHEST BALANCE DURING REPORTING PERIOD, IF LOAN

☐ $500 - $1,000 ☐ $1,001 - $10,000
☐ $10,001 - $100,000 ☐ OVER $100,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED

☐ Salary ☐ Spouse's income ☐ Loan repayment

☐ Sale of _____ *(Property, car, boat, etc.)*

☐ Commission or ☐ Rental Income, *list each source of $10,000 or more*

☐ Other _____ *(Describe)*

☐ LOAN RECEIVED (complete box 2)

1. NAME OF SOURCE OF INCOME

ADDRESS

BUSINESS ACTIVITY, IF ANY, OF SOURCE

YOUR BUSINESS POSITION

GROSS INCOME RECEIVED/HIGHEST BALANCE DURING REPORTING PERIOD, IF LOAN

☐ $500 - $1,000 ☐ $1,001 - $10,000
☐ $10,001 - $100,000 ☐ OVER $100,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED

☐ Salary ☐ Spouse's income ☐ Loan repayment

☐ Sale of _____ *(Property, car, boat, etc.)*

☐ Commission or ☐ Rental Income, *list each source of $10,000 or more*

☐ Other _____ *(Describe)*

☐ LOAN RECEIVED (complete box 2)

2. LOAN RECEIVED

INTEREST RATE _____% ☐ None

TERM (Months/Years) _____

SECURITY FOR LOAN

☐ None ☐ Personal residence

☐ Real Property _____ *Street address*

_____ *City*

☐ Guarantor _____

☐ Other _____ *(Describe)*

* You are not required to report loans from commercial lending institutions, or any indebtedness created as part of a retail installment or credit card transaction, made in the lender's regular course of business on terms available to members of the public without regard to your official status.

Comments:

_____

INSTRUCTIONS – SCHEDULE D
INCOME – LOANS
(Received or Outstanding)

Loans received or outstanding during the reporting period, which total $500 or more from a single source located in or doing business in your jurisdiction, are reportable (see Appendix-9). Your community property interest in loans received by your spouse or registered domestic partner also must be reported.

See Appendix-9 for important information about loan prohibitions.

Commonly reportable loans include:

- Real estate loans from private lenders.
- Margin accounts.
- Campaign loans secured by your personal assets or for which you are personally liable.

You are not required to report:

- Any loan from a commercial lending institution made in the lender's regular course of business on terms available to the public without regard to your official status.
- Any retail installment or credit card debts incurred in the creditor's regular course of business on terms available to the public without regard to your official status.
- Any loan from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin or the spouse or registered domestic partner of any such person, unless the lender was acting as an intermediary or agent for any person not covered by this provision.
- Loans made to others. However, repayments may be reportable on Schedule C.
- A loan you co-signed for another person unless you made payments on the loan during the reporting period.

TO COMPLETE SCHEDULE D:

- Provide the name and address of the lender.
- Describe the lender's business activity.
- Disclose the interest rate and the term of the loan.
  - The term of the loan is the total number of months or years given for repayment of the loan at the time the loan was entered into.
  - For variable interest rate loans, disclose the conditions of the loan, such as Prime + 2, or the average interest rate paid during the reporting period.
- Check the box indicating the highest balance of the loan during the reporting period.
- Identify the security, if any, for the loan.

You are not required to disclose on Schedule D loans already reported on Schedules A-2 or B.

Example: Colleen Jones is a city council member. She received a $15,000 loan from a friend to make a down payment on her principal residence. Because the loan is not from a commercial lending institution, it is a reportable loan.

REMINDERS

- Do you know your agency's jurisdiction?
- Did you receive any loans or have loans outstanding during the period covered by this statement?
- Code filers – Income includes any loan. Did you receive a loan from an entity or individual required to be reported as a source of income under your disclosure categories?
- For loan restrictions, see Appendix-9.

SCHEDULE D

~~Income – Loans~~

~~(Received or Outstanding)~~

(Eliminated)

Report loans on Schedule A-2, B, or C

CALIFORNIA FORM 700

FAIR POLITICAL PRACTICES COMMISSION

~~Name~~

_____

- **You are not required to report loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status.**
- **You are not required to report any indebtedness created as part of a retail installment or credit card transaction if made in the lender's regular course of business on terms available to members of the public without regard to your official status.**

➤ ~~NAME OF LENDER~~

_____

~~ADDRESS~~

_____

~~BUSINESS ACTIVITY OF LENDER~~

~~INTEREST RATE~~ ~~TERM (Months/Years)~~

_____% ☐ ~~None~~ _____

~~HIGHEST BALANCE DURING REPORTING PERIOD~~

☐ ~~$500 - $1,000~~ ☐ ~~$1,001 - $10,000~~

☐ ~~$10,001 - $100,000~~ ☐ ~~OVER $100,000~~

~~SECURITY FOR LOAN~~

☐ ~~None~~ ☐ ~~Personal residence~~

☐ ~~Real Property~~ _____
~~Street address~~

_____
~~City~~

☐ ~~Guarantor~~ _____

☐ ~~Other~~ _____
~~(Describe)~~

➤ ~~NAME OF LENDER~~

_____

~~ADDRESS~~

_____

~~BUSINESS ACTIVITY OF LENDER~~

_____

~~INTEREST RATE~~ ~~TERM (Months/Years)~~

_____% ☐ ~~None~~ _____

~~HIGHEST BALANCE DURING REPORTING PERIOD~~

☐ ~~$500 - $1,000~~ ☐ ~~$1,001 - $10,000~~

☐ ~~$10,001 - $100,000~~ ☐ ~~OVER $100,000~~

~~SECURITY FOR LOAN~~

☐ ~~None~~ ☐ ~~Personal residence~~

☐ ~~Real Property~~ _____
~~Street address~~

_____
~~City~~

☐ ~~Guarantor~~ _____

☐ ~~Other~~ _____
~~(Describe)~~

Comments: _____

INSTRUCTIONS – SCHEDULE E
INCOME – GIFTS

~~"Gift" means~~ A gift is anything of value~~,~~ for which you have not provided equal or greater consideration to the donor. A gift is reportable if its fair market value is $50 or more. In addition, multiple gifts totaling $50 or more received during the reporting period from a single source must be reported. **Gifts are reportable regardless of where the donor is located.**

It is the acceptance of a gift, not the ultimate use to which it is put, that imposes your reporting obligation. ~~Therefore, E~~except as noted below, you must report a gift even if you never used it or if you gave it away to another person.

If the exact amount of a gift is not known, you must make a good faith estimate of the item's fair market value. Listing the value of a gift as "over $50" or "value unknown" is not adequate disclosure. In addition, if you received a gift through an intermediary, you must disclose the name, address, and business activity of both the donor and the intermediary.

Commonly reportable gifts include:

- Tickets/passes to sporting or entertainment events~~.~~
- Tickets/passes to amusement parks~~.~~
- Parking passes~~.~~
- Food, beverages, and accommodations, including those provided in direct connection with your attendance at a convention, conference, meeting, social event, meal, or like gathering, where you did not give a speech, participate in a panel or seminar, or provide a similar service~~.~~
- Rebates/discounts not made in the regular course of business to members of the public without regard to official status~~.~~
- Wedding gifts (see Appendix-1~~1~~2 to determine ~~how to~~ value)~~.~~
- An honorarium. You may report an honorarium as income on Schedule C, rather than as a gift on Schedule E, if you provided services of equal or greater value than the payment received. (See Appendix-7 regarding your ability to receive future honoraria.)
- Transportation and lodging (see Schedule F)~~.~~
- Forgiveness of a loan received by you~~.~~

You are not required to disclose:

- Gifts that were not used and which, within 30 days after receipt, were returned to the donor or delivered to a charitable organization without being claimed by you as a charitable contribution for tax purposes~~.~~

REMINDERS

- Gifts are limited by law to a value of ~~$340~~ 360 from any one source in a calendar year.
- See Appendix-7 for additional gift and honoraria prohibitions.
- Code filers – You only need to report gifts from reportable sources.

- Gifts from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, aunt, uncle, niece, nephew, or first cousin. Included in this exception are gifts from your spouse or domestic partner's children, parents, brothers and sisters, and the spouse or registered domestic partner of the individuals listed above. The exception does not apply if the donor was acting as an agent or intermediary for a reportable source who was the true donor.
- Gifts of hospitality involving food, drink, or occasional lodging provided in an individual's home when the individual or a member of the individual's family was present~~.~~
- Gifts equal in value exchanged between you and an individual, other than a lobbyist, on holidays, birthdays, or similar occasions~~.~~
- Gifts of informational material provided to assist you in the performance of your official duties (for example, ~~such as~~ books, pamphlets, reports, calendars, periodicals, or educational seminars)~~.~~
- A ~~cash~~ bequest or ~~cash~~ inheritance~~.~~ However, inherited investments or real property may be reportable on other schedules.
- Personalized plaques and trophies with an individual value of less than $250~~.~~
- Campaign contributions~~.~~
- Tickets to a fundraising event for an ~~IRS~~ Internal Revenue Code section 501(c)(3) organization~~.~~
- Tickets to political fundraisers~~.~~
- Gifts given directly to members of your immediate family unless you received direct benefit from the gift or you exercised direction and control over the use or disposition of the gift~~.~~
- A pass or ticket that provided a one-time admission to an event (theater performance, sporting event) that was not used and was not transferred to another person. Commission regulation 18946.1 provides a method for determining the value of a ticket or pass that was used or transferred to another person and for determining the value of passes or tickets which provide repeated admission to facilities or services.
- Food, beverages, and necessary accommodations provided directly in connection with an event at which you gave a speech, participated in a panel or seminar, or provided a similar service~~.~~

TO COMPLETE SCHEDULE E:

- Disclose the name, address and business activity, if any, of the source.
- Provide the date (month, day, and year) of receipt, and disclose the fair market value and description of the gift.

SCHEDULE E
Income – Gifts

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION

Name _____

➤ NAME OF SOURCE _____

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	$_____	_____
___/___/___	$_____	_____
___/___/___	$_____	_____

➤ NAME OF SOURCE _____

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	$_____	_____
___/___/___	$_____	_____
___/___/___	$_____	_____

➤ NAME OF SOURCE _____

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	$_____	_____
___/___/___	$_____	_____
___/___/___	$_____	_____

➤ NAME OF SOURCE _____

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	$_____	_____
___/___/___	$_____	_____
___/___/___	$_____	_____

➤ NAME OF SOURCE _____

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	$_____	_____
___/___/___	$_____	_____
___/___/___	$_____	_____

➤ NAME OF SOURCE _____

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	$_____	_____
___/___/___	$_____	_____
___/___/___	$_____	_____

Comments: _____

INSTRUCTIONS — SCHEDULE F
TRAVEL PAYMENTS, ADVANCES AND REIMBURSEMENTS

Travel payments reportable on Schedule F include advances and reimbursements for travel and related expenses, including lodging and meals.

Gifts of travel may be subject to a ~~$340~~ 360 gift limit. In addition, certain travel payments are reportable gifts, but are not subject to the gift limit. To avoid possible misinterpretation or the perception that you may have received a gift in excess of the gift limit, you may wish to provide a specific description of the purpose of your travel. See the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans," which can be obtained from your filing officer or the FPPC at *www.fppc.ca.gov*.

You are <u>not</u> required to disclose:

- Travel payments received from any state, local, or federal government agency for which you provided services equal or greater in value than the payments received~~.~~
- Travel payments received from your employer in the normal course of your employment~~.~~
- Payments or reimbursements for transportation within California in connection with an event at which you gave a speech, participated in a panel or seminar, or performed a similar service~~.~~
- Food, beverages, and necessary accommodations received directly in connection with an event held inside or outside California at which you gave a speech, participated in a panel, or provided a similar service. Note that payments for <u>transportation</u> outside of California are reportable.
- A travel payment that was received from a nonprofit entity exempt from taxation under ~~IRS~~ Internal Revenue Code section 501(c)(3) for which you provided equal or greater consideration~~.~~

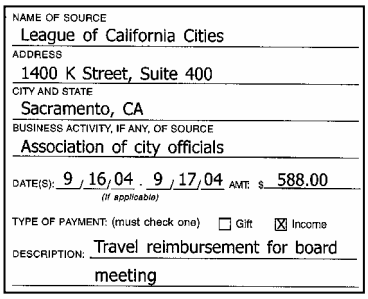
TO COMPLETE SCHEDULE F:

- Disclose the name and address of the source of the travel payment.
- Identify the business activity, if any, of the source.
- Check the box to identify ~~indicate if~~ the payment as ~~was~~ a gift or income, report the amount, and disclose the date(s) if applicable.
  - -- Travel payments are gifts if you did not provide services that were equal to or greater in value than the payments received. You must disclose gifts totaling $50 or more from a single source during the period covered by the statement. Gifts of travel are reportable without regard to where the donor is located.

    When reporting travel payments that are gifts, you must provide a description of the gift and the date(s) received.
  - -- Travel payments are income if you provided services that were equal to or greater in value than the payments received. You must disclose income totaling $500 or more from a single source during the period covered by the statement. ~~The filer has~~ You have the burden of proving the payments are income rather than gifts.

    When reporting travel payments as income, you must describe the services you provided in exchange for the payment. You are not required to disclose the date(s) for travel payments that are income.

Example:


NAME OF SOURCE
League of California Cities
ADDRESS
1400 K Street, Suite 400
CITY AND STATE
Sacramento, CA
BUSINESS ACTIVITY, IF ANY, OF SOURCE
Association of city officials
DATE(S): 9 / 16 / 04 - 9 / 17 / 04 (if applicable) AMT: $ 588.00
TYPE OF PAYMENT: (must check one) ☐ Gift ☒ Income
DESCRIPTION: Travel reimbursement for board meeting

City council member Rick Chandler is a board member of the League of California Cities. The League reimburses its board members for travel and lodging, as well as meals and other expenses associated with board meetings. If ~~Mr. Chandler~~ Rick provides equal or greater consideration for the travel and lodging when he participates in the meeting, the reimbursements are reported as income.

SCHEDULE F
Income – Gifts
Travel Payments, Advances, and Reimbursements

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION

Name _____

- **Reminder – you must mark the gift or income box.**
- **You are not required to report "income" from government agencies.**

➤ NAME OF SOURCE _____

ADDRESS _____

CITY AND STATE _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DATE(S): ____/____/____ - ____/____/____ AMT: $_____
(If applicable)

TYPE OF PAYMENT: (must check one) ☐ Gift ☐ Income

DESCRIPTION: _____

➤ NAME OF SOURCE _____

ADDRESS _____

CITY AND STATE _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DATE(S): ____/____/____ - ____/____/____ AMT: $_____
(If applicable)

TYPE OF PAYMENT: (must check one) ☐ Gift ☐ Income

DESCRIPTION: _____

➤ NAME OF SOURCE _____

ADDRESS _____

CITY AND STATE _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DATE(S): ____/____/____ - ____/____/____ AMT: $_____
(If applicable)

TYPE OF PAYMENT: (must check one) ☐ Gift ☐ Income

DESCRIPTION: _____

➤ NAME OF SOURCE _____

ADDRESS _____

CITY AND STATE _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DATE(S): ____/____/____ - ____/____/____ AMT: $_____
(If applicable)

TYPE OF PAYMENT: (must check one) ☐ Gift ☐ Income

DESCRIPTION: _____

Comments: _____

APPENDIX
TWO CATEGORIES OF FILERS

1. Officials and Candidates Specified in Gov. Code Section 87200 and Members of Boards/Commissions of Newly Created Agencies

The Act requires the following individuals to fully disclose their personal assets and income described in the attached Form 700:

State Offices

- Governor
- Lieutenant Governor
- Attorney General
- Controller
- Insurance Commissioner
- Secretary of State
- Treasurer
- Members of the State Legislature
- Superintendent of Public Instruction
- State Board of Equalization Members
- Public Utilities Commissioners
- State Energy Resources Conservation and Development Commissioners
- State Coastal Commissioners
- Fair Political Practices Commissioners
- State Public Officials (including employees and consultants) Who Manage Public Investments
- Elected members of and candidates for the Board of Administration of the California Public Employees' Retirement System

Other officials and employees of state boards, commissions, agencies, and departments file Form 700 as described in part 2 on this page.

Judicial Offices

- Supreme, Appellate, and Superior Court Judges
- Court Commissioners
- Retired Judges, Pro-Tem Judges, and part-time Court Commissioners who serve or expect to serve 30 days or more in a calendar year

County and City Offices

- Members of Boards of Supervisors
- Mayors and Members of City Councils
- Chief Administrative Officers
- District Attorneys
- County Counsels
- City Attorneys
- City Managers
- Planning Commissioners
- County and City Treasurers
- County and City Public Officials (including employees and consultants) Who Manage Public Investments

Members of Boards/Commissions of Newly created Agencies

Members must fully disclose their ~~personal assets~~ investments, interests in real property, business positions and income until the positions are covered under a conflict-of-interest code.

2. State and Local Officials and Employees Designated in a Conflict-of-Interest Code

The Act requires every state and local government agency to adopt a unique conflict-of-interest code. The code lists each position within the agency filled by individuals who make or participate in making governmental decisions that could affect their personal economic interests. The code also requires individuals holding those positions to periodically file Form 700 disclosing certain personal economic interests as determined by the code's "disclosure categories." These individuals are called "designated employees" or "code filers."

Obtain your disclosure categories from your agency–they are not contained in the Form 700. Persons with broad decisionmaking authority must disclose more interests than those in positions with limited discretion. For example, you may be required to disclose only investments and business positions in or income from businesses of the type that contract with your agency, or you may not be required to disclose real property interests.

In addition, certain consultants to public agencies may qualify as public officials because they make, participate in making, or act in a staff capacity for governmental decisions.

Note:

- An official who holds a position specified in Gov. Code section 87200 is not required to file statements under the conflict-of-interest code of any agency that has the same or a smaller jurisdiction (for example, a state legislator who also sits on a state or local board or commission).

TYPES OF STATEMENTS

Assuming Office Statement:

If you are a newly elected or newly appointed official or are newly employed in a position designated in a state or local agency's conflict-of-interest code, your assuming office date is the date you were sworn in, employed, or otherwise authorized to serve in the position.

- Investments, interests in real property, and business positions held on the date you assumed the office or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the office or position is reportable.

For positions subject to confirmation by the State Senate or the Commission on Judicial Performance, your assuming office date is the date you were appointed or nominated to the position.

Example:
Maria Lopez was appointed by the Governor to serve on a state agency board that is subject to State Senate confirmation. The assuming office date is the date Maria accepts the position. Maria must report investments, interests in real property, and business positions she holds on that date, and income, including loans, gifts, and travel payments received during the 12 months prior to that date.

Initial Statement:

If your office or position has been added to a newly adopted or newly amended conflict-of-interest code, use the effective date of the code or amendment, whichever is applicable.

- Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment is reportable.

Annual Statement:

Generally, the period covered is January 1, ~~2003~~ 2004, through December 31, ~~2003~~ 2004. If the period covered by the statement is different than January 1, ~~2003~~ 2004, through December 31, ~~2003~~ 2004 (for example, you assumed office between October 1, ~~2002~~ 2003 and December 31, 2003 ~~2004~~, or you are combining statements), you must specify the period covered ~~must be specified~~.

- Investments, interests in real property, business positions held and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2004.

Leaving Office Statement:

Generally, the period covered is January 1, ~~2003~~ 2004, through the date you ~~left office~~ stopped performing the duties of this position. If the period covered ~~is different than~~ differs from January 1, ~~2003~~ 2004, through the date you ~~left office~~ stopped performing the duties of this position (for example, you assumed office between October 1, ~~2002~~ 2003 and December 31, ~~2002~~ 2003, or you are combining statements), the period covered must be specified.

- Investments, interests in real property, business positions held and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2004.

Candidate Statement:

If you are filing a statement in connection with your candidacy for state or local office, investments, interests in real property, and business positions held on the date of filing your declaration of candidacy must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of filing your declaration of candidacy is reportable. Do not change the preprinted dates on Schedules A-1, A-2, and B.

Candidates running for special district offices (for example, ~~such as~~ school board trustees and water district board members~~,~~) should consult the agency's conflict-of-interest code to determine if candidate statements are required and what economic interests to disclose.

Amendments:

If you discover errors or omissions on any statement, file an amendment ~~should be filed~~ as soon as possible. To obtain amendment schedules, contact the FPPC, your filing official, or the FPPC website at *www.fppc.ca.gov*.

WHERE TO FILE

1. Officials Specified in Gov. Code Section 87200 (listed in Appendix-1):

In most cases, the filing officials listed below will retain a copy of your statement and forward the original to the FPPC.

87200 Filers	Where to File
State offices	Your agency
Judicial offices	The clerk of your court
Retired Judges	Directly with FPPC
County offices	Your county clerk
City offices	Your city clerk
Multi-County offices	Your agency

87200 Candidates	
State offices Judicial offices Multi-County offices	County election official with whom you file your declaration of candidacy
County offices	County Clerk
City offices	City Clerk
Public Employees' Retirement System (CalPERS)	CalPERS

2. Members of Boards/Commissions of Newly Created Agencies:

File with your newly created agency or with your agency's code reviewing body as provided by your code reviewing body.

3. Code Filers — State and Local Officials and Employees Designated in a Conflict-of-Interest Code:

File with your agency, board, or commission unless it is otherwise specified in your agency's conflict-of-interest code. In most cases, the agency, board, or commission will retain the statements.

State Senate and Assembly staff members file statements directly with the FPPC.

Exceptions:

- Elected state officers are not required to file statements under any agency's conflict-of-interest code.
- 87200 filers are not required to file statements under any agency's conflict-of-interest code in the same jurisdiction. For example, a county supervisor who is appointed to serve for an agency with jurisdiction in the same county has no additional filing obligations.

WHEN TO FILE

Assuming Office and Initial Statements:

Filer	Deadline
Elected officials	**30 days** after assuming office
Appointed positions specified in Gov. Code section 87200 (listed in Appendix-1) **or** Newly created board and commission members not covered by a conflict-of-interest code	**30 days** after assuming office **or** **10 days** after appointment or nomination if subject to Senate or judicial confirmation
Other appointed positions (including newly-hired employees) designated in a conflict-of-interest code	**30 days** after assuming office (30 days after appointment or nomination if subject to Senate confirmation)
Positions newly-added to a new or amended conflict-of-interest code	**30 days** after the effective date of the code or code amendment

Exceptions:

- Elected state officers who assume office in December or January are not required to file an assuming office statement, but will file the next annual statement due.
- If you complete a term of office and, within 30 days, begin a new term of the same office (for example, you are reelected or reappointed), you are not required to file an assuming office statement. Instead, you may file the next annual statement due.
- If you leave an office specified in Gov. Code section 87200 and, within 30 days, you assume another office or position specified in section 87200 that has the same jurisdiction (for example, a city planning commissioner elected mayor), you are not required to file an assuming office statement. Instead, you may file the next annual statement due.
- If you transfer from one designated position to another designated position within the same agency, contact your filing officer or the FPPC to determine your filing obligations.

WHEN TO FILE
Continued

Annual Statements:

1. Elected state officers (including members of the ~~S~~state ~~L~~legislature and ~~M~~members elected to the Board of Administration of the California Public Employees' Retirement System);

   Judges and court commissioners; and

   Members of state boards and commissions specified in Gov. Code section 87200 (listed in Appendix-1):

   File no later than **~~Monday~~ Tuesday, March 1, ~~2004~~ 2005**.

2. County and city officials specified in Gov. Code section 87200:

   File no later than **~~Thursday~~ Friday, April 1, ~~2004~~ 2005**.

3. Multi-County officials:

   File no later than **~~Thursday~~ Friday, April 1, ~~2004~~ 2005**.

4. State and local officials and employees designated in a conflict-of-interest code:

   File on the date prescribed in the code (April 1 for most filers).

Exception:

- If you assumed office between October 1, ~~2003~~ 2004, and December 31, ~~2003~~ 2004, and filed an assuming office statement, you are not required to file an annual statement until March 1, ~~2005~~ 2006, or April 1, ~~2005~~ 2006, whichever is applicable. The annual statement will cover the day after you assumed office through December 31, ~~2004~~ 2005.

Incumbent officeholders who file candidate statements also must file annual statements by the specified deadlines.

Leaving Office Statements:

Leaving office statements must be filed no later than **30 days** after leaving the office or position.

Exceptions:

- If you complete a term of office and, within 30 days, begin a new term of the same office (for example, you are reelected or reappointed), you are not required to file a leaving office statement. Instead, you may file the next annual statement due.
- If you leave an office specified in Gov. Code section 87200 and, within 30 days, you assume another office or position specified in section 87200 that has the same jurisdiction (for example, a city planning commissioner elected mayor), you are not required to file a leaving office statement. Instead, you may file the next annual statement due.
- If you transfer from one designated position to another designated position within the same agency, contact your filing officer or the FPPC to determine your filing obligations.

Candidate Statements:

All candidates (including incumbents) for offices specified in Gov. Code section 87200 must file statements no later than the final filing date for their declaration of candidacy.

Exceptions:

- If you have filed an assuming office or annual statement for the same jurisdiction **within 60 days** before filing a declaration of candidacy, you are not required to file a candidate statement.
- For elective offices designated in an agency's conflict-of-interest code, you must file a candidate statement only if the code specifically requires one to be filed. You should obtain a copy of the disclosure categories from the code to verify what interests are reportable. Contact the agency to verify whether you are required to file and to obtain a copy of your disclosure categories.

TERMS & DEFINITIONS

The instructions located on the back of each schedule describe the types of interests that must be reported. The purpose of this section is to explain other terms used in this form that are not defined in the instructions to the schedules or elsewhere.

Blind Trust: See Trusts, Appendix-11.

Business Entity: Any organization or enterprise operated for profit, including a proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation, or association. This would include a business for which you take business deductions for tax purposes (for example, ~~such as~~ a small business operated in your home).

Code Filer: An individual who has been designated in a state or local agency's conflict-of-interest code to file statements of economic interests.

Commission Income: "Commission income" means gross payments of $500 or more received during the period covered by the statement as a broker, agent, or salesperson, including insurance brokers or agents, real estate brokers or agents, travel agents or salespersons, stockbrokers, and retail or wholesale salespersons, among others.

In addition, you may be required to disclose the names of sources of commission income if your pro rata share of the gross income was $10,000 or more from a single source during the reporting period. If your spouse or registered domestic partner received commission income, you would disclose your community property share (50%) of that income (for example, the names of sources of $20,000 or more in gross commission income received by your spouse or registered domestic partner). (You must report your community property share (50%) of your registered domestic partner's income only if you are reporting activity in 2005.)

Report commission income as follows:

- If the income was received through a business entity in which you or your spouse or registered domestic partner had a 10% or greater ownership interest (or if you receive commission income **on a regular basis** as an independent contractor or agent), use Schedule A-2.
- If the income was received through a business entity in which you or your spouse or registered domestic partner **did not receive commission income on a regular basis** or you had a less than a 10% ownership interest, use Schedule C.

The "source" of commission income generally includes all parties to a transaction, and each is attributed the full value of the commission.

Examples:

- You are a partner in Smith and Jones Insurance Company and have a 50% ownership interest in the company. You sold two Businessmen's Insurance Company policies to XYZ Company during the reporting period. You received commission income of $5,000 from the first transaction and $6,000 from the second. On Schedule A-2, report your partnership interest in and income received from Smith and Jones Insurance Company in parts 1 and 2. In part 3, list both Businessmen's Insurance Company and XYZ Company as sources of $10,000 or more in commission income.
- You are a stock broker for Prime Investments, but you have no ownership interest in the firm. You receive commission income on a regular basis through the sale of stock to clients. Your total gross income from your employment with Prime Investments was over $100,000 during the reporting period. On Schedule A-2, report your name as the name of the business entity in part 1 and the gross income you have received in part 2. (You do not need to complete the information in the box in part 1 indicating the general description of business activity, fair market value, or nature of investment.) In part 3, list Prime Investments and the names of any clients who were sources of $10,000 or more in commission income to you.
- You sell real estate on a part-time basis for Super Realty and you have no ownership interest in the company. Since you are not receiving commission income on a regular basis, you are not considered to be a business entity. On Schedule C, if you received gross commission income of $500 or more, identify Super Realty as a source of income to you. If you received commission income of $10,000 or more from a real estate transaction, you must report the name(s) of the source(s) on Schedule C.

Note: If your pro rata share of commission income from a single source is $500 or more, you may be required to disqualify yourself from decisions affecting that source of income, even though you are not required to report the income. *For information*

regarding disclosure of "incentive compensation," see Appendix-~~8~~9.

Conflict of Interest: A public official or employee has a conflict of interest under the Act when all of the following occur:

- The official makes, participates in making, or uses his or her official position to influence a governmental decision;
- It is reasonably foreseeable that the decision will affect the official's economic interest;
- The effect of the decision on the official's economic interest will be material; and
- The effect of the decision on the official's economic interest will be different than its effect on the public generally. Check the Commission's website (*www.fppc.ca.gov*) for a fact sheet entitled, "Can I Vote? Conflict of Interest Overview"

Conflict-of-Interest Code: The Act requires every state and local government agency to adopt a conflict-of-interest code. The code may be contained in a regulation, policy statement, or a city or county ordinance, resolution, or other document.

An agency's conflict-of-interest code must designate all officials and employees of, and consultants to, the agency who make or participate in making governmental decisions that could cause conflicts of interest. These individuals are required by the code to file statements of economic interests and to disqualify themselves when conflicts of interest occur.

The disclosure required under a conflict-of-interest code for a particular designated official or employee should include only the kinds of personal economic interests he or she could significantly affect through the exercise of his or her official duties. For example, an employee whose duties are limited to reviewing contracts for supplies, equipment, materials, or services provided to the agency should be required to report only those interests he or she holds that are likely to be affected by the agency's contracts for supplies, equipment, materials, or services.

Consultant: An individual who contracts with or whose employer contracts with state or local government agencies and who makes, participates in making, or acts in a staff capacity for making governmental decisions. Consultants may be required to file Form 700. The obligation to file Form 700 is always imposed on the individual who is providing services to the agency, not on the business or firm that employs the individual.

FPPC ~~R~~regulation 18701 defines "consultants" as including the following individuals who make a governmental decision whether to:

- Approve a rate, rule, or regulation~~;~~
- Adopt or enforce a law~~;~~
- Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order or similar authorization or entitlement~~;~~
- Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval~~;~~
- Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract~~;~~
- Grant agency approval to a plan, design, report, study or similar item~~;~~
- Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any of its subdivisions~~;~~

A consultant also is an individual who:

- ~~S~~serves in a staff capacity with the agency and in that capacity participates in making a governmental decision; or
- ~~P~~performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's conflict-of-interest code.

Designated Employee: An official or employee of a state or local government agency whose position has been designated in the agency's conflict-of-interest code to file statements of economic interests. Individuals who contract with government agencies (consultants) ~~also~~ may also be designated in a conflict-of-interest code.

A federal officer or employee serving in an official federal capacity on a state or local government agency is not a designated employee.

Disclosure Categories: The section of an agency's conflict-of-interest code that specifies the types of personal economic interests officials and employees of the agency must disclose on their statements of economic interests. Disclosure categories are usually contained in an appendix or attachment to the conflict-of-interest code. Contact your agency to obtain a copy of your disclosure categories.

Diversified Mutual Fund: Diversified portfolios of stocks, bonds, or money market instruments that are managed by investment companies whose business is pooling the money of many individuals and investing it to seek a common investment goal. Mutual funds are managed by trained professionals who buy and sell securities. A typical mutual fund will own between 75 to 100 separate securities at any given time so they also provide instant diversification. *Only diversified mutual funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 are exempt from disclosure.*

Elected State Officer: Elected state officers include the Governor, Lieutenant Governor, Attorney General, Insurance Commissioner, State Controller, Secretary of State, State Treasurer, Superintendent of Public Instruction, members of the State Legislature, members of the State Board of Equalization, and elected members of the Board of Administration of the California Public Employees' Retirement System.

Enforcement: The FPPC investigates suspected violations of the Act. Other law enforcement agencies (the Attorney General or district attorney) also may initiate investigations under certain circumstances. If violations are found, the Commission may initiate administrative enforcement proceedings that could result in fines ~~the imposition of monetary penalties~~ of up to $5,000 per violation.

Instead of administrative prosecution, a civil action may be brought for negligent or intentional violations by the appropriate civil prosecutor (the Commission, Attorney General, or district attorney), or a private party residing within the jurisdiction. In civil actions, the measure of damages is up to the amount or value not properly reported.

Persons who violate the conflict-of-interest disclosure provisions of the Act also may be subject to agency discipline ~~by their agency~~, including dismissal.

Finally, a knowing or willful violation of any provision of the Act is a misdemeanor. Persons convicted of a misdemeanor may be disqualified for four years from the date of the conviction from serving as a lobbyist or running for elective office, in addition to other penalties that may be imposed. The Act also provides for numerous civil penalties, including monetary penalties and damages, and injunctive relief from the courts.

Expanded Statement: Some officials or employees may have multiple filing obligations (for example, a city council member who also holds a designated position with a county agency, board, or commission). Such officials or employees may complete one "expanded" statement~~, Form 700,~~ covering the disclosure requirements for all positions and file a complete, originally signed copy with each agency.

Fair Market Value: When reporting the value of an investment, interest in real property, or gift, you must disclose the fair market value – the price at which the item would sell for on the open market. This is particularly important when valuing gifts, because the fair market value of a gift may be different from the amount it cost the donor to provide the gift. For example, the wholesale cost of a bouquet of flowers may be $10, but the fair market value may be $25 or more. In addition, there are special rules for valuing free tickets and passes. Call the FPPC for assistance.

Gift and Honoraria Prohibitions:

Gifts:

State and local officials who are listed in Gov. Code section 87200- (except judges~~--,~~ see below), candidates for these elective offices (including judicial candidates), and officials and employees of state and local government agencies who are designated in a conflict-of-interest code are prohibited from accepting a gift or gifts totaling more than $~~340~~ 360 in a calendar year from a single source.

In addition, elected <u>state</u> officers, candidates for elective <u>state</u> offices, and officials and employees of <u>state</u> agencies are subject to a $10 per calendar month limit on gifts from lobbyists and lobbying firms registered with the Secretary of State.

Honoraria:

State and local officials who are listed in Gov. Code section 87200- (except judges~~--,~~ see below), candidates for these elective offices (including judicial candidates), and employees of state and local government agencies who are designated in a conflict-of-interest code are prohibited from accepting honoraria for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering.

Exceptions:

- Some gifts are not reportable or subject to the gift and honoraria prohibitions, and other gifts may not

be subject to the prohibitions but are reportable. For detailed information, see the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans," which can be obtained from your filing officer or the FPPC's website (*www.fppc.ca.gov*).

- The ~~$340~~ 360 gift limit and the honorarium prohibition do not apply to a part-time member of the governing board of a public institution of higher education, unless the member is also an elected official.
- If you are designated in a state or local government agency's conflict-of-interest code, the ~~$340~~ 360 gift limit and honorarium prohibition are applicable only to sources you would otherwise be required to report on your statement of economic interests. However, this exception is not applicable if you also hold a position listed in Gov. Code section 87200 (see Appendix-1).
- For state agency officials and employees, the $10 lobbyist/lobbying firm gift limit is applicable only to lobbyists and lobbying firms registered to lobby your agency. This exception is not applicable if you are an elected state officer or a member or employee of the State Legislature.

Judges:

Section 170.9 of the Code of Civil Procedure imposes gift limits on judges and prohibits judges from accepting any honorarium. Section 170.9 is enforced by the Commission on Judicial Performance. The FPPC has no authority to interpret or enforce the Code of Civil Procedure. Court commissioners are subject to the gift limit under the Political Reform Act.

Income Reporting: Reporting income under the Act is different than reporting income for tax purposes. The Act requires **gross** income (the amount received before deducting losses, expenses, or taxes) to be reported.

Pro Rata Share: The instructions for reporting ~~certain types of income, such as business entity income and rental~~ income~~,~~ refer to your pro rata share of the income received. Your pro rata share is normally based on your ownership interest in the entity or property. For example, if you are a sole proprietor, you must disclose 100% of the gross income received by your business entity on Schedule A-2. If you own 25% of a piece of rental property, you must report 25% of the gross rental income received. If the income is community property, your pro rata share is 50% of your spouse's or your registered domestic partner's share.

When you are required to report sources of income to a business entity, sources of rental income, or sources of commission income, you are only required to disclose individual sources of income of $10,000 or more. However, you may be required to **disqualify** yourself from decisions affecting sources of $500 or more in income, even though you are not required to report them.

Example:

- Alicia Ruiz is an attorney with her own law firm. As a candidate for mayor, she must disclose reportable sources of income to the firm of $10,000 or more. Her husband Ed is also a public official. His community property share in her income is 50%, so he must disclose reportable sources of income to Alicia's law firm of $20,000 or more.

You are not required to report:

- Salary, reimbursement for expenses or ~~and~~ per diem, social security, disability, or other similar benefit payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency.
- Campaign contributions.
- A cash bequest or cash inheritance.
- Returns on a security registered with the Securities and Exchange Commission, including dividends, interest, or proceeds from a sale of stocks or bonds.
- Payments received under an insurance policy.
- Interest, dividends, or premiums on a time or demand deposit in a financial institution, shares in a credit union, an insurance policy, or a bond or other debt instrument issued by a government agency.
- Your spouse's or registered domestic partner's income which is legally "separate" income.
- Income of dependent children.
- Automobile trade-in allowances from dealers.
- Loans and loan repayments received from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin unless he or she was acting as an intermediary or agent for any person not covered by this provision.
- Alimony or child support payments.
- Payments received under a defined benefit pension plan qualified under ~~IRS~~ Internal Revenue Code section 401(a).
- Any loan from a commercial lending institution made in the lender's regular course of business on terms

available to the public without regard to your official status.

- Any retail installment or credit card debts incurred in the creditor's regular course of business on terms available to the public without regard to your official status.
- Loans made to others. However, repayments may be reportable on Schedule C.
- A loan you co-signed for another person unless you made payments on the loan during the reporting period.

Incentive Compensation: "Incentive compensation" means income ~~received by an official who is an employee,~~ over and above salary~~, which~~ that is either ongoing or cumulative, or both, as sales or purchases of goods or services accumulate. Incentive compensation is calculated by a predetermined formula set by the official's employer which correlates to the conduct of the purchaser in direct response to the effort of the official.

Incentive compensation does not include:

- Salary~~;~~
- Commission income *(For information regarding disclosure of "commission income" see Appendix-5)*~~;~~
- Bonuses for activity not related to sales or marketing, the amount of which is based solely on merit or hours worked over and above a predetermined minimum~~; and~~
- ~~Such e~~ Executive incentive plans ~~as may be~~ based on company performance, provided that the formula for determining the amount of the executive's incentive income does not include a correlation between that amount and increased profits derived from increased business with specific and identifiable clients or customers of the company~~.~~
- Payments for personal services which are not marketing or sales~~.~~

The purchaser is a source of income to the official if all three of the following apply:

- ~~T~~the official's employment responsibilities include directing sales or marketing activity toward the purchaser; and
- ~~T~~there is direct personal contact between the official and the purchaser intended by the official to generate sales or business; and
- ~~T~~there is a direct relationship between the purchasing activity of the purchaser and the amount of the incentive compensation received by the official.

Report incentive compensation as follows:

- In addition to salary, reimbursement of expenses, and other income received from your employer, separately report on Schedule C the name of each person who purchased products or services sold, marketed or represented by you if you received incentive compensation of $500 or more attributable to the purchaser during the period covered by the statement.
- If incentive compensation is paid by your employer in a lump sum, without allocation of amounts to specific customers, you must determine the amount the incentive compensation attributable to each of your customers. This may be based on the volume of sales to ~~or purchases made by~~ those customers ~~and the amount of incentive compensation attributable to each customer according to the formula utilized by your employer~~.

(See ~~R~~regulations 18703.3 and 18728.5 for more information.)

Jurisdiction: ~~As a public official or employee required to file statements of economic interests, y~~You must disclose investments and sources of income that are located in or~~;~~ doing business in your jurisdiction, are planning to do business in your jurisdiction, or that ~~which~~ have done business during the previous two years in your jurisdiction, and interests in real property located in your jurisdiction.

A business entity is located in or doing business in your jurisdiction if the entity has business contacts on a regular or substantial basis with a person who maintains a physical presence in your jurisdiction.

Business contacts include, but are not limited to, manufacturing, distributing, selling, purchasing, or providing services or goods. Business contacts do not include marketing via the ~~i~~internet, telephone, television, radio, or printed media.

The same criteria are used to determine whether an individual, organization, or other entity is located in or doing business in your jurisdiction.

Exception:

- Gifts are reportable regardless of the location of the donor. For example, a state agency official with full disclosure must report gifts from sources located outside of California. (Designated employees should consult their disclosure categories to determine if the donor of a gift is of the type that must be disclosed.)

For reporting interests in real property, if your jurisdiction is the state, you must disclose real property located ~~anywhere~~ within the state of California unless your agency's conflict-of-interest code specifies otherwise.

For local agencies, an interest in real property is located in your jurisdiction if any part of the property is located in, or within two miles of, the region, city, county, district, or other geographical area in which the agency has jurisdiction, or if the property is located within two miles of any land owned or used by the agency.

See the following explanations to determine what your jurisdiction is:

State Offices and All Courts: Your jurisdiction is the state if you are an elected state officer, a state legislator, ~~a judge, a court commissioner,~~ or a candidate for one of these offices. Judges, judicial candidates, and court commissioners have statewide jurisdiction. (*In re Baty* (1979) 5 FPPC Ops. 10). If you are an official or employee of, or a consultant to, a state board, commission, or agency, or of any court or the State Legislature, your jurisdiction is ~~also~~ the state.

County Offices: Your jurisdiction is the county if you are an elected county officer, a candidate for county office, or if you are an official or employee of, or a consultant to, a county agency or any agency with jurisdiction solely within a single county.

City Offices: Your jurisdiction is the city if you are an elected city officer, a candidate for city office, or you are an official or employee of, or a consultant to, a city agency or any agency with jurisdiction solely within a single city.

Multi-County Offices: If you are an elected officer, candidate, official or employee of, or a consultant to, a multi-county agency, your jurisdiction is the region, district, or other geographical area in which the agency has jurisdiction. (Example: A water district has jurisdiction in a portion of two counties. Members of the board are only required to report interests located or doing business in that portion of each county in which the agency has jurisdiction.)

Other (for example, school districts and special districts): If you are an elected officer, candidate, official or employee of, or a consultant to, an agency not covered above, your jurisdiction is the region, district, or other geographical area in which the agency has jurisdiction. See the multi-county example above.

Leasehold Interest: The term "interest in real property" includes leasehold interests. An interest in a lease on real property is reportable if the value of the leasehold interest is $2,000 or more. The value of the interest is the total amount of rent owed by you during the reporting period or, for a candidate, assuming office, or initial statement, during the prior 12 months.

You are not required to disclose a leasehold interest with a value of less than $2,000 or a month-to-month tenancy.

Loans: State and local elected and appointed officials and employees are prohibited from receiving any personal loan totaling more than $250 from an official, employee, or consultant of their governmental agencies or any governmental agency over which the official or the official's agency has direction or control. In addition, loans of more than $250 from any person who has a contract with the official's agency or an agency under the official's control are prohibited unless the loan is from a commercial lending institution or part of a retail installment or credit card transaction made in the regular course of business on terms available to members of the public.

State and local elected officials ~~—~~ are also prohibited from receiving any personal loan of $500 or more unless the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, the date, amount, and term of the loan, the date or dates when payments are due, the amount of the payments, and the interest rate on the loan.

Campaign loans and loans from family members are not subject to the $250 and $500 loan prohibitions.

A personal loan made to a public official that is not being repaid or is being repaid below certain amounts will become a gift to the official under certain circumstances. Contact the FPPC for further information, or see the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans," which can be obtained from your filing officer or the FPPC's website (*www.fppc.ca.gov*).

You are not required to report loans from commercial lending institutions, or any indebtedness created as part of retail installment or credit card transactions that are made in the lender's regular course of business, without regard to official status, on terms available to members of the public.

Privileged Information: You are not required to disclose on Schedule A-2, Part 3, the name of a

person who paid fees or made payments to a business entity if disclosure of the name would violate a legally recognized privilege under California law. For example, a name is protected by attorney-client privilege when facts concerning an attorney's representation of an anonymous client are publicly known and those facts, when coupled with disclosure of the client's identity, might expose the client to an official investigation or to civil or criminal liability.

A patient's name is protected by physician-patient privilege when disclosure of the patient's name would also reveal the nature of the treatment received by the patient because, for example, the physician is recognized as a specialist.

FPPC ~~—~~regulation 18740 sets out specific procedures that must be followed in order to withhold the name of a source of income.

Public Officials Who Manage Public Investments: Individuals who invest public funds in revenue-producing programs must file Form 700. This includes individuals who direct or approve investment transactions, formulate or approve investment policies, and establish guidelines for asset allocations. FPPC ~~R~~regulation 18701 defines "public officials who manage public investments" to include the following:

- Members of boards and commissions, including pension and retirement boards or commissions, and committees thereof, who exercise responsibility for the management of public investments;
- High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments (for example, ~~such as~~ chief or principal investment officers or chief financial managers); and
- Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions described above.

Retirement Accounts (for example, deferred compensation and individual retirement accounts (IRAs)): Assets held in retirement accounts must be disclosed if the assets are reportable items, such as common stock (investments) or real estate (interests in real property). For help in determining whether your investments and real property are reportable, see the instructions to Schedules A-1, A-2, and B. ~~The most common reportable and non-reportable investments are listed on the instructions for Schedules A-1 and A-2. The most common reportable and non-reportable interests in real property are listed on the instructions for Schedule B.~~

If your retirement account holds reportable assets, ~~only~~ disclose only the assets held in the account, not the account itself. You may have to contact your account manager to determine the assets contained in your account.

Schedule A-1: Report any business entity in which the value of your investment interest was $2,000 or more during the reporting period. (Use Schedule A-2 if you have a 10% or greater ownership interest in the business entity.)

Schedule B: Report any piece of real property in which the value of your interest was $2,000 or more during the reporting period.

Examples:

- Alice McSherry deposits $500 per month into her employer's deferred compensation program. She has chosen to purchase shares in two diversified mutual funds registered with the Securities and Exchange Commission. Because her funds are invested solely in non-reportable mutual funds (see Schedule A-1 instructions), Alice has no disclosure requirements with regard to the deferred compensation program.
- Bob Allison has $6,000 in an individual retirement account with an investment firm. The account contains ~~He has chosen to purchase common~~ stock in several companies doing business in his jurisdiction. One of his stock holdings, Gala Computers, reached a value of $2,500 during the reporting period. The value of his investment in each of the other companies was less than $2,000. Bob must report Gala Computers as an investment on Schedule A-1 because the value of his stock in that company was $2,000 or more.
- Adriane Fisher has $5,000 in a retirement fund that invests in real property located in her jurisdiction. The value of her interest in each piece of real property held in the fund was less than $2,000 during the reporting period. Although her retirement fund holds reportable assets, she has no disclosure requirement because she did not have a $2,000 or greater interest in any single piece of real property. If, in the future, the value of her interest in a single piece of real property reaches or exceeds $2,000, she will be required to disclose the real property on Schedule B for that reporting period.

Trusts: Investments and interests in real property held by a trust (including a living trust) are reported on Schedule A-2 if you, your spouse or registered domestic partner, or your dependent children had a 10% or greater interest in the trust and your pro rata share of a single investment or interest in real property was $2,000 or more. (Filers must report investments held by a trust of a registered domestic partner if the reporting period covers activity in 2005.)

You have an interest in a trust if you are a trustor and:

- Can revoke or terminate the trust;
- Have retained or reserved any rights to the income or principal of the trust or retained any reversionary or remainder interest; or
- Have retained any power of appointment, including the power to change the trustee, or the beneficiaries.

Or you are a beneficiary and:

- Presently receive income; or
- Have an irrevocable future right to receive income or principal. (See FPPC ~~R~~regulation 18234 for more information.)

Examples:

- Sarah Murphy has set up a living trust which holds her principal residence, ~~common~~ stock in several companies that do business in her jurisdiction, and a rental home in her agency's jurisdiction. Since Sarah is the trustor and she can revoke or terminate the trust, she must disclose any _____ stock worth $2,000 or more and the rental home on Schedule A-2. Sarah's residence is not reportable.
- Ben Yee is listed as a beneficiary in his grandparents' trust. However, Ben does not presently receive income from the trust, nor does he have an irrevocable future right to receive income or principal. Therefore, Ben is not required to disclose any assets contained in his grandparents' trust.

Blind Trusts:

A blind trust is a trust managed by a disinterested trustee who has complete discretion to purchase and sell assets held by the trust. If you have a direct, indirect, or beneficial interest in a blind trust, you may not be required to disclose your pro rata share of the trust's assets or income. However, the trust must meet the ~~certain~~ standards ~~which are~~ set out in FPPC ~~R~~regulation 18235, and you must disclose reportable assets originally transferred into the blind trust and income from those original assets until they have been disposed of by the trustee.

Trustees:

If you are only a trustee, you do not have a reportable interest in the trust. However, you may be required to report the income you received from the trust for performing trustee services.

Wedding Gifts: Wedding gifts must be disclosed if they were received from a reportable source during the period covered by the statement. Gifts valued at $50 or more are reportable; however, a wedding gift is considered a gift to both spouses equally. Therefore, you would count one half ~~one-half of~~ the value of a wedding gift to determine if it is reportable and need only report individual gifts with a total value of $100 or more unless a particular gift can only be used by you or is intended only for your use.

For example, you receive a placesetting of china valued at $150 from a reportable source as a wedding gift. Because the value to you is $50 or more, you must report the gift on Schedule E but may state its value as $75.

Wedding gifts are not subject to the $~~340~~ 360 gift limit, but they are subject to the $10 lobbyist/lobbying firm gift limit for state officials.

Privacy Information Notice

Information requested on all FPPC forms is used by the FPPC to administer and enforce the Political Reform Act (Government Code sections 81000-91014 and California Code of Regulations sections 18109-18997). All information required by these forms is mandated by the Political Reform Act. Failure to provide all of the information required by the Act is a violation subject to administrative, criminal or civil prosecution. All reports and statements provided are public records open for public inspection and reproduction.

If you have any questions regarding this Privacy Notice or how to access your personal information, please contact the FPPC at:

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