

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations.)

§ 18234. Interests in Trusts.

(a) An official has an economic interest in the pro rata share of the interests in real property, sources of income, and investments of a trust in which the official has a direct, indirect, or beneficial interest of 10 percent or greater.

(b) For purposes of this section, the interests of the official include those of the official, spouse, and dependent children regarding interests in real property and investments and those of the official and spouse regarding sources of income.

(c) For purposes of determining whether an official has an economic interest in interests in real property, sources of income, and investments of a trust, the official has a direct, indirect, or beneficial interest in a trust if the official is:

(1) A trustor and:

(A) Can revoke or terminate the trust;

(B) Has retained or reserved any rights to the income or principal of the trust, or retained any reversionary or remainder interest; or

(C) Has retained or reserved any power of appointment, including but not limited to the power to change the trustee, or the power to amend, alter or designate, either alone or in conjunction with anyone else, the person or persons who shall possess or enjoy the trust property or income.

(2) A beneficiary and:

(A) Presently receives income; or

(B) Has an irrevocable future right to receive income or principal. For purposes of this subsection, an individual has an irrevocable future right to receive income or principal if the trust is irrevocable, unless one of the following applies:

(i) Powers exist to consume, invade, or appoint the principal for the benefit of beneficiaries other than the official and such powers are not limited by an ascertainable standard relating to the health, education, support, or maintenance of the beneficiaries; or

(ii) Under the terms of the trust, someone other than the official can designate the persons who shall possess or enjoy the trust property or income.

(d) For the purposes of this section, an official does not have a direct, indirect, or beneficial interest in a trust solely because the official is a trustee or co-trustee. However, income received for the performance of trustee services is income as defined in Government Code Section 82030.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 82029, 82030, 82033 and 82034, Government Code.

HISTORY

1. New section filed 4-17-78; effective thirtieth day thereafter (Register 78, No. 16).
2. Amendment filed 8-16-84; effective thirtieth day thereafter (Register 84, No. 33).
3. Amendment filed 2-18-99; operative 2-18-99 pursuant to Government Code section 11343.4(d) (Register 99, No. 8).