

1 Amend 2 Cal. Code Regs., Section 18740 to read:

2 **§ 18740. Legally Prohibited Disclosure: Statement of Economic Interests.**

3 (a) An official or candidate is not required to disclose the name of a person under Section  
4 87207 if disclosure would violate California or Federal law. A person's name may be withheld in  
5 accordance with the following procedure:

6 (1) The official or candidate must file with ~~his or her~~ the Statement of Economic Interests  
7 an explanation for nondisclosure. The explanation must state for each undisclosed person the  
8 legal basis and sufficient facts to support nondisclosure.

9 (2) With respect to each undisclosed person, the official or candidate must state in writing  
10 signed under penalty of perjury of the laws of the State of California that ~~he or she~~ the official or  
11 candidate has not and will not make, participate in making, or in any way attempt to use an  
12 official position to influence a governmental decision in violation of Section 87100. In the event  
13 the official or candidate is faced with a potential conflict of interest involving an undisclosed  
14 person, the official or candidate should disclose the potential conflict to their agency's legal  
15 counsel and must recuse themselves from participating in the matter.

16 (b) The General Counsel of the Commission will determine whether the nondisclosure is  
17 warranted under California or Federal law. The General Counsel may request further information  
18 from the official or candidate.

19 (1) If the General Counsel determines there is insufficient legal or factual justification for  
20 nondisclosure, the General Counsel will notify the official or candidate in writing and order  
21 disclosure. Within 14 days after issuance of an order, the official or candidate must comply with  
22 the order or appeal the determination, in writing, to the Commission.

1           (2) If the General Counsel determines that nondisclosure is justified under California or  
2 Federal law, the General Counsel will notify the Chair of the Commission. The Chair may: (A)  
3 approve the determination and direct the General Counsel to issue a final order of nondisclosure;  
4 or (B) request review of the General Counsel's determination by the full Commission and place  
5 the matter on the agenda for the next available Commission meeting.

6           (c) If the matter is reviewed by the Commission, the official or candidate will be notified  
7 and allowed to present written or oral testimony. If the Commission determines that  
8 nondisclosure is warranted, no further action need be taken. If the Commission orders  
9 disclosures, the official or candidate must comply within 14 days of the order.

10           (d) The Executive Director may, for good cause, extend the time periods established in  
11 this regulation.

12 Note: Authority cited: Section 83112, Government Code. Reference: Section 87207(b),  
13 Government Code.