Amend 2 Cal. Code Regs., Section 18237 to read:

§ 18237. ~~Definitions.~~ Exceptions. Definition of "Investment."

For purposes of Section 82034, the term "investment" does not include~~:~~

~~(a) Cryptocurrency holdings, or~~

~~(b) A~~ a fund, including an exchange traded fund (ETF), closed-end fund or fund held in a plan qualified under Sections 401(k), 403(b), 457 or similar provision of the Internal Revenue Code (qualified plan), that is substantially similar to a "diversified mutual fund registered with the Securities and Exchange Commission under the Investment Company Act of 1940" if all the following are met:

~~(1)~~(a) The fund is a bona fide investment fund that pools money from more than 100 investors and invests the money in stocks, bonds, or other securities. An ETF, closed-end fund or qualified plan is presumed to have more than 100 investors.

~~(2)~~(b) The fund holds securities of more than 15 issuers. An ETF, closed-end fund or qualified plan is presumed to hold more than 15 issuers.

~~(3)~~(c) The public official did not influence or control the decision to purchase or sell the specific fund on behalf of the official's agency during the applicable reporting period.

~~(4)~~(d) The public official does not influence or control the selection of any specific investment purchased and sold on behalf of the fund.

~~(5)~~(e) The fund does not have a stated policy of concentrating its holdings in the same industry or business.

Note: Authority cited: Section 83112, Government Code. Reference: Section 82034, Government Code.