



California Fair Political Practices Commission

April 13, 1992

Patricia M. Stanford
943 Commons Drive
Sacramento, CA 95825

Re: Your Request for Advice
Our File No. A-92-139

Dear Ms. Stanford:

This is in response to your letter requesting advice regarding your responsibilities under the financial disclosure provisions of the Political Reform Act (the "Act").¹

QUESTION

Are you required to file a statement of economic interests (Form 730) and disclose certain financial interests once you become a board member of the Sacramento History and Science Commission?

CONCLUSION

Yes. The Act requires public officials, including salaried and unsalaried members of boards and commissions and other designated employees listed in a city's or county's conflict-of-interest code, to file a Form 730 to ensure full disclosure of financial interests which are likely to be affected by a public official in the course of his or her work. Although filing statements of economic interests may intrude on the privacy of the individual, such intrusion is constitutionally permissible because disclosure of this financial information inhibits improper practices and protects the public.

FACTS

You were recently appointed to the board of the Sacramento History and Science Commission, a joint powers agency whose members are appointed by the Sacramento City Council and the

¹ Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

Sacramento County Board of Supervisors. You were informed at your first meeting that it would be necessary for you to file an assuming office statement of economic interests (a Form 730). You have objected to disclosing your financial interests, presumably because you believe that such disclosure violates your constitutional rights to privacy.

ANALYSIS

As you may be aware, the Act was originally enacted by the people of the State of California by initiative in 1974. The economic disclosure provisions of the Act ensure that all public officials, including salaried or unsalaried members of boards or commissions with decisionmaking authority and other designated employees, fully disclose financial interests that could create a conflict of interest in making decisions relating to a public entity.

The Act specifically requires every state and local agency to adopt a conflict of interest code enumerating designated employees with filing and disclosure obligations. (Sections 87300 and 87302.) In its conflict of interest code, a city or county, for example, must designate those positions that involve the making of, or participation in, decisions which may foreseeably affect any financial interest. (Section 87302.) Furthermore, the local agency must designate what disclosure is required of each category of designated employee, in other words, what types of economic interests are likely to be affected by a designated employee in the course of his or her work.

The California Supreme Court has considered the question raised in your letter, namely, whether the financial disclosure provisions of the Act violate the constitutional rights or privacy of persons filing statements of economic interests. The court held that such disclosure was permissible under the Act and did not violate constitutional rights. (See Hayes v. Wood (1979) 25 Cal.3d 772; County of Nevada v. McMillen (1974) 11 Cal.3d 662.) Therefore, if you accept an appointment to the Sacramento History and Science Commission, you must file statements of economic interests as required by the law.

Sincerely,

Scott Hallabrin
Acting General Counsel

Deanne Stone

By: Deanne Stone
Counsel, Legal Division