

Introduced by Senator Romero

February 19, 2010

An act to add Section 7508.2 to the Government Code, relating to public retirement plans.

LEGISLATIVE COUNSEL'S DIGEST

SB 1271, as introduced, Romero. Public retirement plans: conflicts of interest.

The Political Reform Act requires state and local government agencies to adopt and promulgate a Conflict of Interest Code. Regulations found in the California Code of Regulations constitute the California Public Employees' Retirement System's Conflict of Interest Code.

This bill would codify those regulations and make them applicable to all public retirement boards.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 7508.2 is added to the Government Code,
2 to read:
3 7508.2. (a) The purpose of this Conflict of Interest Code is to
4 facilitate the disclosure of the economic interests of public officials
5 serving any public retirement system that may be materially
6 affected by the actions of the retirement boards in which they
7 participate.
8 (b) Designated employees, consultants, board members, and
9 candidates shall file statements of economic interests with the
10 retirement board's filing officer. With respect to certain employees

1 and officials such as board members who are determined to manage
2 public investments, within the meaning of Section 87200, the
3 retirement system shall make and retain a copy and forward the
4 original of these statements to the Fair Political Practices
5 Commission. Public officials who manage investments are listed
6 for clarity in the appendix of Section 560 of Title 2 of the
7 California Code of Regulations. Unlike the designated employees,
8 these officials' reporting obligations are not limited by reference
9 to a reporting category.

10 (c) This provision incorporates by reference Sections 560 and
11 18730 of Title 2 of the California Code of Regulations, and any
12 amendments to it duly adopted by the Fair Political Practices
13 Commission. Those regulations along with the attached appendix
14 in which officials and employees are designated and disclosure
15 categories are set forth, constitute the Conflict of Interest Code for
16 all public retirement boards.