

AMENDED IN ASSEMBLY AUGUST 9, 2010

AMENDED IN SENATE APRIL 5, 2010

**SENATE BILL**

**No. 1271**

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**Introduced by Senator Romero**

February 19, 2010

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An act to add Section 87314 to the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

SB 1271, as amended, Romero. Political Reform Act of 1974: conflict of interest codes.

The Political Reform Act of 1974 requires each state and local government agency to adopt and promulgate a conflict of interest code that establishes conflict of interest standards for designated employees of that agency and requires those employees to file statements of economic interest disclosing specified personal financial information. The act further requires specified public officials, including officials who manage public investments, to also file statements of economic interest, but does not require those officials to be specifically enumerated in the agency's conflict of interest code.

This bill would require a ~~public retirement~~ board, commission, or agency *of a public pension or retirement system* to attach to its conflict of interest code an appendix that lists each position for which an individual occupying that position is required to file a statement of economic interests as a public official who manages public investments, as defined. The bill would further require the board, commission, or agency to post the appendix on its Internet Web site.

This bill would impose a state-mandated local program by creating additional responsibilities for local governmental agencies.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a  $\frac{2}{3}$  vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

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

1 SECTION 1. Section 87314 is added to the Government Code,  
2 to read:

3 87314. (a) A ~~public retirement~~ board, commission, or agency  
4 *of a public pension or retirement system* shall attach to its Conflict  
5 of Interest Code an appendix entitled "Agency Positions that  
6 Manage Public Investments for Purposes of Section 87200 of the  
7 Government Code." The appendix shall list each position with the  
8 board, commission, or agency for which an individual occupying  
9 the position is required to file a Statement of Economic Interests  
10 as a public official who manages public investments within the  
11 meaning of Section 87200. The board, commission, or agency  
12 shall post the appendix on its Internet Web site in a manner that  
13 makes it easily identifiable and accessible by persons who view  
14 that Web site.

15 (b) (1) For purposes of this section, "public official who  
16 manages public investments" includes a salaried or unsalaried  
17 member of a committee, board, commission, or other entity that  
18 exists as, or within, a governmental agency and that possesses  
19 decisionmaking authority.

20 (2) A committee, board, commission, or other entity possesses  
21 decisionmaking authority for purposes of this section if any of the  
22 following apply:

23 (A) The entity may make a final governmental decision.

1 (B) The entity may compel a governmental decision or prevent  
2 a governmental decision, either by virtue of possessing exclusive  
3 power to initiate the decision or by having veto authority that may  
4 not be overridden.

5 (C) The entity makes substantive recommendations that are,  
6 and over an extended period of time have been, regularly approved,  
7 without significant amendment or modification, by another public  
8 official or governmental agency.

9 (3) A committee, board, commission, or other entity does not  
10 possess decisionmaking authority for purposes of this section if it  
11 is formed for the sole purpose of researching a subject and  
12 preparing a report or recommendation for submission to another  
13 governmental entity that has final decisionmaking authority.

14 SEC. 2. If the Commission on State Mandates determines that  
15 this act contains costs mandated by the state, reimbursement to  
16 local agencies and school districts for those costs shall be made  
17 pursuant to Part 7 (commencing with Section 17500) of Division  
18 4 of Title 2 of the Government Code.

19 SEC. 3. The Legislature finds and declares that this bill furthers  
20 the purposes of the Political Reform Act of 1974 within the  
21 meaning of subdivision (a) of Section 81012 of the Government  
22 Code.