

**Assembly Bill No. 182**

\_\_\_\_\_

Passed the Assembly May 2, 2011

\_\_\_\_\_  
*Chief Clerk of the Assembly*

\_\_\_\_\_

Passed the Senate July 1, 2011

\_\_\_\_\_  
*Secretary of the Senate*

\_\_\_\_\_

This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2011, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend and repeal Section 87500.1 of the Government Code, relating to the Political Reform Act of 1974.

## LEGISLATIVE COUNSEL'S DIGEST

AB 182, Davis. Political Reform Act of 1974: statements of economic interests.

The Political Reform Act of 1974 regulates conflicts of interests of public officials and requires that public officials file, with specified filing officers, periodic statements of economic interests disclosing certain information regarding income, investments, and other financial data. Under the act, specified local government agencies are permitted to participate in a pilot program whereby certain officials of those agencies may file their statements of economic interests electronically. Existing law provides that the pilot program shall be completed by January 1, 2012, and the provisions of law authorizing the electronic filing of statements of economic interests will be repealed on March 1, 2012.

This bill would permit the pilot program to continue until December 31, 2012, and would make technical changes to incorporate references to participation in the program by the City of Long Beach.

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.

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

SECTION 1. The Legislature finds and declares all of the following:

(a) Under the Local Agency Electronic Form 700 Pilot Project, specified local government agencies may permit certain public officials to electronically file the statements of economic interests required by the Political Reform Act of 1974 in lieu of filing a paper form.

(b) The agencies participating in the pilot program have invested considerable resources in developing or acquiring computer system software and establishing procedures to permit electronic filing.

(c) The participating agencies report that the pilot program has been a positive experience for both the agencies themselves and for the officials who file their statements of economic interests electronically under the program.

(d) Existing law requires each participating county to file a report with the Fair Political Practices Commission by July 1, 2011, describing its experience with the pilot program and reporting on the effectiveness of the program. The Commission is then required to forward the reports to the Legislative Analyst's Office with comments, and the Legislative Analyst's Office is required to submit a final evaluation report to the Legislature by February 1, 2012.

(e) Existing law requires that the pilot program be completed by January 1, 2012, and existing provisions of law providing for the pilot program are scheduled to be repealed on March 1, 2012. Therefore, existing law does not permit the electronic filing of statements of economic interests to continue while the Legislature considers the final evaluation report of the Legislative Analyst's Office and considers legislation to allow for electronic filing of all statements of economic interests required by the Political Reform Act of 1974. The termination of the pilot program would be disruptive to the filing processes of the participating agencies, waste the investments the participating agencies have made in their electronic filing systems and procedures, and hinder transparency and the public's timely access to vital public information.

(f) An extension of the termination date of the pilot program is necessary to enable the participating agencies to continue to accept electronically filed statements of economic interests while the Legislature evaluates the efficacy of the pilot program.

SEC. 2. Section 87500.1 of the Government Code is amended to read:

87500.1. (a) The Counties of Los Angeles, Merced, Orange, Santa Clara, Stanislaus, and Ventura and the City of Long Beach may permit the electronic filing of a statement of economic interests required by Article 3 (commencing with Section 87300) in accordance with regulations adopted by the Commission. Each

participating county shall use the standard form for electronic filing found online, as required by the Commission.

(b) A public official subject to Article 2 (commencing with Section 87200) shall not participate in the pilot program.

(c) A statement filed electronically shall include an electronic transmission that is submitted under penalty of perjury and that conforms to subdivision (b) of Section 1633.11 of the Civil Code.

(d) (1) The filing officer shall issue to a person who electronically files his or her statement of economic interests or amendment electronic confirmation that notifies the filer that his or her statement of economic interests or amendment was received. The confirmation shall include the date and the time that the statement of economic interests or amendment was received by the filing officer and the method by which the filer may view and print the data received by the filing officer.

(2) A paper copy retained by the filer of a statement of economic interests or amendment that was electronically filed and the confirmation issued pursuant to paragraph (1) that shows that the filer timely filed his or her statement of economic interests or amendment shall create a rebuttable presumption that the filer filed his or her statement of economic interests or amendment on time.

(e) The filing officer shall utilize a system that includes firewalls, data encryption, secure authentication, and all necessary hardware and software and industry best practices to ensure that the security and integrity of the data and information contained in the statement of economic interests are not jeopardized or compromised.

(f) The filing officer shall provide the public with a copy of an official's statement of economic interests upon request, in accordance with Section 81008. The paper copy of the electronically filed statement of economic interests shall be identical to the statement of economic interests published by the Commission and shall include the date that the statement was filed.

(g) (1) The pilot program shall commence on or after January 1, 2009, and shall be completed by December 31, 2012. The pilot program shall include the reporting periods of 2008 through 2011. A city or county participating in the pilot program shall submit a report to the Commission not later than July 1, 2011. The report shall include the following:

(A) A listing and estimate of associated operational efficiencies and related savings.

(B) A listing and estimate of associated costs from implementing and operating the pilot program.

(C) A listing of safety, security, or privacy issues encountered and explanation of how those issues were addressed.

(D) Available information relating to feedback from electronic filing participants.

(E) Any other relevant information on the implementation of the pilot program.

(2) The Commission shall transmit the city and county reports received, as well as any comments on the reports, to the Legislative Analyst's Office not later than August 15, 2011. The Legislative Analyst's Office shall provide a report to the Legislature evaluating the pilot program not later than February 1, 2012.

(h) The Commission, in conjunction with the Legislative Analyst's Office, may develop additional criteria for the report to be submitted to the Commission by the participating city and counties pursuant to paragraph (1) of subdivision (g).

(i) This section shall remain in effect until December 31, 2012, and as of that date is repealed, unless a later enacted statute, which is enacted before December 31, 2012, deletes or extends that date.

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





Approved \_\_\_\_\_, 2011

---

*Governor*