

ASSEMBLY BILL

No. 2162

Introduced by Assembly Member Portantino

February 23, 2012

An act to amend Sections 87206 and 87207 of the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

AB 2162, as introduced, Portantino. Political Reform Act of 1974: economic interest disclosure.

The Political Reform Act of 1974 requires persons holding specified public offices to file disclosures of investments, real property interests, and income within specified periods of assuming or leaving office, and annually while holding the office. The act requires the disclosures to include a statement indicating, within a specified value range, the fair market value of investments or interests in real property and the aggregate value of income received from a source.

This bill would revise the dollar amounts associated with these ranges to provide for 8 total ranges of fair market value of investments and real property interests and 10 total ranges of aggregate value of income.

Existing law makes a knowing or willful violation of the act a misdemeanor and subjects offenders to criminal penalties.

By creating additional crimes, this bill would impose a state-mandated local program.

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 no reimbursement is required by this act for a specified reason.

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 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: 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 87206 of the Government Code is
2 amended to read:

3 87206. (a) If an investment or an interest in real property is
4 required to be disclosed under this article, the statement shall
5 contain *all of the following*:

- 6 (a)
- 7 (1) A statement of the nature of the investment or interest.
- 8 (b)
- 9 (2) The name of the business entity in which each investment
10 is held, and a general description of the business activity in which
11 the business entity is engaged.
- 12 (c)
- 13 (3) The address or other precise location of the real property.
- 14 (d)
- 15 (4) A statement ~~whether~~ *indicating which of the following ranges*
16 *represents* the fair market value of the investment or interest in
17 real property ~~equals or exceeds two thousand dollars (\$2,000) but~~
18 ~~does not exceed ten thousand dollars (\$10,000), whether it exceeds~~
19 ~~ten thousand dollars (\$10,000) but does not exceed one hundred~~
20 ~~thousand dollars (\$100,000), whether it exceeds one hundred~~
21 ~~thousand dollars (\$100,000) but does not exceed one million dollars~~
22 ~~(\$1,000,000), or whether it exceeds one million dollars~~
23 ~~(\$1,000,000):~~
24 (A) *At least two thousand dollars (\$2,000) but not greater than*
25 *twenty-five thousand dollars (\$25,000).*
26 (B) *More than twenty-five thousand dollars (\$25,000) but not*
27 *greater than one hundred thousand dollars (\$100,000).*
28 (C) *More than one hundred thousand dollars (\$100,000) but*
29 *not greater than two hundred fifty thousand dollars (\$250,000).*

1 (D) More than two hundred fifty thousand dollars (\$250,000)
2 but not greater than five hundred thousand dollars (\$500,000).

3 (E) More than five hundred thousand dollars (\$500,000) but
4 not greater than one million dollars (\$1,000,000).

5 (F) More than one million dollars (\$1,000,000) but not greater
6 than five million dollars (\$5,000,000).

7 (G) More than five million dollars (\$5,000,000) but not greater
8 than ten million dollars (\$10,000,000).

9 (H) More than ten million dollars (\$10,000,000).

10 (e)

11 (5) In the case of a statement filed under ~~Sections~~ *Section* 87203
12 or 87204, if the investment or interest in real property was partially
13 or wholly acquired or disposed of during the period covered by
14 the statement, the date of acquisition or disposal.

15 (f)

16 (b) For purposes of disclosure under this article, “interest in real
17 property” does not include the principal residence of the filer or
18 any other property which the filer utilizes exclusively as the
19 personal residence of the filer.

20 SEC. 2. Section 87207 of the Government Code is amended
21 to read:

22 87207. (a) ~~When~~ *Except as provided in subdivision (b), when*
23 *income is required to be reported under this article, the statement*
24 *shall contain, except as provided in subdivision (b) the following:*

25 (1) The name and address of each source of income aggregating
26 five hundred dollars (\$500) or more in value, or fifty dollars (\$50)
27 or more in value if the income was a gift, and a general description
28 of the business activity, if any, of each source.

29 (2) A statement ~~whether~~ *indicating which of the following ranges*
30 *represents the aggregate value of income from each source, or in*
31 *the case of a loan, the highest amount owed to each source, was*
32 *at least five hundred dollars (\$500) but did not exceed one thousand*
33 *dollars (\$1,000), whether it was in excess of one thousand dollars*
34 *(\$1,000) but was not greater than ten thousand dollars (\$10,000),*
35 *whether it was greater than ten thousand dollars (\$10,000) but not*
36 *greater than one hundred thousand dollars (\$100,000), or whether*
37 *it was greater than one hundred thousand dollars (\$100,000):.*

38 (A) *At least five hundred dollars (\$500) but not greater than*
39 *one thousand dollars (\$1,000).*

1 (B) More than one thousand dollars (\$1,000) but not greater
2 than ten thousand dollars (\$10,000).

3 (C) More than ten thousand dollars (\$10,000) but not greater
4 than twenty-five thousand dollars (\$25,000).

5 (D) More than twenty-five thousand dollars (\$25,000) but not
6 greater than one hundred thousand dollars (\$100,000).

7 (E) More than one hundred thousand dollars (\$100,000) but
8 not greater than two hundred fifty thousand dollars (\$250,000).

9 (F) More than two hundred fifty thousand dollars (\$250,000)
10 but not greater than five hundred thousand dollars (\$500,000).

11 (G) More than five hundred thousand dollars (\$500,000) but
12 not greater than one million dollars (\$1,000,000).

13 (H) More than one million dollars (\$1,000,000) but not greater
14 than five million dollars (\$5,000,000).

15 (I) More than five million dollars (\$5,000,000) but not greater
16 than ten million dollars (\$10,000,000).

17 (J) More than ten million dollars (\$10,000,000).

18 (3) A description of the consideration, if any, for which the
19 income was received.

20 (4) In the case of a gift, the amount and the date on which the
21 gift was received.

22 (5) In the case of a loan, the annual interest rate, the security,
23 if any, given for the loan, and the term of the loan.

24 (b) When the filer's pro rata share of income to a business entity,
25 including income to a sole proprietorship, is required to be reported
26 under this article, the statement shall contain *the following*:

27 (1) The name, address, and a general description of the business
28 activity of the business entity.

29 (2) The name of every person from whom the business entity
30 received payments if the filer's pro rata share of gross receipts
31 from that person was equal to or greater than ten thousand dollars
32 (\$10,000) during a calendar year.

33 (c) When a payment, including an advance or reimbursement,
34 for travel is required to be reported pursuant to this section, it may
35 be reported on a separate travel reimbursement schedule which
36 shall be included in the filer's statement of economic interest. A
37 filer who chooses not to use the travel schedule shall disclose
38 payments for travel as a gift, unless it is clear from all surrounding
39 circumstances that the services provided were equal to or greater

1 in value than the payments for the travel, in which case the travel
2 may be reported as income.

3 SEC. 3. No reimbursement is required by this act pursuant to
4 Section 6 of Article XIII B of the California Constitution because
5 the only costs that may be incurred by a local agency or school
6 district will be incurred because this act creates a new crime or
7 infraction, eliminates a crime or infraction, or changes the penalty
8 for a crime or infraction, within the meaning of Section 17556 of
9 the Government Code, or changes the definition of a crime within
10 the meaning of Section 6 of Article XIII B of the California
11 Constitution.

12 SEC. 4. The Legislature finds and declares that this bill furthers
13 the purposes of the Political Reform Act of 1974 within the
14 meaning of subdivision (a) of Section 81012 of the Government
15 Code.