



**RESOLUTION NO. 2020-16**

**A RESOLUTION OF THE YUBA COUNTY WATER AGENCY BOARD OF DIRECTORS  
AMENDING THE AGENCY CONFLICT OF INTEREST CODE**

WHEREAS, Government Code section 87300 requires each local public agency to adopt and promulgate a conflict of interest code under the Political Reform Act;

WHEREAS, the Agency has determined that amendments to the Yuba County Water Agency conflict of interest code are appropriate under Government Code section 87306(a) because it has become apparent that the duties assigned to certain existing positions require those positions to be designated under the code;

WHEREAS, the state Fair Political Practices Commission (FPPC) has adopted a model local agency conflict of interest code (California Code of Regulations, title 2, section 18730) that may be adopted by reference; and

WHEREAS, the Agency desires to continue to use the FPPC model code as the Agency conflict of interest code, together with an amended list of Agency designated positions and disclosure categories.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Yuba County Water Agency as follows:

1. The terms of California Code of Regulations, title 2, section 18730, and any amendments to section 18730 duly adopted by the FPPC, are hereby adopted and incorporated by reference as the main body of the Agency conflict of interest code.
2. The list of designated Agency positions and applicable disclosure categories attached to this resolution are hereby adopted as the appendices of designated positions and disclosure categories to accompany section 18730.
3. Designated employees, officers and consultants shall file statements of economic interest (FPPC Form 700) with the Agency Clerk of the Board, who will make the statements available for public inspection and copying upon request.
4. This conflict of interest code shall not take effect until the Yuba County Board of Supervisors approves it in its capacity as code reviewing body under the Political Reform Act. The Agency Clerk of the Board is hereby authorized and directed to submit a certified copy of this resolution to the Board of Supervisors and request approval of the conflict of interest code.
5. After approval by the Yuba County Board of Supervisors, this resolution and attachments, together with the current version of Title, section 18730 of the California Code of Regulations, shall constitute the Yuba County Water Agency Conflict of Interest Code.
6. This resolution supersedes all prior Agency conflict of interest codes and appendices of designated positions and disclosure categories.

PASSED AND ADOPTED by the Board of Directors of the Yuba County Water Agency on this 6<sup>th</sup> day of December, 2022 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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Gary Bradford, Board Chair

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Attest: James Mitrisin, Clerk of the Board

Amended

**CONFLICT OF INTEREST CODE**  
**FOR THE YUBA COUNTY WATER AGENCY**

The Political Reform Act, Government Code Sections 81000, et seq., requires State and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 California Code of Regulations, Section 18730, which contains the terms of a standard conflict of interest code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments to the Political Reform Act after public notice and hearings. Therefore, the terms of 2 California Regulations, Section 18730, and any amendments thereto duly adopted by the Fair Political Practices Commission, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the Yuba County Water Agency.

Recognizing that different employees have different levels of authority and responsibility, the Conflict of Interest Code establishes four categories of disclosure to which employees are designated based on the scope of their decision-making authority. Employees with no significant decision-making responsibility are classified as exempt and are not required to file reports under this Code.

The non-exempt Agency employees and officers listed on Appendix A, attached hereto and incorporated herein by reference, are designated as persons who are deemed to make, or participate in the making of, decisions that may have a material effect on a financial interest. The specific disclosure and reporting requirements of each category are set forth in Appendix "B," attached hereto and incorporated herein by reference. Consultants are also subject to the disclosure requirements of this Conflict of Interest Code if they are in a position to make decisions, or participate in making decisions, that could have an effect on their financial interest.

The persons holding designated positions listed on Appendix A shall disclose interests and investments in accordance with the corresponding disclosure categories also described in Appendix A and defined in Appendix B. The designated employees, officers and consultants shall file their annual statements of economic interest with the Clerk of the Board by April 1 of each year. The designated employees, officers and consultants also shall comply with the other requirements and limitations in Section 18730.

To assure the designated employees understand their duties under 2 California Code of Regulations, Section 18730, a copy of this regulation is attached as Appendix "C" and is incorporated herein by reference. The full FPPC regulations are available for review at <https://www.fppc.ca.gov/the-law/fppc-regulations/regulations-index.html>.

**APPENDIX "A"**

## Yuba County Water Agency

### LIST OF DESIGNATED POSITIONS

<b>Position</b>	<b>Disclosure Category</b>
Director of Administration	Categories I, II, III & IV
Assistant General Manager	Categories I, II, III & IV
Compliance Manager	Categories I, II, III & IV
Consultants on the Energy Risk Management (ERM) Committee	Categories I, II, III & IV
Energy Sales and Contracts Manager	Categories I, II, III & IV
Engineering Manager	Categories I, II, III & IV
Director of Finance	See fn. 1
Director of Water Resources and Flood Risk Reduction	Categories I, II, III & IV
Director of Resource Planning	Categories I, II, III & IV
Agency Counsel	Categories I, II, III & IV; see fn. 2
General Manager	See fn. 1
General Services Administrator	Categories I, II, III & IV
Information Systems Manager	Categories I, II, III & IV
Maintenance Manager	Categories I, II, III & IV
Members of the Board of Directors	See fn. 1
Operations Manager	Categories I, II, III & IV
Director of Power Systems	Categories I, II, III & IV
Project Manager	Categories I, II, III & IV
Water Resources Manager	Categories I, II, III & IV
Consultant*	See fn. 3

1. Officials Who Manage Public Investment: It has been determined that the persons in these positions manage public investments within the meaning of Government Code section 87200 and California Code of Regulations, title 2, section 18700.3(b); therefore, they are subject to state law requirements concerning disclosure and filing of statements of economic interest.

2. Agency Counsel. Agency attorneys shall prepare and file statements of economic interests if the attorney serves in a staff capacity with the Agency and in that capacity participates in making Agency governmental decisions as defined in California Code of Regulations, title 2, section 18704. The General Manager may determine whether a particular attorney is subject to this requirement.

3. Consultants: Consultants (as defined at California Code of Regulations, title 2, section 18700.3(a), which includes consultants who serve in a staff capacity with the Agency and in that capacity participate in making Agency governmental decisions) shall be included in the list of designated positions and shall disclose interests and investments in accordance with the broadest disclosure category in the Agency's conflict of interest code, subject to the following limitation. The General Manager may determine (a) whether a particular independent contractor is a consultant, as defined, and (b) that a particular consultant, although a 'designated position,' is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. The General Manager's determination under (b) shall be in writing and include a description of the consultant's duties, and based on that description, a statement of the extent of disclosure requirements. The written determination is a public record and shall be retained for public

inspection in the same manner and location as the Agency's conflict of interest code.

## APPENDIX "B"

### DISCLOSURE CATEGORIES

<b><u>Category</u></b>	<b><u>Description of Interest to be Disclosed</u></b>
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<b>I.</b>	Investment and Real Property Interests
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Reporting requirements are set forth in 2 California Code of Regulations, §18730(b), Section 7(A) as follows:

1. A statement of the nature of the investment or interest.
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged.
3. The address or other precise location of the real property.
4. A statement whether the fair market value of the investment or interest in real property exceeds \$2,000, \$10,000 or \$100,000.

For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of ten percent or greater.

<b>II.</b>	<b><u>Income, Gifts and Loans</u></b>
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Reporting requirements are set forth in 2 California Code of Regulations, §18730(b), Section 7(B) as follows:

1. The name and address of each source of income aggregating \$500 or more in value, or \$50 dollars or more in value if the income was a gift, and a general description of the business activity, if any, of each source.

2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source was \$1,000 or less, greater than \$1,000, or greater than \$10,000.
3. A description of the consideration, if any, for which the income was received.
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a *description* of the gift; the amount or value of the gift; and the date on which the gift was received.
5. In the case of a loan, the annual interest rate and the security, if any, given for the loan.

Income includes the community property interest of the filer in the income of his or her spouse, but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

### **III. Business Entity Income**

Reporting requirements are set forth in 2 California Code of Regulations, §18730(b), Section 7(C) as follows:

1. The name, address, and a general description of the business activity of the business entity.
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than \$10,000.

Income of a business entity must be reported if the direct, indirect, or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest.

### **IV. Business Positions**

Reporting requirements are set forth in 2 California Code of Regulations, §18730(b), Section 7(D) as follows:

1. The name and address of each business entity in which the employee is a director, officer, partner, trustee, employee, or in which he or she holds any position of management.

2. A description of the business activity in which the business entity is engaged.
3. The employee's position with the business entity.

**APPENDIX C**  
**FPPC REGULATION SECTION 18730**

18730. Provisions of Conflict of Interest Codes

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Section 87300 or the amendment of a conflict of interest code within the meaning of Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (Regulations 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Section 87200; and

(C) The filing officer is the same for both agencies. [FN1] Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of economic interests are reportable. Such a designated employee shall disclose in the employee's statement of economic interests those economic interests the employee has which are of the kind described in the disclosure categories to which the employee is assigned in the Appendix. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which the employee foreseeably can affect materially through the conduct of the employee's office.

Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code. [FN2]

Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.



(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1. If a person reports for military service as defined in the Servicemember's Civil Relief Act, the deadline for the annual statement of economic interests is 30 days following the person's return to office, provided the person, or someone authorized to represent the person's interests, notifies the filing officer in writing prior to the applicable filing deadline that the person is subject to that federal statute and is unable to meet the applicable deadline, and provides the filing officer verification of the person's military status.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

#### Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided the person did not make or participate in the making of, or use the person's position to influence any decision and did not receive or become entitled to receive any form of payment as a result of the person's appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation the person did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

#### (6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements. Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to Regulation 18754.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

#### Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure. When an investment or an interest in real property [FN3] is required to be reported, [FN4] the statement shall contain the following:

1. A statement of the nature of the investment or interest;

2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;

3. The address or other precise location of the real property;

4. A statement whether the fair market value of the investment or interest in real property equals or exceeds \$2,000, exceeds \$10,000, exceeds \$100,000, or exceeds \$1,000,000.

(B) Personal Income Disclosure. When personal income is required to be reported, [FN5] the statement shall contain:

1. The name and address of each source of income aggregating \$500 or more in value, or \$50 or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
  2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was \$1,000 or less, greater than \$1,000, greater than \$10,000, or greater than \$100,000;
  3. A description of the consideration, if any, for which the income was received;
  4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
  5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.
- (C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported, [FN6] the statement shall contain:
1. The name, address, and a general description of the business activity of the business entity;
  2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than \$10,000.
- (D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which the employee is a director, officer, partner, trustee, employee, or in which the employee holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.
- (E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

#### Section 8. Prohibition on Receipt of Honoraria.

- (A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on the member's or employee's statement of economic interests.
- (B) This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.
- (C) Subdivisions (a), (b), and (c) of Section 89501 shall apply to the prohibitions in this section.
- (D) This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Section 89506.

#### Section 8.1. Prohibition on Receipt of Gifts in Excess of \$520.

- (A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$520 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on the member's or employee's statement of economic interests.
- (B) This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.
- (C) Subdivisions (e), (f), and (g) of Section 89503 shall apply to the prohibitions in this section.

#### Section 8.2. Loans to Public Officials.

- (A) No elected officer of a state or local government agency shall, from the date of the election to office through the date that the officer vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.
- (B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.
- (C) No elected officer of a state or local government agency shall, from the date of the election to office through the date that the officer vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of

the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while the official holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans from a person which, in the aggregate, do not exceed \$500 at any given time.
4. Loans made, or offered in writing, before January 1, 1998.

#### Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of the officer's election to office through the date the officer vacates office, receive a personal loan of \$500 or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.
2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

#### Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.
2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
  - a. The date the loan was made.
  - b. The date the last payment of \$100 or more was made on the loan.
  - c. The date upon which the debtor has made payments on the loan aggregating to less than \$250 during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
2. A loan that would otherwise not be a gift as defined in this title.
3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.
4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.
5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

#### Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use the employee's official

position to influence the making of any governmental decision which the employee knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of the official's immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth \$2,000 or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth \$2,000 or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating \$500 or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$500 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

### Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent the employee's participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make the employees' participation legally required for purposes of this section.

### Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use the official's position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of the official's immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value \$1,000 or more.

### Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that the employee should not make a governmental decision because the employee has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

### Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of the duties under this code may request assistance from the Fair Political Practices Commission pursuant to Section 83114 and Regulations 18329 and 18329.5 or from the attorney for the employee's agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

### Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Section 87100 or 87450 has occurred may be set aside as void pursuant to Section 91003.

### Footnotes:

[FN1]. Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Section 81004.

[FN2]. See Section 81010 and Regulation 18115 for the duties of filing officers and persons in agencies who make

and retain copies of statements and forward the originals to the filing officer.

[FN3]. For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

[FN4]. Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

[FN5]. A designated employee's income includes the employee's community property interest in the income of the employee's spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

[FN6]. Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.