

AMENDED IN SENATE AUGUST 13, 2013

AMENDED IN SENATE JUNE 25, 2013

AMENDED IN ASSEMBLY APRIL 15, 2013

AMENDED IN ASSEMBLY APRIL 2, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

---

---

**ASSEMBLY BILL**

**No. 409**

**Introduced by Assembly Member Quirk-Silva**  
(Principal coauthors: Senators Galgiani and Roth)

February 15, 2013

---

---

An act to add Sections 87500.3 and 87500.4 to the Government Code, relating to the Political Reform Act of 1974, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 409, as amended, Quirk-Silva. Political Reform Act of 1974: statements of economic interests: online filing.

(1) Existing law, 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. Existing law authorizes agencies to permit the electronic filing of statements of economic interests, in accordance with regulations adopted by the Fair Political Practices Commission.

This bill would authorize the Commission to develop and operate an online system for filing statements of economic interests meeting specified requirements. With certain exceptions, filers would be

authorized to use the online system to meet requirements imposed by the act.

(2) 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.

(3) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. 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 87500.3 is added to the Government  
2 Code, to read:

3 87500.3. (a) The Commission may develop and operate an  
4 online system for filing statements of economic interests required  
5 by Article 2 (commencing with Section 87200) and Article 3  
6 (commencing with Section 87300). Consistent with Section  
7 87500.4, the online system shall enable a filer to comply with the  
8 requirements of this chapter relating to the filing of statements of  
9 economic interests and shall include, but not be limited to, both  
10 of the following:

11 (1) A means or method whereby a filer may electronically file,  
12 free of charge, a statement of economic interests that includes an  
13 electronic transmission that is submitted under penalty of perjury  
14 in conformity with Section 81004 of this code and subdivision (b)  
15 of Section 1633.11 of the Civil Code.

16 (2) Security safeguards that include firewalls, data encryption,  
17 secure authentication, and all necessary hardware and software  
18 and industry best practices to ensure that the security and integrity  
19 of the data and information contained in each statement of  
20 economic interests are not jeopardized or compromised.

21 (b) (1) A system developed pursuant to subdivision (a) shall  
22 issue to a person who electronically files his or her statement of  
23 economic interests, or an amendment to a statement of economic  
24 interests, an electronic confirmation that notifies the filer that his  
25 or her statement of economic interests or amendment was received.  
26 The confirmation shall include the date and the time that the

1 statement of economic interests or amendment was received and  
2 the method by which the filer may view and print the data received.

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

9 ~~(e) If the Commission develops an online system pursuant to~~  
10 ~~subdivision (a), it shall also develop training and assistance~~  
11 ~~programs for state and local filing officers and filers regarding use~~  
12 ~~of that system, and shall conduct public hearings to receive input~~  
13 ~~on the implementation of the online system for filing statements~~  
14 ~~of economic interests.~~

15 *(c) If the Commission develops an online system pursuant to*  
16 *subdivision (a), it shall conduct public hearings to receive input*  
17 *on the implementation of that system, maintain ongoing*  
18 *coordination among affected state and local agencies as necessary,*  
19 *and develop training and assistance programs for state and local*  
20 *filing officers and filers regarding use of the online system for*  
21 *filing statements of economic interests.*

22 ~~(d) The~~~~(1) Except as provided in paragraph (2), the~~  
23 Commission may make all the data filed on a system developed  
24 pursuant to subdivision (a) available on the Commission's Internet  
25 Web site in an easily understood format that provides the greatest  
26 public access, and shall provide assistance to those seeking public  
27 access to the information.

28 *(2) The Commission shall redact private information, including,*  
29 *but not limited to, the signatures of filers, from the data that is*  
30 *made available on the Internet pursuant to this subdivision. The*  
31 *Commission shall develop and implement a policy regarding*  
32 *redaction of private information for the purposes of this paragraph,*  
33 *and shall conduct one or more public hearings to receive input on*  
34 *the development of that policy.*

35 SEC. 2. ~~Section 87500.4 is added to the Government Code, to~~  
36 ~~read:~~

37 ~~87500.4. (a) If the Commission establishes an online system~~  
38 ~~pursuant to Section 87500.3, a person required by Article 2~~  
39 ~~(commencing with Section 87200) or Article 3 (commencing with~~  
40 ~~Section 87300) to file a statement of economic interests may,~~

1 notwithstanding Section 87500, file the statement electronically  
2 through the online system established by the Commission.

3 (b) (1) If a filer's filing officer is the Commission, electronic  
4 filing pursuant to Section 87500.3 satisfies the requirement  
5 imposed by this chapter to file a statement of economic interests  
6 with the Commission.

7 (2) If a filer's filing officer is not the Commission, the filing  
8 officer, notwithstanding Section 87500, may permit a statement  
9 of economic interests filed electronically with the Commission  
10 pursuant to Section 87500.3 to satisfy the requirement for the  
11 statement to be filed with the filing officer.

12 *SEC. 2. Section 87500.4 is added to the Government Code, to*  
13 *read:*

14 *87500.4. (a) If the Commission establishes an online system*  
15 *pursuant to Section 87500.3, the Commission shall specify which*  
16 *categories of persons described in Section 87500 may file*  
17 *statements of economic interests electronically through the online*  
18 *system established by the Commission.*

19 *(b) For each category of persons that the Commission, pursuant*  
20 *to subdivision (a), specifies may file statements of economic*  
21 *interests electronically through the online system established by*  
22 *the Commission, both of the following shall apply:*

23 *(1) If the filing officer designated by Section 87500 is the*  
24 *Commission, electronic filing of a statement of economic interests*  
25 *with the Commission pursuant to Section 87500.3 satisfies the*  
26 *requirement imposed by this chapter to file a statement of economic*  
27 *interests.*

28 *(2) If the filing officer designated by Section 87500 is not the*  
29 *Commission, the designated filing officer, notwithstanding Section*  
30 *87500, may determine that electronic filing of a statement of*  
31 *economic interests with the Commission pursuant to Section*  
32 *87500.3 satisfies the requirement imposed by this chapter to file*  
33 *a statement of economic interests. In the event the designated filing*  
34 *officer makes that determination, the Commission shall assume*  
35 *the duties of the filing officer with respect to each filer who elects*  
36 *to file his or her statement of economic interests electronically*  
37 *with the Commission. The designated filing officer shall provide*  
38 *to the Commission, in a manner prescribed by the Commission,*  
39 *the name and contact information for each filer in the filing*  
40 *officer's jurisdiction. The duties assumed by the Commission with*

1 *respect to each filer shall include, but not be limited to, all of the*  
2 *following:*

3 *(A) Notifying the filer of his or her filing obligation.*

4 *(B) Receiving the filer's statement of economic interests.*

5 *(C) Ensuring compliance with filing requirements in the event*  
6 *the filer fails to file in a timely manner or is required to amend his*  
7 *or her statement of economic interests.*

8 *(c) If the Commission, pursuant to subdivision (a), specifies that*  
9 *persons described in subdivision (e) of Section 87500 may file*  
10 *statements of economic interests electronically through the online*  
11 *system established by the Commission, the Commission shall*  
12 *assume the duties of the county clerk with respect to each filer,*  
13 *irrespective of whether the filer elects to file his or her statement*  
14 *of economic interests electronically with the Commission. The*  
15 *county clerk shall provide to the Commission, in a manner*  
16 *prescribed by the Commission, the name and contact information*  
17 *for each filer in the county clerk's jurisdiction. The duties assumed*  
18 *by the Commission with respect to each filer shall include, but not*  
19 *be limited to, all of the following:*

20 *(A) Notifying the filer of his or her filing obligation.*

21 *(B) Receiving the filer's statement of economic interests.*

22 *(C) Ensuring compliance with filing requirements in the event*  
23 *the filer fails to file in a timely manner or is required to amend his*  
24 *or her statement of economic interests.*

25 *(d) A person who is required by this chapter to file more than*  
26 *one statement of economic interests for each reporting period and*  
27 *who is permitted to file his or her statements of economic interests*  
28 *with the Commission electronically pursuant to Section 87500.3*  
29 *is not required to file a statement of economic interests with any*  
30 *other person or agency, except as required by a filing officer other*  
31 *than the Commission.*

32 *(e) (1) After the Commission makes an initial determination*  
33 *pursuant to subdivision (a) regarding which categories of persons*  
34 *described in Section 87500 are permitted to file statements of*  
35 *economic interests electronically through the online system*  
36 *established by the Commission, the Commission may subsequently*  
37 *revise its determination at any time.*

38 *(2) In accordance with Section 87500.3, the Commission shall*  
39 *continue to conduct public hearings and receive input on the*  
40 *implementation of the online system, and that input shall inform*

1 *any decision by the Commission to revise, pursuant to paragraph*  
2 *(1), its determination of which categories of persons described in*  
3 *Section 87500 are permitted to file statements of economic interests*  
4 *electronically through the online system established by the*  
5 *Commission.*

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

10 SEC. 4. This act is an urgency statute necessary for the  
11 immediate preservation of the public peace, health, or safety within  
12 the meaning of Article IV of the Constitution and shall go into  
13 immediate effect. The facts constituting the necessity are:

14 In order to authorize the Fair Political Practices Commission to  
15 develop an online system for the filing of statements of economic  
16 interests at the earliest possible time in order to increase  
17 transparency in the finances of public officials and guard against  
18 conflicts of interests, it is necessary that this act take immediate  
19 effect.