

Assembly Bill No. 409

Passed the Assembly September 12, 2013

Chief Clerk of the Assembly

Passed the Senate September 11, 2013

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2013, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

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, 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 $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

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

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

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

SECTION 1. Section 87500.3 is added to the Government Code, to read:

87500.3. (a) The Commission may develop and operate an online system for filing statements of economic interests required by Article 2 (commencing with Section 87200) and Article 3 (commencing with Section 87300). Consistent with Section

87500.4, the online system shall enable a filer to comply with the requirements of this chapter relating to the filing of statements of economic interests and shall include, but not be limited to, both of the following:

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

(2) Security safeguards that include 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 each statement of economic interests are not jeopardized or compromised.

(b) (1) A system developed pursuant to subdivision (a) shall issue to a person who electronically files his or her statement of economic interests, or an amendment to a statement of economic interests, an 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 and the method by which the filer may view and print the data received.

(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.

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

(d) (1) Except as provided in paragraph (2), the Commission may make all the data filed on a system developed pursuant to subdivision (a) available on the Commission's Internet Web site in an easily understood format that provides the greatest public

access, and shall provide assistance to those seeking public access to the information.

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

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

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

(b) (1) If the Commission, pursuant to subdivision (a), specifies that persons described in Section 87500 may file statements of economic interests electronically through the online system established by the Commission, the Commission, upon authorization by the filing officer designated by Section 87500, shall assume the duties of the filing officer for each filer within each category of filers authorized to file electronically through the online system, irrespective of whether the filer elects to file his or her statement of economic interests electronically or on paper with the Commission. A filing officer who does not authorize the Commission to assume his or her duties as described in this paragraph shall continue to perform the duties prescribed in Section 81010. The filing officer duties assumed by the Commission with respect to each filer in each authorized category shall include, but not be limited to, all of the following:

- (A) Notifying the filer of his or her filing obligation.
- (B) Receiving the filer's statement of economic interests.
- (C) Ensuring compliance with filing requirements in the event the filer fails to file in a timely manner or is required to amend his or her statement of economic interests.
- (D) Distributing to filing officers copies of the completed statement of economic interests of a person who is required by this chapter to file more than one statement of economic interests for each period, and who, despite being authorized to file the

statement with the Commission electronically, elects to file the statement with the Commission using a paper form.

(2) If the Commission assumes the duties of a filing officer pursuant to this subdivision, the filing officer whose duties are assumed shall provide to the Commission, in a manner prescribed by the Commission, the name and contact information for each filer in the filing officer's jurisdiction.

(c) The Commission shall notify a filing officer who may be affected by a determination of the Commission pursuant to this section to authorize a category of filers to file electronically, no later than six months before the implementation of that determination, in order to allow adequate preparation for implementation.

(d) A person who is required by this chapter to file more than one statement of economic interests for each reporting period and who files his or her statements of economic interests with the Commission electronically after being authorized to do so pursuant to Section 87500.3 is not required to file a statement of economic interests with any other person or agency. If a filer authorized to file electronically with the Commission files with the Commission on paper, the Commission shall distribute copies of the statement to any other filing officers pursuant to subparagraph (D) of paragraph (1) of subdivision (b).

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

(2) In accordance with Section 87500.3, the Commission shall continue to conduct public hearings and receive input on the implementation of the online system, and that input shall inform any decision by the Commission to revise, pursuant to paragraph (1), its determination of which categories of persons described in Section 87500 are permitted to file statements of economic interests electronically through the online system established by the Commission.

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.

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

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

Approved _____, 2013

Governor