

West's
ANNOTATED
CALIFORNIA CODES



GOVERNMENT CODE

Sections 86100 to End

*Official
California Government Code
Classification*

THOMSON
™
WEST

MAT #40320663

TABLE OF CONTENTS

	Page
Preface.....	III
Related Products From West.....	V
Westlaw Electronic Research Guide.....	XIII
California Codes.....	XV
List of West's Annotated California Codes.....	XIX
Abbreviations of Reports, Codes, Etc.	XXV
Effective Dates of Laws.....	XXXI
Cite this Book.....	XXXVII

GOVERNMENT CODE

*A complete Analysis of the Government Code appears in Volume 32.
Analysis of Sections, see beginning of Divisions, Parts, Chapters or Articles*

TITLE 9. POLITICAL REFORM

Chapter	Section
6. Lobbyists	5
Article	
1. Registration And Reporting.....	6
2. Prohibitions	32
3. Exemptions	36
Chapter	
7. Conflicts of Interest	38
Article	
1. General Prohibition.....	38
2. Disclosure	64
3. Conflict of Interest Code	76
3.5. Multiagency Filers	94
4. Disqualification of Former Officers and Employees	95
4.5. Disqualification of State Officers and Employees	105
4.6. Loans to Public Officials	108
5. Filing.....	112

POLITICAL REFORM
Title 9

Chapter 7

CONFLICTS OF INTEREST

Article	Section
1. General Prohibition	87100
2. Disclosure	87200
3. Conflict of Interest Code	87300
3.5. Multiagency Filers	87350
4. Disqualification of Former Officers and Employees	87400
4.5. Disqualification of State Officers and Employees	87450
4.6. Loans to Public Officials	87460
5. Filing	87500

Chapter 7, proposed by Initiative Measure, was approved by the electors at the primary election held June 4, 1974, eff. Jan. 7, 1975.

Cross References

California State University, semiannual ethics courses, see Education Code § 89500.7.
"Income" defined, see Government Code § 82030.
Injunctive relief for conflicts of interest, see Government Code § 91003.
Insurance regulation, conflict-of-interest and financial disclosure requirements, Conservation and Liquidation Office officers and employees, see Insurance Code § 1035.2.
"Interest in real property" defined, see Government Code § 82033.
"Investment" defined, see Government Code § 82034.
University of California, semiannual ethics courses, see Education Code § 92611.7.
Violations, see Government Code § 91000.

Law Review and Journal Commentaries

Appearance of fairness doctrine: Closing a loophole in California's Political Reform Act. 17 Cal.W.L.Rev. 75 (1980).
California's Governmental Conflict of Interests Act: Public Interest vs. right to privacy. Burt Pines and Daniel U. Smith (June 1974) 49 Los Angeles B.Bull. 321.
Campaign spending and ballot propositions: Recent experience, public choice theory and the first amendment. Daniel H. Lowenstein 29 UCLA L. Rev. 505 (1982).
Corporate "termination bonus" for executives entering public service: Proper government recruiting aid or conflict of interest? 49 S.Cal. L.Rev. 827 (1976).
Financial disclosure by public officials and public employees—intrusion into right of privacy. 18 UCLA L.Rev. 534 (1971).
Government Conflict of Interests Act; comment. 5 Pac.L.J. 475 (1974).
Is California's mutual benefit corporation law the appropriate domicile for community associations? Curtis C. Sproul 18 U.S.F.L.Rev. 695 (1984).
Regulation of campaign contributions: Maintaining the integrity of the political process through an appearance of fairness. 56 S.Cal. L.Rev. 669 (1983).
Review of selected 1990 California legislation. 22 Pac.L.J. 542 (1991).

Article 1

GENERAL PROHIBITION

Section	
87100.	Public officials; state and local; financial interest.
87100.1.	Financial interests in governmental decisions; registered professional engineers or licensed land surveyors rendering professional services as consultants.
87101.	Participation in legal governmental action or decision.
87102.	Additional requirements; remedies.

CONFLICTS OF INTEREST
Ch. 7

Section	
87102.5.	Legislative and financial interest
87102.6.	Nongeneral interest
87102.8.	Elected state financial interest
87103.	Financial interest
87103.5.	Retail customer
87103.6.	Persons/retailers' marketing actions.
87104.	Public officials
87105.	Conflicts of duties; applicable
87106.	Rejected.

Article 1, proposed at the primary election

Interested persons, defined
Regulation of public utility
Code § 1701.1.

Administrative adjudication disputes: The work of administrative hearing boards in California. 17 U.C.Davis L.

Legislators as private legislative reform. 30 (1983).

Political Reform Act: Governmental process. Roger Jones

§ 87100. Public officials

No public official participate in making influence a government has a financial interest (Added by Initiative Measure)

Commercial salmon fishing Code § 8247.5.

Integrated Waste Management Public Resources Code

Liability for civil action Government Code

Los Angeles County Metropolitan Public Utilities Code

Pasadena Metro Blue Line § 132410.

Powers and duties of the § 132610.

Public official defined for State Air Resources Board Health and Safety

CONFLICTS OF INTEREST

§ 87100

Ch. 7

Section

- 87102.5. Legislative members; use of position to influence governmental decisions; financial interest; remedies.
- 87102.6. Nongeneral legislation; definitions.
- 87102.8. Elected state officers; use of position to influence governmental decisions; financial interest; remedies.
- 87103. Financial interest in decision by public official.
- 87103.5. Retail customer of business entity doing retail business.
- 87103.6. Persons retained or employed by state or local governmental agencies; payments made to defray costs to process applications, approvals, or other actions.
- 87104. Public officials of state agencies; acting as agent or attorney; limitations.
- 87105. Conflicts of interest for public officials with financial interests in decisions; duties; application of section.
- 87106. Rejected.

Article 1, proposed by Initiative Measure, was approved by the electors at the primary election held June 4, 1974, eff. Jan. 7, 1975.

Cross References

Interested persons, defined with reference to this article, see Public Resources Code § 30323.
Regulation of public utilities, hearings and judicial review, conflicts of interest, see Public Utilities Code § 1701.1.

Law Review and Journal Commentaries

Administrative adjudication of air pollution disputes: The work of air pollution control district hearing boards in California. Kenneth A. Manaster 17 U.C.Davis L.Rev. 1117 (1984).

Legislators as private attorneys: Need for legislative reform. 30 UCLA L.Rev. 1052 (1983).

Political Reform Act: Greater access to initiative process. Roger Jon Diamond, Peter R. di

Donato, Patrick J. Marley and Patricia V. Tubert. 7 Sw.U.L.Rev. 453 (1975).

Proposition 9. Joanne Garvey and Vigo Nielsen, Jr. (1976) 51 Cal.St. B.J. 198.

Ties that bind: Conflicts of interest in university-industry links. 17 U.C.Davis L.Rev. 895 (1984).

§ 87100. Public officials; state and local; financial interest

No public official at any level of state or local government shall make, participate in making or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest.

(Added by Initiative Measure approved by the electors June 4, 1974, eff. Jan. 7, 1975.)

Cross References

Commercial salmon fishing review board, limited exemption from this section, see Fish and Game Code § 8247.5.

Integrated Waste Management Board, conflicts of interest, restrictions on board members, see Public Resources Code § 40411.

Liability for civil action for employees realizing economic benefits in violation of this section, see Government Code § 91005.

Los Angeles County Metropolitan Transportation Authority, members as subject to this section, see Public Utilities Code § 130051.5.

Pasadena Metro Blue Line Construction Authority, code of conduct, see Public Utilities Code § 132410.

Powers and duties of the Exposition Metro Line Construction Authority, see Public Utilities Code § 132610.

Public official defined for purposes of this title, see Government Code § 82048.

State Air Resources Board, scientific review panel members, financial disclosure statements, see Health and Safety Code § 39670.

CONFLICTS OF INTEREST

§ 87103

Ch. 7

material financial effect, distinguishable from its effect on the public generally, on the official, a member of his or her immediate family, or on any of the following:

(a) Any business entity in which the public official has a direct or indirect investment worth two thousand dollars (\$2,000) or more.

(b) Any real property in which the public official has a direct or indirect interest worth two thousand dollars (\$2,000) or more.

(c) Any source of income, except gifts or loans by a commercial lending institution made in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided or promised to, received by, the public official within 12 months prior to the time when the decision is made.

(d) Any business entity in which the public official is a director, officer, partner, trustee, employee, or holds any position of management.

(e) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the public official within 12 months prior to the time when the decision is made. The amount of the value of gifts specified by this subdivision shall be adjusted biennially by the commission pursuant to subdivision (f) of Section 89503.

For purposes of this section, indirect investment or interest means any investment or interest owned by the spouse or dependent child of a public official, by an agent on behalf of a public official, or by a business entity or trust in which the official, the official's agents, spouse, and dependent children own directly, indirectly, or beneficially a 10-percent interest or greater.

(Added by Initiative Measure approved by the electors June 4, 1974, eff. Jan. 7, 1975. Amended by Stats.1979, c. 686, p. 2152, § 2; Stats.1980, c. 183, p. 405, § 2; Stats.1984, c. 931, § 4; Stats.1985, c. 611, § 1.5; Stats.1994, c. 386 (S.B.1602), § 1; Stats.1997, c. 455 (S.B.946), § 2, eff. Sept. 24, 1997; Stats.2000, c. 130 (A.B.974), § 7.)

Historical and Statutory Notes

The 1979 amendment amended subd. (c) by inserting "on terms available to the public without regard to official status," following "regular course of business", and by inserting "provided to," preceding "received by or promised to".

The 1980 amendment changed the last paragraph by substituting "or by a business entity or trust in which the official, the official's agents, spouse, and dependent children own directly, indirectly, or beneficially a 10-percent interest or greater for "by any business entity controlled by the public official or by a trust in which he has a substantial interest"; and deleted the second and third sentences of the last paragraph which had read: "A business entity is controlled by a public official if the public official, his agents, spouse and dependent children hold more than 50 percent of the ownership interest in the entity. A public official has a substantial

interest in a trust when the official, his spouse and dependent children have a present or future interest worth more than one thousand dollars (\$1,000)."

The 1984 amendment substituted the reference to investments of "\$1000 or more" for "more than \$1000" in subds. (a) and (b); provided for gifts in subd. (c); and inserted subd. (e).

The 1985 amendment inserted, in the introductory paragraph, "on the official or a member of his or her immediate family or" following "effect on the public generally,".

The 1994 amendment, at the beginning of the introductory paragraph, substituted "A public official" for "An official", and at the end of that paragraph substituted ", or on any of the following" for "or on"; in subd. (e), added the second