

## Memorandum 91-22

Subject: Conflict of Interest Code Review

In order to provide some guidance to and limits on the disclosure requirements applicable to Commission members appointed by the Governor, the Commission's Conflict of Interest Code was drafted to focus on the particular types of entities and interests that might be affected by Commission decisions made in the course of considering topics on the Commission's agenda. (See copy of Code attached as Exhibit 1.) Since topics are added to the Commission's agenda by legislative action, we have an understanding with the Fair Political Practices Commission that we will amend the relevant disclosure categories under the Conflict of Interest Code within 90 days after beginning consideration of a particular topic -- that is, if any changes in existing disclosure categories need to be made. While the original disclosure categories were drafted as a limitation on total disclosure that otherwise would have been required, the categories have proven to be sufficiently broad to cover the sort of interests that might reasonably be affected by Commission decisions.

The last review of our disclosure categories occurred in January 1989 when we were anticipating Commission work on administrative law and attorney's fees. Review is now called for in light of the commencement of Commission review of the Family Code topic. The authority for this topic is stated in Resolution Chapter 70 of the Statutes of 1989, a copy of which is attached as Exhibit 2.

Based on our review of the resolution and our understanding of the scope of the Family Code study, the staff concludes that no new disclosure categories need to be added to the Commission's Conflict of Interest Code. We note that interests in adoption agencies, the business of adoptions, and interests in law firms are already listed in the Code. (See items 12, 13, and 15 on the second page of the Code in Exhibit 1.)

Respectfully submitted,

Stan Ulrich  
Staff Counsel

**CONFLICT OF INTEREST CODE**  
**FOR THE**  
**CALIFORNIA LAW REVISION COMMISSION**

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 Cal. Adm. Code 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 in the Political Reform Act after public notice and hearings. Therefore, the terms of 2 Cal. Adm. Code Section 18730 and any amendments to it 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 California Law Revision Commission.

Pursuant to Section 4(A) of the standard Code, designated employees shall file statements of economic interests with their agencies. Upon receipt of the statements of Commissioners and the Executive Secretary, the agency shall make and retain a copy and forward the original of these statements to the Fair Political Practices Commission.

**APPENDIX**

**DESIGNATED EMPLOYEES**

<b>DESIGNATED EMPLOYEES</b>	<b>DISCLOSURE CATEGORIES</b>
Commission Member (appointed by Governor) .....	1, 2
Legislative Counsel .....	1, 2
Executive Secretary .....	1, 2, 3
Assistant Executive Secretary .....	1, 2, 3
Staff attorneys .....	1
Administrative Assistant .....	2, 3

## DISCLOSURE CATEGORIES

### CATEGORY 1

A designated employee in this category must disclose the following:

1. Interests in real property.
2. Investments in business entities listed below.
3. Personal income from entities or persons listed below.
4. Business entity income from entities or persons listed below.
5. Business positions in entities listed below.

The following entities, in the jurisdiction of California, constitute the financial interests which foreseeably may be materially affected by a Law Revision Commission decision:

1. Banks, savings and loan institutions, credit unions, and other financial institutions.
2. Mortgage brokers.
3. Collection agencies.
4. Any entities or persons whose primary activity in California is the making of secured or unsecured loans.
5. Any entities or persons whose primary activity in California is the leasing or development of real estate.
6. Any entities or persons whose primary activity in California is the leasing of personal property.
7. Insurance companies.
8. Public entities, so long as the income is not excluded by Government Code Section 82030(b)(2).
9. Title insurance companies.
10. Newspaper companies.
11. Corporate sureties.
12. Adoption agencies.
13. Persons engaging in private placing for adoption of more than one child per year.
14. Privately owned public utilities.
15. Law firms.

### CATEGORY 2

A designated employee in this category must disclose business entities in which he or she has an investment and sources of income if the business entities or sources of income are of the type which within the previous two years contracted with the Law Revision Commission to provide leased space or consulting services to or on behalf of the Law Revision Commission.

### CATEGORY 3

A designated employee in this category must disclose business entities in which he or she has an investment and sources of income if the business entities or sources of income are of the type which within the previous two years contracted with the Law Revision Commission to provide equipment, materials, supplies, or services (other than consulting services) to or on behalf of the Law Revision Commission.

**Assembly Concurrent Resolution No. 30****RESOLUTION CHAPTER 70**

Assembly Concurrent Resolution No. 30—Relative to family relations.

[Filed with Secretary of State July 7, 1989.]

**LEGISLATIVE COUNSEL'S DIGEST**

ACR 30, Speier. Law Revision Commission: Family Relations Code.

Under existing law, the California Law Revision Commission is required to study any topic assigned to it by the Legislature by concurrent resolution.

This measure would require the California Law Revision Commission to conduct a careful review of all statutes relating to the adjudication of child and family civil proceedings, with specified exceptions, and make recommendations to the Legislature regarding the establishment of a Family Relations Code, as specified.

**WHEREAS**, California statutory law is divided into numerous codes that deal with family relations matters, including the Civil Code, Welfare and Institutions Code, Probate Code, Health and Safety Code, Code of Civil Procedure, and Evidence Code; and

**WHEREAS**, California statutes relating to children and families have increased substantially over the past several years, but there has been no comprehensive review of state law as it relates to children and families; and

**WHEREAS**, Cases involving family relations matters are frequently adjudicated in multiple legal forums using numerous codes, and these codes are often inconsistent or contradictory in the application of evidentiary and procedural rules to the matter at hand involving a child victim; and

**WHEREAS**, California's laws regarding children and families are often contradictory and inappropriate, and as applied by a variety of court procedures and jurisdictions, state law causes unnecessary hardships to children and their families; and

**WHEREAS**, The California Child Victim Witness Judicial Advisory Committee has recommended that the Legislature conduct a careful review of all statutes relating to the civil adjudication of child and family relations matters and that legislation be enacted to establish a Family Relations Code, consolidating all civil child and family relations law; and

**WHEREAS**, A Family Relations Code would provide the legal framework for a Family Relations Division of the Superior Court, would allow for the legal integration of related actions involving one child or his or her family, and would streamline and improve judicial

practices and procedures as they pertain to child victim witnesses as well as other child and family civil proceedings; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That pursuant to Section 8293 of the Government Code, the California Law Revision Commission shall conduct a review of all statutes relating to the adjudication of child and family civil proceedings, excluding proceedings initiated under Section 602 of the Welfare and Institutions Code, and make recommendations to the Legislature regarding the establishment of a Family Relations Code; and be it further

*Resolved.* That this review should highlight evidentiary and procedural provisions, including, in particular, as they relate to child victims; should include recommendations to amend statutes to ensure that appropriate information is exchanged among courts and investigative and other agencies serving the courts; and should include recommendations to consolidate those code sections which are appropriate to consolidate, to reduce or eliminate redundancies where appropriate, to make various code sections and procedures consistent with each other where appropriate, to improve cross-references and the integration of related actions where appropriate, and to conform code sections where lack of conformity creates inappropriate inconsistencies; and be it further

*Resolved,* That the California Law Revision Commission shall commence this project giving it the same priority as the Administrative Law project and shall thereafter deliver its report to the Legislature; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the California Law Revision Commission.

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