

1 Amend 2 Cal. Code Regs. Section 18703 to read:

2 **§ 18703. Economic Interests, Defined Public Generally.**

3 ~~For purposes of Title 2, Division 6, Chapter 7 of the California Code of Regulations, the~~
4 ~~term "economic interest" includes the interests defined in Title 2, California Code of~~
5 ~~Regulations, sections 18703.1 through 18703.5, inclusive.~~

6 ~~Note: Authority cited: Section 83112, Government Code. Reference: Sections 87100, 87102.5,~~
7 ~~87102.6, 87102.8 and 87103, Government Code.~~

8 (a) General Rule. A governmental decision's financial effect on a public official's
9 financial interest is indistinguishable from its effect on the public generally if the official
10 establishes that a significant segment of the public is affected and the effect on his or her
11 financial interest is not unique compared to the effect on the significant segment.

12 (b) A significant segment of the public is at least 25 percent of:

13 (1) All businesses or non-profit entities within the official's jurisdiction.

14 (2) All real property, commercial real property, or residential real property within the
15 official's jurisdiction.

16 (3) All individuals within the official's jurisdiction.

17 (c) A unique effect on a public official's financial interest includes a disproportionate
18 effect on:

19 (1) The development potential or use of the official's real property or on the income
20 producing potential of the official's real property or business entity.

21 (2) An official's business entity or real property resulting from the proximity of a project
22 that is the subject of a decision.

1 (3) An official's interests in business entities or real properties resulting from the
2 cumulative effect of the official's multiple interests in similar entities or properties that
3 is substantially greater than the effect on a single interest.

4 (4) An official's interest in a business entity or real property resulting from the official's
5 substantially greater business volume or larger real property size when a decision affects all
6 interests by the same or similar rate or percentage.

7 (5) A person's income, investments, assets or liabilities, or real property if the person is a
8 source of income or gifts to the official.

9 (6) An official's personal finances or those of his or her immediate family.

10 (d) "Jurisdiction" means the jurisdiction of the state or local government agency as
11 defined in Section 82035, or the designated geographical area the official was elected to
12 represent, or the area to which the official's authority and duties are limited if not elected.

13 (e) Specific Rules for Special Circumstances. The financial effect on a public official's
14 financial interest is deemed indistinguishable from that of the public generally if the official
15 establishes:

16 (1) Public Services and Utilities. The decision establishes or adjusts assessments, taxes,
17 fees, or rates for water, utility, or other similar public services that are applied equally,
18 proportionally, or by the same percentage to the official's interest and all other businesses,
19 properties, or individuals subject to the assessment, tax, fee, or rate.

20 (2) General Use or Licensing Fees. The decision affects the official's personal finances as
21 a result of an increase or decrease to a general fee or charge, such as parking rates, permits,
22 license fees, application fees, or any general fee that applies to the entire jurisdiction.

1 (3) Limited Neighborhood Effects. The decision affects residential real property limited
2 to a specific location, and the decision establishes, amends, or eliminates ordinances that restrict
3 on-street parking, impose traffic controls, deter vagrancy, reduce nuisance or improve public
4 safety, provided the body making the decision gathers sufficient evidence to support the need for
5 the action at the specific location.

6 (4) Rental Properties. The decision affects all renters of residential property within the
7 official's jurisdiction and only interests resulting from the official's leasehold interest in his or
8 her residence are affected.

9 (5) Required Representative Interest. The decision is made by a board or commission and
10 the law that establishes the board or commission requires certain appointees have a
11 representative interest in a particular industry, trade, or profession or other identified interest, and
12 the public official is an appointed member representing that particular industry, trade, or
13 profession. This provision applies only if the effect is on the industry, trade, or profession
14 represented and there is no unique effect on the official's interest.

15 (6) State of Emergency. The decision is made pursuant to an official proclamation of a
16 state of emergency when required to mitigate against the effects directly arising out of the
17 emergency and there is no unique effect on the official's interest.

18 (7) Governmental Entities. The decision affects a federal, state, or local governmental
19 entity in which the official has an interest and there is no unique effect on the official's interest.

20 Note: Authority cited: Section 83112, Government Code. Reference: Sections 87100, 87102.5,
21 87102.6, 87102.8 and 87103, Government Code.