



**Fair
Political
Practices
Commission**

**FORM 700
1997-98**

**Statement of
Economic Interests**

P.O. Box 807 • Sacramento, CA 95812 • (916) 322-5660
<http://www.fppc.ca.gov/fppc/>

New Changes for 1998:

- **New Loan Prohibitions:** Effective January 1, 1998, state and local public officials may not receive any personal loan aggregating more than \$250 from an official, employee, or consultant of, or from anyone who contracts with, their governmental agencies. In addition, elected officials may not receive any personal loan aggregating more than \$500 from a single lender unless certain terms of the loan are specified in writing. Under certain circumstances, a personal loan that is not being repaid or is being repaid below certain amounts may become a gift to the official who received it. (Chapter 638, Stats. 1997.) See the Appendix for more detailed information.
- **Assuming Office Statements:** Assuming office statements for appointed officials specified in Gov. Code Section 87200 (listed on page 2) who are not subject to Senate or judicial confirmation, are now due 30 days after assuming office. Positions subject to Senate or judicial confirmation are still due 10 days after appointment or nomination. (Chapter 36, Stats. 1997.) See page 3 of the Instructions.
- **Reelection/Reappointment to Office:** Officials who complete a term of office specified in Gov. Code Section 87200 and, within 30 days, begin another term of the same office or another office of the same jurisdiction (e.g., they are reelected or reappointed) are not required to file leaving and assuming office statements, but may continue filing annual statements. (Chapter 145, Stats. 1997.) Previously, this exception applied only when there was no break in service. See pages 3 and 4 of the Instructions.
- **Disclosing Business Positions:** Officials and candidates specified in Gov. Code Section 87200 must disclose business positions held during the reporting period. (Chapter 455, Stats. 1997.) Previously, only individuals filing under an agency's conflict of interest code were required to disclose business positions. See Schedules A-2 and C.
- **Loans Secured by Principal Residence:** Any loan from a commercial lending institution — given in the normal course of business on terms available to the public generally — that is secured by a filer's principal residence is no longer reportable. (Chapter 455, Stats. 1997.) Previously, only loans used to purchase, refinance the purchase of, or make improvements to the principal residence were exempt from disclosure. See Schedules B and D.
- **Loans to Family Members:** Payments received by an official on loans made to certain members of the official's family are no longer reportable. (Chapter 455, Stats. 1997.) See Schedule C.
- **Disclosing Income:** A box has been added to Schedule A-2 (Investments, Income and Assets of Business Entities/Trusts) and to Schedule B (Interests in Real Property) to indicate that gross income received during the reporting period was less than \$250. Except for gifts, income of less than \$250 is generally not required to be disclosed. However, in certain circumstances, a filer must disclose an ownership interest in a business entity (Schedule A-2) or an ownership interest in rental property (Schedule B) for which the filer received less than \$250 during the reporting period. Filers have requested that we provide a method for disclosing that no income, or less than \$250, was received. There is no requirement to check the "\$0 - \$249" box on Schedules A-2 and B.

INTRODUCTION

The Political Reform Act (the Act) (Government Code Sections 81000-91015) requires most state and local government officials and employees to publicly disclose their personal assets and income. They must also disqualify themselves from participating in decisions which may affect their personal financial interests. The Fair Political Practices Commission (FPPC) is the state agency responsible for issuing the attached Statement of Economic Interests, Form 700, and for interpreting the law's provisions.

Statements of economic interests are public documents. The filing officer must permit any member of the public to inspect and copy any statement during normal business hours.

Individuals required to file Form 700 should also be aware of the following:

Gift Prohibition

Most state and local officials, employees, and candidates are prohibited from accepting gifts aggregating more than \$290 in a calendar year from a single source.

In addition, state officials, state candidates, and certain state employees are subject to a \$10 limit per calendar month on gifts from lobbyists and lobbying firms registered with the Secretary of State.

See the Appendix for more detailed information.

Honorarium Ban

Most state and local officials, employees, and candidates are prohibited from accepting any honorarium for any speech given, article published, or attendance at a conference, convention, meeting or like gathering.

See the Appendix for more detailed information.

Loan Prohibitions

State and local public officials may not receive any personal loan aggregating more than \$250 from an official, employee, or consultant of, or from anyone who contracts with, their governmental agencies. In addition, elected officials may not receive any personal loan aggregating more than \$500 from a single lender unless certain terms of the loan are specified in writing. Under certain circumstances, a personal loan that is not being repaid or is being repaid

below certain amounts may become a gift to the official who received it.

See the Appendix for more detailed information.

Disqualification

Public officials are, under certain circumstances, required to disqualify themselves from making, participating in, or attempting to influence governmental decisions which will affect their financial interests. This may include interests they are not required to disclose (e.g., certain sources of income of \$250 or more are not reportable, but may be disqualifying).

Post-Governmental Employment

Members of the State Legislature and certain state agency officials and employees who leave office are subject to restrictions on representing clients or employers before their former agencies.

Enforcement

The filing officer who retains originally signed statements of economic interests may impose a fine for any statement that is filed late. The fine is \$10 per day up to a maximum of \$100. Late filing penalties can be reduced or waived under certain circumstances.

The FPPC (and in certain cases the Attorney General or district attorney) may initiate investigations with respect to a suspected violation of the Act. For more information on enforcement procedures, refer to the Appendix. The FPPC has a toll-free number to report violations: 1-800-561-1861.

For assistance concerning prohibitions, restrictions, and enforcement under the Act:

- Call the FPPC at (916) 322-5660.
- Obtain the following FPPC publications:
 - Guide to California's Conflict of Interest Law
 - Fact Sheet on Gifts, Honoraria and Travel
 - Fact Sheet on Post-Governmental Employment

TWO TYPES OF FILERS

1. Officials and Candidates Specified in Government Code Section 87200

The Act requires the following individuals to fully disclose the personal assets and income described in the attached Form 700:

State Offices

- Governor
- Lieutenant Governor
- Attorney General
- Controller
- Insurance Commissioner
- Secretary of State
- Treasurer
- Members of the State Legislature
- Superintendent of Public Instruction
- State Board of Equalization Members
- Public Utilities Commissioners
- State Energy Resources Conservation and Development Commissioners
- State Coastal Commissioners
- Fair Political Practices Commissioners
- State Public Officials (including employees and consultants) Who Manage Public Investments

Officials and employees of all other state boards, commissions, agencies and departments file Form 700 as described in part 2 on this page.

Judicial Offices

- Supreme, Appellate, Superior, and Municipal Court Judges
- Court Commissioners
- Retired Judges, Pro-Tem Judges, and part-time Court Commissioners who serve or expect to serve 30 days or more in a calendar year

County and City Offices

- Members of Boards of Supervisors
- Mayors and Members of City Councils
- Chief Administrative Officers
- District Attorneys
- County Counsels
- City Attorneys
- City Managers
- Planning Commissioners
- County and City Treasurers

- County and City Public Officials (including employees and consultants) Who Manage Public Investments

2. State and Local Officials and Employees Designated in a Conflict of Interest Code

The Act requires every state and local government agency to adopt a conflict of interest code. The code lists each position within the agency filled by individuals who make or participate in making governmental decisions which could affect their personal financial interests. The code also requires individuals holding those positions to periodically file Form 700 disclosing certain personal financial interests.

These individuals are called "designated employees" or "code filers." In addition, certain consultants to public agencies qualify as code filers because they make or participate in making governmental decisions.

Each conflict of interest code is unique and contains "disclosure categories" setting out the specific types of interests employees in each designated position must disclose.

It is important when completing this form to review your disclosure category, which can be obtained from your agency. In general, officials and employees with broad decisionmaking authority must disclose more interests than employees in positions with limited discretion. For example, you may be required to disclose only investments in or income from businesses of the type that contract with your agency, or you may not be required to disclose real property interests.

Note:

- An official who holds a position specified in Gov. Code Section 87200 is not required to file statements under the conflict of interest code of any agency which has the same or a smaller jurisdiction (e.g., a state legislator who also sits on a state or local board or commission not specified in Section 87200).

WHERE TO FILE

WHEN TO FILE

1. Officials Specified in Government Code Section 87200 (listed in column 1 on page 2):

In most cases, the filing officials listed below will retain a copy of your statement and forward the original to the FPPC.

<u>87200 Filers</u>	<u>Where to File</u>
State offices	Your agency
Judicial offices	The clerk of your court
County offices	Your county clerk
City offices	Your city clerk

Exceptions:

- File Candidate Statements with the registrar of voters or other city/county official with whom you file your declaration of candidacy.
- Retired judges file directly with the FPPC.

2. Code Filers — State and Local Officials and Employees Designated in a Conflict of Interest Code:

File with your agency, board, or commission unless otherwise specified in your agency's conflict of interest code. In most cases, the agency, board or commission will retain the statements.

State Senate and Assembly staff members file statements directly with the FPPC.

Assuming Office and Initial Statements:

<u>Filer</u>	<u>Deadline</u>
Elected officials	30 days after assuming office
Appointed positions specified in Gov. Code Section 87200 (listed in column 1 on page 2)	30 days after assuming office <u>or</u> 10 days after appointment or nomination if subject to Senate or judicial confirmation
Other appointed positions (including newly hired employees) designated in a conflict of interest code	30 days after assuming office (30 days after appointment or nomination if subject to Senate confirmation)
Positions newly-added to a new or amended conflict of interest code	30 days after the effective date of the code or amendment

Exceptions:

- Elected state officers who assume office in December or January are not required to file an assuming office statement, but will file the next annual statement due.
- If you complete a term of office and, within 30 days, begin a new term of the same office (e.g., you are reelected or reappointed), you are not required to file an assuming office statement. Instead, you may file the next annual statement due.
- If you leave an office specified in Gov. Code Section 87200 (listed in column 1 on page 2) and, within 30 days, you assume another office or position specified in Section 87200 which has the same jurisdiction (e.g., a city planning commissioner is elected mayor), you are not required to file an assuming office statement. Instead, you may file the next annual statement due.
- If you transfer from one designated position to another designated position within the same agency, contact your filing officer or the FPPC to determine your filing obligations.

WHEN TO FILE Continued

Annual Statements:

1. Elected state officers (including members of the State Legislature),

Judges and court commissioners, and

Members of state boards and commissions specified in Gov. Code Section 87200 (listed in column 1 on page 2)

File no later than **Monday, March 2, 1998**. The statutory deadline, March 1, 1998, falls on a Sunday, which extends the deadline to the next business day.

2. County and city officials specified in Gov. Code Section 87200

File no later than **Wednesday, April 1, 1998**.

3. State and local officials and employees designated in a conflict of interest code

File on the date prescribed in the code (April 1 for most filers).

Exception:

- If you assumed office between October 1, 1997 and December 31, 1997, and filed an assuming office statement, you are not required to file an annual statement until March 1, 1999 or April 1, 1999, whichever is applicable. The annual statement will cover the day after you assumed office through December 31, 1998.

Leaving Office Statements:

Leaving office statements must be filed no later than **30 days** after leaving the office or position.

Exceptions:

- If you complete a term of office and, within 30 days, begin a new term of the same office (e.g., you are reelected or reappointed), you are not required to file a leaving office statement. Instead, you may file the next annual statement due.

- If you leave an office specified in Gov. Code Section 87200 (see page 2) and, within 30 days, you assume another office or position specified in Section 87200 which has the same jurisdiction (e.g., a city planning commissioner is elected mayor), you are not required to file a leaving office statement. Instead, you may file the next annual statement due.
- If you transfer from one designated position to another designated position within the same agency, contact your filing officer or the FPPC to determine your filing obligations.

Candidate Statements:

Candidate statements must be filed no later than the final filing date for your declaration of candidacy.

Exceptions:

- If you have filed an assuming office or annual statement for the same jurisdiction within 60 days before filing a declaration of candidacy, you are not required to file a candidate statement.
- For elective offices designated in an agency's conflict of interest code, you must file a candidate statement only if the code specifically requires one to be filed.

Amendments:

Amendments can be filed at any time and should be filed as soon as possible if errors are discovered. To obtain amendment schedules, contact the FPPC or your filing official.

INSTRUCTIONS – COVER PAGE

Enter your name, mailing address, and daytime telephone number. You may list your business/office address instead of your home address.

Part 1. Office, Agency, or Court

- Enter the name of your office, agency, or court. (Examples: State Assembly; Board of Supervisors; Office of the Mayor; Department of Finance; Hope County Superior Court.)
- Indicate the name of your division, board, or district, if applicable. (Examples: Division of Waste Management; Board of Accountancy; District 45.)
- Enter your position title. (Examples: Director; Chief Counsel; Staff Services Analyst.)
- If you have multiple filing obligations (e.g., a city councilperson who also is a member of a county board or commission), you may be required to file statements with each agency.

To simplify your reporting obligations, you may file an expanded statement.

To do this, enter the name of the other agency(ies) with which you file and your position title in the space provided. Attach an additional sheet if necessary. Complete one statement covering the disclosure requirements for all positions and file a copy with each agency. Each copy must contain an original signature.

Part 2. Office Jurisdiction

The jurisdiction of your agency is important in determining what you must disclose. You are required to disclose investments and sources of income located in or doing business in your agency's jurisdiction, and interests in real property located in your agency's jurisdiction. (See the Appendix for a detailed explanation of "jurisdiction.")

Check the box indicating the jurisdiction of your agency and, if applicable, identify the jurisdiction.

State Offices and All Courts: Your jurisdiction is the state if you are an elected state officer, a state legislator, a judge, or a candidate for one of these offices. If you are an official or employee of, or a consultant to, a state board, commission, or agency, or of any court or the State Legislature, your jurisdiction is also the state.

County Offices: Your jurisdiction is the county if you are an elected county officer, a candidate for county office, or if you are an official or employee of, or a consultant to, a county agency or any agency with jurisdiction solely within a single county.

City Offices: Your jurisdiction is the city if you are an elected city officer, a candidate for city office, or you are an official or employee of, or a consultant to, a city agency or any agency with jurisdiction solely within a single city.

Multi-County Offices: If you are an elected officer, candidate, official or employee of, or a consultant to, a multi-county agency, your jurisdiction is the region, district, or other geographical area in which the agency has jurisdiction. List each county in which your agency has jurisdiction. (Example: A water district has jurisdiction in a portion of two counties. Members of the board are only required to report interests located or doing business in that portion of each county in which the agency has jurisdiction.)

Other (e.g., school districts and special districts): If you are an elected officer, candidate, official, or employee of, or a consultant to, an agency not covered above, check the "Other" box and enter the county or city in which the agency has jurisdiction. Your jurisdiction is the region, district, or other geographical area in which the agency has jurisdiction. See the multi-county example above.

INSTRUCTIONS – COVER PAGE Continued

Part 3. Type of Statement

The type of statement you are filing determines the period covered by the statement. Check at least one box indicating the type of statement you are filing.

If you are filing under a state or local agency's conflict of interest code, be sure to obtain a copy of your disclosure category from your agency to determine what you must disclose.

Assuming Office Statement: If you are a newly-elected or newly-appointed official or are newly employed in a position designated in a state or local agency's conflict of interest code, check the "Assuming Office/Initial" box and enter the date you assumed office (the date you were sworn in, employed, or otherwise authorized to serve in the position). Also check the circle indicating if you are elected or appointed.

- Report investments, interests in real property, and business positions held on the date you assumed the office or position. In addition, report income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the office or position.

For positions subject to confirmation by the State Senate or the Commission on Judicial Performance, use the date you were appointed or nominated to the position.

Initial Statement: If your office or position has been added to a newly-adopted or newly-amended conflict of interest code, check the "Assuming Office/Initial" box and enter the effective date of the code or amendment, whichever is applicable.

- Report investments, interests in real property, and business positions held on the effective date of the code or amendment. In addition, report income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment.

Annual Statement: Check the "Annual" box and check the circle indicating the period covered. If the period covered by the statement is different than January 1, 1997 through December 31, 1997 (e.g., you assumed office between October 1, 1996 and December 31, 1997, or you are combining statements), enter the period covered.

- Report investments, interests in real property, and business positions held and income (including loans, gifts, and travel payments) received during the period covered by the statement.

Leaving Office Statement: If you have left the position, check the "Leaving Office" box and enter the date you left office. Also check the circle to indicate the period covered. If the period covered is different than January 1, 1997 through the date you left office (e.g., you assumed office between October 1, 1996 and December 31, 1997, or you are combining statements), enter the period covered.

- Report investments, interests in real property, and business positions held and income (including loans, gifts, and travel payments) received during the period covered by the statement.

Candidate Statement: If you are filing a statement in connection with your candidacy for state or local office, check the "Candidate" box.

- Report investments, interests in real property, and business positions held on the date of filing your declaration of candidacy. In addition, disclose income (including loans, gifts, and travel payments) received during the 12 months prior to the date of filing your declaration of candidacy.

Combining Statements: Certain types of statements may be combined. For example, if you leave office after January 1 but before the deadline for filing your annual statement, you may be able to combine your annual and leaving office statements. Consult your filing officer or the FPPC.

INSTRUCTIONS – COVER PAGE

Continued

Part 4. Schedule Summary

Check the "Yes" box for each schedule on which you had any interests to disclose. Please discard any schedule on which you have nothing to report.

Check the box "No reportable interests" if you have nothing to report on any of the schedules.

Enter the total number of pages included in your statement (including the cover page).

Part 5. Verification

Complete the verification by signing the statement and entering the date signed. **An unsigned statement is not considered filed and you may be subject to late filing penalties.**

REMINDERS:

- When completing Form 700, keep the following key points in mind:
 - The period covered by the statement (as determined by the type of statement you are filing);
 - Your agency's jurisdiction (see page 5 and the Appendix for assistance); and
 - If you are filing under a state or local agency's conflict of interest code, review your "disclosure category" (the portion of your agency's conflict of interest code that describes the specific types of interests you must report).
- Copies of your personal investment account or financial statements may not be substituted for completed Form 700 schedules.
- Statements containing 30 pages or less may be faxed by the deadline. However, the original statement must be sent by first-class mail or guaranteed overnight delivery service no later than 24 hours after the deadline.
- The Form 700 and Instructions are available on the Internet. The address is <http://www.fppc.ca.gov/fppc/>
- Amendments may be filed at any time. Amendment schedules may be obtained from the FPPC or your filing official.

WHAT SCHEDULE DO I USE TO REPORT...?

Business positions	Schedule A-2 or Schedule C
Commission income	Schedule A-2 or Schedule C (see Appendix)
Gifts received by family members	May not be required, see Schedule E
Gifts received from family members	Not required, see Schedule E
Income to my business	Schedule A-2
Individual Retirement Account	Schedule A-1 or Schedule A-2 (see Appendix)
Investments	Schedule A-1 or Schedule A-2
Loans made to others	Not required, but report repayments on Schedule C
Loans received	Schedule B for real property, or Schedule D
Loans to my business	Schedule A-2
Owning a business	
If I own less than 10% of a business	Schedule A-1
If I own 10% or more of a business	Schedule A-2
Partnerships	
If I own less than 10% of a partnership	Schedule A-1
If I own 10% or more of a partnership	Schedule A-2
Real estate holdings	Schedule B (Schedule A-2 if held by a business entity/trust)
Rental income	Schedule B or Schedule C
Rental property	Schedule B (Schedule A-2 if held by a business entity/trust)
Sale of my home/automobile/boat	Schedule C
Sole proprietorship	Schedule A-2
Speaking fees ("Honoraria")	May be prohibited (see Appendix)
Spouse's income	Schedule A-2 or Schedule C
Stock holdings	
If I own less than 10% of a company's stock	Schedule A-1
If I own 10% or more of a company's stock	Schedule A-2
Tickets and passes	Schedule E
Travel reimbursements or payments	Schedule F
Trusts	Schedule A-2 (see Appendix)

STATEMENT OF ECONOMIC INTERESTS A Public Document

Date Received

Please type or print in ink

NAME

DAYTIME TELEPHONE NUMBER

MAILING ADDRESS

STREET

CITY

ZIP CODE

()

COVER PAGE

1. Office, Agency, or Court

Division, Board, District, if applicable:

Position:

If filing an expanded statement list agency/position: (Attach a separate sheet if necessary)

2. Office Jurisdiction (Check one)

- State County of
City of
Multi-County
Other

3. Type of Statement (Check at least one box)

- Assuming Office/Initial Date:
Elected Official
Appointed Official
Annual
The period covered is January 1, 1997 through December 31, 1997.
The period covered is through December 31, 1997.
Leaving Office Date Left:
The period covered is January 1, 1997 through the date of leaving office.
The period covered is through the date of leaving office.
Candidate

4. Schedule Summary

During the reporting period, did you have any reportable interests to disclose on:

Schedule A-1 Yes - schedule attached Investments (Less than 10% Ownership)

Schedule A-2 Yes - schedule attached Investments (Greater than 10% Ownership)

Schedule B Yes - schedule attached Real Property

Schedule C Yes - schedule attached Income & Business Positions (Income Other than Loans, Gifts, and Travel)

Schedule D Yes - schedule attached Income - Loans

Schedule E Yes - schedule attached Income - Gifts

Schedule F Yes - schedule attached Income - Travel Payments

No reportable interests

Total number of pages (including this cover page):

5. Verification

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in the attached schedules is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on (month, day) 19 (year)

SIGNATURE

INSTRUCTIONS — SCHEDULES A-1 AND A-2 INVESTMENTS

"Investment" means any financial interest in any business entity located in or doing business in your agency's jurisdiction (see Appendix) in which you, your spouse, or your dependent children had a direct, indirect, or beneficial interest aggregating \$1,000 or more at any time during the reporting period.

Reportable investments include:

- Stocks, bonds, warrants, and options, including those held in margin or brokerage accounts.
- Business trusts.
- Sole proprietorships.
- Partnerships (e.g., law firm, family farm, etc.).
- Retirement accounts which hold investments in reportable business entities or real property (see Appendix).
- Investments held by a business entity or trust (including a living trust) in which you, your spouse, or dependent children had a 10% or greater ownership interest.

You are not required to disclose the following:

- Bank accounts, savings accounts, and money market accounts.
- Insurance policies.
- Shares in a credit union.
- Government bonds.
- Diversified mutual funds registered with the Securities and Exchange Commission (SEC).
- Retirement accounts invested in non-reportable interests such as insurance policies, diversified mutual funds, or government bonds (see Appendix).
- Interests held in a blind trust (see Appendix).

REMINDERS

- ✓ Do you know your agency's jurisdiction?
- ✓ Did you hold investments at any time during the period covered by this statement?
- ✓ Code filers - Your code may require disclosure of specific investments only.

Use Schedule A-1 to report investments if your ownership interest in the entity was less than 10% (e.g., utility stock). You may also be required to complete Schedule C.

Use Schedule A-2 to report investments in which your ownership interest in the entity was 10% or greater (e.g., sole proprietorship). (See instructions on the back of Schedule A-2.)

TO COMPLETE SCHEDULE A-1:

- Disclose the name of the business entity.
- Provide a general description of the business activity of the entity (e.g., pharmaceuticals, computers, automobile manufacturing, communications, etc.).
- Check the box indicating the fair market value of your investment (i.e., how much your investment was worth on the open market at its highest value during the period).
- Identify the nature of your investment (e.g., stocks, warrants, options, bonds).
- If you acquired or disposed of your investment interest during the reporting period, enter the date acquired or disposed.

Examples:

John Smith is a manager for a state agency. His conflict of interest code requires full disclosure of investments. John must disclose his stock holdings of \$1,000 or more in any company that does business in California as well as those held by his spouse and dependent children.

Susan Jones is a city council member. She has a 4% interest in a limited partnership located in the city which is worth \$5,000. Susan must disclose the partnership on Schedule A-1 and income of \$250 or more received from the partnership on Schedule C.

Alice Howard supervises the purchasing department of a governmental agency. She owns stock in a utility company which only does business in New York. Alice is a code filer and her disclosure category requires reporting of investments of the type that supply services or supplies to the agency. She is **not** required to report the utility company stock because the company does not do business in her jurisdiction.

Investments

Stocks, Bonds, and Other Interests

(Ownership Interest is Less Than 10%)

Name

NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF BUSINESS ACTIVITY

FAIR MARKET VALUE

\$1,000 - \$10,000

\$10,001 - \$100,000

Over \$100,000

NATURE OF INVESTMENT

Stock

Other

IF APPLICABLE, LIST DATE:

____/____/97 ACQUIRED ____/____/97 DISPOSED

NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF BUSINESS ACTIVITY

FAIR MARKET VALUE

\$1,000 - \$10,000

\$10,001 - \$100,000

Over \$100,000

NATURE OF INVESTMENT

Stock

Other

IF APPLICABLE, LIST DATE:

____/____/97 ACQUIRED ____/____/97 DISPOSED

NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF BUSINESS ACTIVITY

FAIR MARKET VALUE

\$1,000 - \$10,000

\$10,001 - \$100,000

Over \$100,000

NATURE OF INVESTMENT

Stock

Other

IF APPLICABLE, LIST DATE:

____/____/97 ACQUIRED ____/____/97 DISPOSED

NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF BUSINESS ACTIVITY

FAIR MARKET VALUE

\$1,000 - \$10,000

\$10,001 - \$100,000

Over \$100,000

NATURE OF INVESTMENT

Stock

Other

IF APPLICABLE, LIST DATE:

____/____/97 ACQUIRED ____/____/97 DISPOSED

NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF BUSINESS ACTIVITY

FAIR MARKET VALUE

\$1,000 - \$10,000

\$10,001 - \$100,000

Over \$100,000

NATURE OF INVESTMENT

Stock

Other

IF APPLICABLE, LIST DATE:

____/____/97 ACQUIRED ____/____/97 DISPOSED

NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF BUSINESS ACTIVITY

FAIR MARKET VALUE

\$1,000 - \$10,000

\$10,001 - \$100,000

Over \$100,000

NATURE OF INVESTMENT

Stock

Other

IF APPLICABLE, LIST DATE:

____/____/97 ACQUIRED ____/____/97 DISPOSED

Comments:

INSTRUCTIONS – SCHEDULE A-2 INVESTMENTS

Use Schedule A-2 to report investments in a business entity, trust (including a living trust), or retirement account in which you, your spouse, or your dependent children had a 10% or greater interest and which is located in or doing business in your agency's jurisdiction (see Appendix). Also report on Schedule A-2 investments and real property held by that entity, trust, or retirement account if your pro rata share of the interest was \$1,000 or more.

For example, if you had a 20% partnership interest in a business entity and the entity owns real property, you would report that real property if your pro rata share of the value of the property was \$1,000 or more.

If you have more than one reportable business entity, trust, or retirement account, you must complete a separate Schedule A-2 for each entity and its holdings.

TO COMPLETE SCHEDULE A-2:

Part 1. Disclose the name and address of the business entity, trust, or retirement account. If you are reporting an interest in a business entity, complete the box as follows:

- Provide a general description of the business activity of the entity.
- Check the box indicating the fair market value of your investment.
- If you acquired or disposed of this interest during the reporting period, enter the date acquired or disposed.
- Identify the nature of your investment.
- Disclose the job title or business position you held with the entity, if any (i.e., if you were a director, officer, partner, trustee, employee, or held any position of management).

Part 2. Check the box indicating your gross income from the business entity or trust identified in part 1. Include the following:

- Gross income received from the business entity or trust in the form of salary, wages, reimbursement of expenses, or other compensation (including your community property interest in your spouse's income); and
- Your pro rata share of the gross income received by the business entity or trust (including your community property interest in your spouse's income).

You are not required to report on Schedule C income or business positions reported on Schedule A-2.

Part 3. Disclose the name of each source of income located in or doing business in your agency's jurisdiction, as follows:

- Disclose each source of income and loans to the **business entity or trust** identified in part 1 if your pro rata share of the gross income (including your community property interest in your spouse's income) to the business entity or trust from that source was \$10,000 or more during the reporting period.
- Disclose each individual or entity that was a source of commission income of \$10,000 or more during the reporting period through the business entity identified in part 1 (see Appendix).

You may be required to disqualify yourself from decisions affecting sources of \$250 or more in income, even though you are not required to report it.

Part 4. Report any investments or interests in real property held by the entity, trust, or retirement account identified in part 1 if your pro rata share of the interest held is \$1,000 or more.

- Check the applicable box indicating if the interest held is real property or an investment.
- If an investment, provide the name and description of the business entity.
- If real property, report the address or other precise location (e.g., assessor's parcel number) of the real property.
- Check the box indicating the fair market value of your interest in the real property or investment.
- Identify the nature of your interest.
- If you acquired or disposed of your interest in the property or investment during the reporting period, enter the date acquired or disposed.

Investments, Income, and Assets of Business Entities/Trusts

(Ownership Interest is 10% or Greater)

Name

1. BUSINESS ENTITY OR TRUST

Name

Address

Check one Trust, go to 2 Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF BUSINESS ACTIVITY

FAIR MARKET VALUE IF APPLICABLE, LIST DATE: \$1,000 - \$10,000 \$10,001 - \$100,000 Over \$100,000

NATURE OF INVESTMENT Sole Proprietorship Partnership Other

BUSINESS POSITION

2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

\$0 - \$249 \$250 - \$1,000 \$1,001 - \$10,000 OVER \$10,000

3. LIST EACH REPORTABLE SOURCE OF INCOME/LOANS OF \$10,000 OR MORE (attach a separate sheet if necessary)

4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD BY THE BUSINESS ENTITY OR TRUST

Check one box:

INVESTMENT REAL PROPERTY

Name of Business Entity or Street Address or Assessor's Parcel Number of Real Property

Description of Business Activity or City or Other Precise Location of Real Property

FAIR MARKET VALUE IF APPLICABLE, LIST DATE: \$1,000 - \$10,000 \$10,001 - \$100,000 Over \$100,000

NATURE OF INTEREST Property Ownership/Deed of Trust Stock Partnership

Leasehold Yrs. remaining

Other

4. (cont.)

Check one box:

INVESTMENT REAL PROPERTY

Name of Business Entity or Street Address or Assessor's Parcel Number of Real Property

Description of Business Activity or City or Other Precise Location of Real Property

FAIR MARKET VALUE IF APPLICABLE, LIST DATE: \$1,000 - \$10,000 \$10,001 - \$100,000 Over \$100,000

NATURE OF INTEREST Property Ownership/Deed of Trust Stock Partnership

Leasehold Yrs. remaining

Other

4. (cont.)

Check one box:

INVESTMENT REAL PROPERTY

Name of Business Entity or Street Address or Assessor's Parcel Number of Real Property

Description of Business Activity or City or Other Precise Location of Real Property

FAIR MARKET VALUE IF APPLICABLE, LIST DATE: \$1,000 - \$10,000 \$10,001 - \$100,000 Over \$100,000

NATURE OF INTEREST Property Ownership/Deed of Trust Stock Partnership

Leasehold Yrs. remaining

Other

Comments:

INSTRUCTIONS – SCHEDULE B INTERESTS IN REAL PROPERTY

Reportable interests in real property are those located in your agency's jurisdiction (see Appendix), in which you, your spouse, or your dependent children had a direct, indirect, or beneficial interest aggregating \$1,000 or more any time during the reporting period.

Interests in real property include:

- An ownership interest.
- A beneficial ownership interest.
- A deed of trust.
- An easement.
- An option to acquire property.
- A leasehold interest (see Appendix).
- A mining lease (e.g., oil, gas, gold).
- An interest in real property held by a business entity or trust in which you, your spouse, or your dependent children had a 10% or greater ownership interest (report on Schedule A-2).

You are not required to report the following:

- Any residence which you utilized exclusively as your personal residence, unless it is also a place of business, e.g., family farm, retail business, or vacation rental (you are required to disclose only the value of that portion of the property which is used in connection with your business activities).
- Interests in real property held through a blind trust (see Appendix).

TO COMPLETE SCHEDULE B:

- Report the address or other precise location (e.g., assessor's parcel number) of the real property.
- Check the box indicating the fair market value of your interest in the property (regardless of what you owe on the property).
- If you acquired or disposed of your interest in the property during the reporting period, enter the date acquired or disposed.
- Identify the nature of your interest. If leasehold, also disclose the number of years remaining on the lease.

REMINDERS

- ✓ Do you know your agency's jurisdiction?
- ✓ Code filers - Does your code require disclosure of real property?

- If you are reporting rental property, check the box indicating the gross rental income you received.
- If you had a 10% or greater interest in a rental property, list the name of each tenant if your pro rata share of the gross rental income from that tenant was \$10,000 or more during the reporting period.
- Loans which aggregate \$250 or more and are secured by real property may be reportable. Reportable loans may be disclosed on Schedule B or Schedule D. See instructions for Schedule D for an example and list of exceptions.
 - Provide the name and address of the lender.
 - Check the box describing the lender's business activity.
 - Disclose the interest rate and length (term) of the loan. For variable interest rate loans, disclose the terms of the loan (e.g., Prime +2) or the average interest rate paid during the reporting period.
 - Check the box indicating the highest balance of the loan during the reporting period.
 - Identify a guarantor, if applicable.

If you have more than one reportable loan on a single piece of real property, report the additional loan(s) on Schedule D.

Income and loans reported on Schedule B are not also required to be reported on Schedules C or D.

Example:

Joe Nelson is a city planning commissioner. Joe received rental income of \$12,000 during the reporting period from a single tenant who rented property he owned in the city's jurisdiction.

If Joe had received the \$12,000 from two or more tenants, the tenants' names would not be required as long as no single source paid \$10,000 or more.

STREET ADDRESS OR PRECISE LOCATION 4631 Story Way	
CITY Sacramento, CA 95814	
FAIR MARKET VALUE	IF APPLICABLE, LIST DATE:
<input type="checkbox"/> \$1,000 - \$10,000	ADQUIRED <u>1/97</u> DISPOSED <u>1/97</u>
<input type="checkbox"/> \$10,000 - \$100,000	
<input checked="" type="checkbox"/> \$100,000 - \$1,000,000	
NATURE OF INTEREST	
<input checked="" type="checkbox"/> Rental Property <input type="checkbox"/> Ownership/Deed of Trust <input type="checkbox"/> Easement	
<input type="checkbox"/> Leasehold <input type="checkbox"/> Other _____	
<small>Yr. remaining</small>	
IF RENTAL PROPERTY, GROSS INCOME RECEIVED	
<input type="checkbox"/> \$0-\$249 <input type="checkbox"/> \$250-\$1,000 <input type="checkbox"/> \$1,001-\$10,000 <input checked="" type="checkbox"/> Over \$10,000	
SOURCES OF RENTAL INCOME: Sonnet Jones	
NAME OF LENDER BFF Financial Services	
ADDRESS 6200 Aspen Drive, Sacramento, CA 95814	
BUSINESS ACTIVITY OF LENDER	
<input checked="" type="checkbox"/> Financial Institution <input type="checkbox"/> Other _____	
INTEREST RATE 8 % <input type="checkbox"/> None	TERM (Months/Years) 15 Years
HIGHEST BALANCE DURING REPORTING PERIOD	
<input type="checkbox"/> \$250-\$1,000 <input checked="" type="checkbox"/> \$1,001-\$10,000 <input type="checkbox"/> Over \$10,000	

Interests in Real Property

► STREET ADDRESS OR PRECISE LOCATION

CITY _____

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:
 \$1,000 - \$10,000
 \$10,001 - \$100,000
 Over \$100,000
 _____/_____/97 ACQUIRED _____/_____/97 DISPOSED

NATURE OF INTEREST
 Rental Property Ownership/Deed of Trust Easement
 Leasehold _____ Yrs. remaining _____ Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED
 \$0 - \$249 \$250 - \$1,000 \$1,001 - \$10,000 Over \$10,000

SOURCES OF RENTAL INCOME: *If you own a 10% or greater interest, see the instructions for reporting sources of rental income.*

NAME OF LENDER _____
 ADDRESS _____

BUSINESS ACTIVITY OF LENDER
 Financial Institution
 Other _____

INTEREST RATE _____% None TERM (Months/Years) _____

HIGHEST BALANCE DURING REPORTING PERIOD
 \$250 - \$1,000 \$1,001 - \$10,000 Over \$10,000
 Guarantor, if applicable

Check below if another loan is disclosed on Schedule D.
 Additional loan - refer to Sch. D.

► STREET ADDRESS OR PRECISE LOCATION

CITY _____

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:
 \$1,000 - \$10,000
 \$10,001 - \$100,000
 Over \$100,000
 _____/_____/97 ACQUIRED _____/_____/97 DISPOSED

NATURE OF INTEREST
 Rental Property Ownership/Deed of Trust Easement
 Leasehold _____ Yrs. remaining _____ Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED
 \$0 - \$249 \$250 - \$1,000 \$1,001 - \$10,000 Over \$10,000

SOURCES OF RENTAL INCOME: *If you own a 10% or greater interest, see the instructions for reporting sources of rental income.*

NAME OF LENDER _____
 ADDRESS _____

BUSINESS ACTIVITY OF LENDER
 Financial Institution
 Other _____

INTEREST RATE _____% None TERM (Months/Years) _____

HIGHEST BALANCE DURING REPORTING PERIOD
 \$250 - \$1,000 \$1,001 - \$10,000 Over \$10,000
 Guarantor, if applicable

Check below if another loan is disclosed on Schedule D.
 Additional loan - refer to Sch. D.

Comments: _____

INSTRUCTIONS – SCHEDULE C INCOME & BUSINESS POSITIONS (Income Other than Loans, Gifts, and Travel Payments)

Reportable income includes your gross income and your community property interest in your spouse's gross income aggregating \$250 or more received from any source located in or doing business in your agency's jurisdiction (see Appendix). Gross income is the total amount of income before deducting expenses, losses, or taxes.

Also use Schedule C to report the job title or business position you held with a business entity (i.e., if you were a director, officer, partner, trustee, employee, or held any position of management) during the period covered by the report. **This requirement applies even if you received no income from the business entity during the period.**

Commonly reportable income includes:

- Salary/wages, per diem, reimbursement for expenses.
- Community property interest (50%) in your spouse's income.
- Income received from investment interests (e.g., partnerships) reported on Schedule A-1.
- Commission income not required to be reported on Schedule A-2.
- Gross income from any sale, including the sale of a house or car. The total sale price is reportable regardless of any obligation you might have to pay on loans secured by the item.
- Rental income not required to be reported on Schedule B.
- Prizes or awards not disclosed as gifts.
- Payments received on loans you made to others, including loan repayments from a campaign committee.
- An honorarium received by any newly appointed official or newly designated employee in the 12 months prior to assuming office, or for a non-incumbent candidate, in the 12 months prior to filing the candidate statement of economic interests. (See the Appendix concerning your ability to receive future honoraria.)

You are not required to report:

- Your salary or your spouse's salary or reimbursement for expenses and per diem from a federal, state, or local government agency.
- Campaign contributions.
- A cash devise or cash inheritance.
- Dividends, interest, or other return on a security (e.g., stocks, bonds) which is registered with the Securities and Exchange Commission.
- Payments received under an insurance policy.
- Interest, dividends, or premiums on a time or demand deposit in a financial institution, shares in a credit union, an insurance policy, or a bond or other debt instrument issued by a government agency.
- Income of dependent children.
- Loan repayments received from your spouse, child, parent, grandparent, grandchild, brother, sister,

parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin unless he or she was acting as an intermediary or agent for any person not covered by this provision.

- Alimony or child support payments.
- Payments received under a defined benefit pension plan qualified under Internal Revenue Code Section 401(a).

TO COMPLETE SCHEDULE C:

- Disclose the name and address of each source of income or each business entity with which you held a business position.
- Provide a general description of the business activity of the source or business entity (e.g., retail sales, law firm).
- Disclose the job title or business position, if any, you held with a business entity.
- Check the box indicating the amount of gross income if you received \$250 or more during the reporting period from the source or business entity.
- Identify the consideration for which the income was received.
- If your income is from commission sales, check the box indicating the gross income received and list the name of each source of commission income of \$10,000 or more (see Appendix). If your income is from rental property (and the property is not required to be listed on Schedule B), enter "Rental Income" under "Name", check the box indicating the gross income received, and, if you had a 10% or greater interest in the rental property, list the name of each tenant if your pro rata share of the gross income from that tenant was \$10,000 or more during the reporting period.

You are not required to disclose on Schedule C income reported on Schedule A-2 or B or business positions reported on Schedule A-2.

Example:

Jack West is a legislator and is an insurance agent for Grand Insurance Company. He has no ownership interest in the business. Jack received income of \$50,000 from Grand Insurance Company. He also received commission income of \$11,000 from a single client. He must report Grand Insurance Company. The Commission box must also be checked and the name of the client identified.

REMINDERS

- ✓ Do you know your agency's jurisdiction?
- ✓ Was the income received during the period covered by this statement?
- ✓ Code filers - Your code may require disclosure of income only from specified sources.

Income & Business Positions

(Income Other than Loans, Gifts, and Travel Payments)

Name _____

➤ NAME OF SOURCE _____

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

BUSINESS POSITION _____

GROSS INCOME RECEIVED
 \$250 - \$1,000 \$1,001 - \$10,000 Over \$10,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED
 Salary Spouse's income Loan repayment

Sale of _____
(Property, car, boat, etc.)

Commission or Rental Income, list each source of \$10,000 or more

Other _____

➤ NAME OF SOURCE _____

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

BUSINESS POSITION _____

GROSS INCOME RECEIVED
 \$250 - \$1,000 \$1,001 - \$10,000 Over \$10,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED
 Salary Spouse's income Loan repayment

Sale of _____
(Property, car, boat, etc.)

Commission or Rental Income, list each source of \$10,000 or more

Other _____

➤ NAME OF SOURCE _____

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

BUSINESS POSITION _____

GROSS INCOME RECEIVED
 \$250 - \$1,000 \$1,001 - \$10,000 Over \$10,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED
 Salary Spouse's income Loan repayment

Sale of _____
(Property, car, boat, etc.)

Commission or Rental Income, list each source of \$10,000 or more

Other _____

➤ NAME OF SOURCE _____

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

BUSINESS POSITION _____

GROSS INCOME RECEIVED
 \$250 - \$1,000 \$1,001 - \$10,000 Over \$10,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED
 Salary Spouse's income Loan repayment

Sale of _____
(Property, car, boat, etc.)

Commission or Rental Income, list each source of \$10,000 or more

Other _____

Comments: _____

INSTRUCTIONS – SCHEDULE D INCOME - LOANS (Received or Outstanding)

Loans received or outstanding during the reporting period, which aggregate \$250 or more from a single source located in or doing business in your jurisdiction are reportable (see Appendix). Because loans are a type of income, your community property interest in loans received by your spouse must also be counted.

See the Appendix for important information about loan prohibitions.

Commonly reportable loans include:

- Real estate loans.
- Margin accounts.
- Automobile loans and automobile leases.
- Campaign loans secured by your personal assets or for which you are personally liable.
- Student loans.

You are not required to report the following:

- Any loan from a commercial lending institution secured by your principal place of residence, if the loan was made in the lender's regular course of business on terms available to the public without regard to your official status. However, loans on other residences may be reportable.
- Loans from a commercial lending institution made in the lender's regular course of business on terms available to the public without regard to your official status which, in the aggregate, did not exceed \$10,000 at any time during the reporting period.
- Any retail installment or credit card debts incurred in the creditor's regular course of business on terms available to the public without regard to your official status if the aggregate amount owed to the creditor did not exceed \$10,000 at any time during the reporting period.
- Any loan from your spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin or the spouse of any such person, unless the lender was acting as an intermediary or agent for any person not covered by this provision.
- Loans made to others. However, repayments may be reportable on Schedule C.

- A loan you co-signed for another person unless you made payments on the loan during the reporting period.

TO COMPLETE SCHEDULE D:

- Provide the name and address of the lender.
- Check the appropriate box describing the lender's business activity.
- Disclose the interest rate and the length (term) of the loan. For variable interest rate loans, disclose the terms of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period.
- Check the box indicating the highest balance of the loan during the reporting period.
- Identify the security, if any, for the loan.

You are not required to disclose on Schedule D loans reported on Schedule A-2 or B.

Example:

Colleen Jones is a city council member. She received an equity loan on her principal place of residence in the amount of \$15,000 from a commercial lending institution which she used to buy an automobile. Colleen is not required to report the equity loan because the loan was secured by her principal residence.

REMINDERS

- ✓ Do you know your agency's jurisdiction?
- ✓ Did you receive any loans or have loans outstanding during the period covered by this statement?
- ✓ Code filers - Income includes any loan. Did you receive a loan from an entity or individual required to be reported as a source of income under your code?

Income - Loans

(Received or Outstanding)

Name

NAME OF LENDER ADDRESS BUSINESS ACTIVITY OF LENDER INTEREST RATE TERM (Months/Years) HIGHEST BALANCE DURING REPORTING PERIOD SECURITY FOR LOAN

NAME OF LENDER ADDRESS BUSINESS ACTIVITY OF LENDER INTEREST RATE TERM (Months/Years) HIGHEST BALANCE DURING REPORTING PERIOD SECURITY FOR LOAN

NAME OF LENDER ADDRESS BUSINESS ACTIVITY OF LENDER INTEREST RATE TERM (Months/Years) HIGHEST BALANCE DURING REPORTING PERIOD SECURITY FOR LOAN

NAME OF LENDER ADDRESS BUSINESS ACTIVITY OF LENDER INTEREST RATE TERM (Months/Years) HIGHEST BALANCE DURING REPORTING PERIOD SECURITY FOR LOAN

Comments:

INSTRUCTIONS – SCHEDULE E INCOME - GIFTS

"Gift" means anything of value, for which you have not provided equal or greater consideration to the donor. A gift is reportable if its fair market value is \$50 or more. In addition, multiple gifts aggregating \$50 or more received during the reporting period from a single source must be reported. Gifts are reportable without regard to where the donor is located.

It is the acceptance of a gift, not the ultimate use to which it is put, that imposes your reporting obligation. Therefore, except as noted below, you must report a gift even if you never used it or if you gave it away to another person.

If the exact amount of a gift is not known, you must make a good faith estimate of the item's fair market value. Listing the value of a gift as "over \$50" or "value unknown" is not adequate disclosure. In addition, if you received a gift through an intermediary, you must disclose the name, address, and business activity of both the donor and the intermediary.

Commonly reportable gifts include:

- Tickets/passes to sporting or entertainment events.
- Tickets/passes to amusement parks.
- Parking passes.
- Food, beverages, and accommodations, including that provided in direct connection with your attendance at a convention, conference, meeting, social event, meal or like gathering, where you did not give a speech, participate in a panel or seminar, or provide a similar service.
- Rebates/discounts not made in the regular course of business to members of the public without regard to official status.
- Wedding gifts (see Appendix to determine how to value).
- An honorarium. You may report an honorarium as income on Schedule C, rather than as a gift, if you provided services of equal or greater value than the payment received. (See the Appendix regarding your ability to receive honoraria in the future.)
- Transportation and lodging (see Schedule F).
- Forgiveness of a loan received by you.

REMINDERS

- ✓ See the Appendix for gift and honoraria prohibitions.
- ✓ Code filers: Income includes any gift. Did you receive a gift from a reportable source?

You are not required to disclose the following:

- Gifts which were not used and which, within 30 days after receipt, were returned to the donor or delivered to a charitable organization without being claimed by you as a charitable contribution for tax purposes.
- Gifts from your spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, aunt, uncle, niece, nephew, or first cousin or the spouse of any such person, unless the donor was acting as an agent or intermediary for a reportable source who was the true donor.
- Gifts of hospitality involving food, drink, or occasional lodging provided in an individual's home when the individual or a member of the individual's family was present.
- Gifts equal in value exchanged between you and an individual, other than a lobbyist, on holidays, birthdays, or similar occasions.
- Gifts of informational material provided to assist you in the performance of your official duties, such as books, pamphlets, reports, calendars, or periodicals.
- A cash devise or inheritance.
- Personalized plaques and trophies with an individual value of less than \$250.
- Campaign contributions.
- Tickets to a fundraising event for a 501(c)(3) organization.
- Tickets to political fundraisers.
- Gifts given directly to members of your immediate family unless you received direct benefit from the gift or you exercised direction and control over the use or disposition of the gift.
- A pass or ticket which provided a one-time admission to an event (theater performance, sporting event) that was not used and was not transferred to another person. Commission Regulation 18946.1 provides a method for determining the value of a ticket or pass that was used or transferred to another person and for determining the value of passes or tickets which provide repeated admission to facilities or services.
- Food, beverages, and accommodations provided directly in connection with an event at which you gave a speech, participated in a panel or seminar, or provided a similar service.

TO COMPLETE SCHEDULE E:

- Disclose the name and address and business activity, if any, of the source.
- Describe the gift and provide the fair market value of the gift and the date of receipt.

Income – Gifts

Name _____

► NAME OF SOURCE

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DESCRIPTION OF GIFT(S)	VALUE	DATE
_____	\$ _____	___/___/___
_____	\$ _____	___/___/___
_____	\$ _____	___/___/___

► NAME OF SOURCE

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DESCRIPTION OF GIFT(S)	VALUE	DATE
_____	\$ _____	___/___/___
_____	\$ _____	___/___/___
_____	\$ _____	___/___/___

► NAME OF SOURCE

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DESCRIPTION OF GIFT(S)	VALUE	DATE
_____	\$ _____	___/___/___
_____	\$ _____	___/___/___
_____	\$ _____	___/___/___

► NAME OF SOURCE

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DESCRIPTION OF GIFT(S)	VALUE	DATE
_____	\$ _____	___/___/___
_____	\$ _____	___/___/___
_____	\$ _____	___/___/___

► NAME OF SOURCE

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DESCRIPTION OF GIFT(S)	VALUE	DATE
_____	\$ _____	___/___/___
_____	\$ _____	___/___/___
_____	\$ _____	___/___/___

► NAME OF SOURCE

ADDRESS _____

BUSINESS ACTIVITY, IF ANY, OF SOURCE _____

DESCRIPTION OF GIFT(S)	VALUE	DATE
_____	\$ _____	___/___/___
_____	\$ _____	___/___/___
_____	\$ _____	___/___/___

Comments: _____

INSTRUCTIONS — SCHEDULE F INCOME — GIFTS TRAVEL PAYMENTS, ADVANCES AND REIMBURSEMENTS

Reportable travel payments include advances and reimbursements for travel and related lodging and subsistence.

You are **not** required to disclose the following types of payments:

- Travel payments received from any state, local, or federal government agency for which you provided services equal or greater in value than the payments received.
- Travel payments received from your employer in the normal course of your employment.
- Payments or reimbursements for transportation within California in connection with an event at which you gave a speech, participated in a panel or seminar, or performed a similar service.
- Food, beverages, and necessary accommodations received directly in connection with an event held inside or outside California at which you gave a speech, participated in a panel, or provided a similar service. Note that payments for transportation outside of California are reportable.
- A travel payment which was received from a nonprofit entity exempt from taxation under Section 501(c)(3) of the Internal Revenue Code for which you provided equal or greater consideration.

REMINDERS

- ✓ Did you receive travel payments during the period covered by this statement?
- ✓ Code filers - Travel payments, advances, and reimbursements for travel, like gifts, are types of "income." Did you receive travel payments from any individual or entity required to be reported as a source of income under your code?

TO COMPLETE SCHEDULE F:

- Disclose the name and address of the source of the travel payment.
- Identify the business activity, if any, of the source.
- Check the box to indicate if the payment was a gift or income, report the amount, and disclose the date(s) if applicable.
 - Travel payments are gifts if you did not provide services which were equal to or greater in value than the payments received. You must disclose gifts aggregating \$50 or more from a single source during the period covered by the statement. Gifts of travel are reportable without regard to where the donor is located.

When reporting travel payments which are gifts, you must provide a description of the gift and the date(s) received.

- Travel payments are income if you provided services which were equal to or greater in value than the payments received. You must disclose income aggregating \$250 or more from a single source during the period covered by the statement.

When reporting travel payments as income, you must describe the services you provided in exchange for the payment. You are not required to disclose the date(s) for travel payments which are income.

Gifts of travel may be subject to a \$290 gift limit. In addition, certain travel payments are reportable gifts, but are not subject to the gift limit. To avoid possible misinterpretation or the perception that you may have received a gift in excess of the gift limit, you may wish to provide a specific description of the purpose of your travel. See the Commission's Fact Sheet on Gifts, Honoraria and Travel (1/98), which can be obtained from your filing officer or the FPPC.

Income - Gifts

Travel Payments, Advances, and Reimbursements

CALIFORNIA
1997/98 FORM 700
 FAIR POLITICAL PRACTICES COMM.
 Name _____

► NAME OF SOURCE _____
 ADDRESS _____
 CITY AND STATE _____
 BUSINESS ACTIVITY, IF ANY, OF SOURCE _____
 TYPE OF PAYMENT: (check one)
 Gift Income
 AMT: \$ _____ DATE(S): ____/____/____
 (If applicable)
 DESCRIPTION: _____

► NAME OF SOURCE _____
 ADDRESS _____
 CITY AND STATE _____
 BUSINESS ACTIVITY, IF ANY, OF SOURCE _____
 TYPE OF PAYMENT: (check one)
 Gift Income
 AMT: \$ _____ DATE(S): ____/____/____
 (If applicable)
 DESCRIPTION: _____

► NAME OF SOURCE _____
 ADDRESS _____
 CITY AND STATE _____
 BUSINESS ACTIVITY, IF ANY, OF SOURCE _____
 TYPE OF PAYMENT: (check one)
 Gift Income
 AMT: \$ _____ DATE(S): ____/____/____
 (If applicable)
 DESCRIPTION: _____

► NAME OF SOURCE _____
 ADDRESS _____
 CITY AND STATE _____
 BUSINESS ACTIVITY, IF ANY, OF SOURCE _____
 TYPE OF PAYMENT: (check one)
 Gift Income
 AMT: \$ _____ DATE(S): ____/____/____
 (If applicable)
 DESCRIPTION: _____

► NAME OF SOURCE _____
 ADDRESS _____
 CITY AND STATE _____
 BUSINESS ACTIVITY, IF ANY, OF SOURCE _____
 TYPE OF PAYMENT: (check one)
 Gift Income
 AMT: \$ _____ DATE(S): ____/____/____
 (If applicable)
 DESCRIPTION: _____

► NAME OF SOURCE _____
 ADDRESS _____
 CITY AND STATE _____
 BUSINESS ACTIVITY, IF ANY, OF SOURCE _____
 TYPE OF PAYMENT: (check one)
 Gift Income
 AMT: \$ _____ DATE(S): ____/____/____
 (If applicable)
 DESCRIPTION: _____

Comments: _____

APPENDIX

The instructions located on the back of each schedule describe the types of interests that must be reported on that particular schedule. The purpose of this Appendix is to explain other terms used in this form that are not defined in the instructions to the schedules or elsewhere.

Assuming Office Date: Your assuming office date is the date you were sworn in, employed, or otherwise authorized to serve in the position.

Business Entity: Any organization or enterprise operated for profit, including a proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation, or association.

Code Filer: An individual who has been designated in a state or local agency's conflict of interest code to file statements of economic interests.

Commission Income: "Commission income" means gross payments received as a broker, agent, or salesperson, including insurance brokers or agents, real estate brokers or agents, travel agents or salespersons, stockbrokers, and retail or wholesale salespersons, among others.

You may be required to disclose the names of sources of commission income if your pro rata share of the gross income was \$10,000 or more from a single source during the reporting period. If your spouse received commission income, you would disclose your community property share (50%) of that income, i.e., the names of sources of \$20,000 in gross commission income received by your spouse.

Report commission income as follows:

- If the income was received through a business entity in which you or your spouse had a 10% or greater ownership interest (or you were an independent contractor or agent), use Schedule A-2.
- If the income was received through a business entity in which you or your spouse had no ownership interest or less than a 10% ownership interest, use Schedule C.

The "source" of commission income generally includes all parties to a transaction, and each is attributed the full value of the commission.

For example, you are a partner in Smith and Jones Insurance Company and have a 50% ownership interest in the company. You sold two Businessmen's Insurance Company policies to XYZ Company during the reporting period. You received commission income of \$5,000 from the first transaction and \$6,000 from the second. On Schedule A-2, report your partnership interest in and income received from Smith and Jones Insurance Company in Parts 1 and 2. In Part 3, list both Businessmen's Insurance Company and XYZ Company as sources of \$10,000 or more in commission income.

Note: If your pro rata share of commission income from a single source is \$250 or more, you may be required to disqualify yourself from decisions affecting that source of income, even though you are not required to report it.

Conflict of Interest: A public official or employee has a conflict of interest under the Act when all of the following occur:

- The official makes, participates in making, or uses his or her official position to influence a governmental decision;
- It is reasonably foreseeable that the decision will affect the official's economic interest;
- The effect of the decision on the official's economic interest will be material; and
- The effect of the decision on the official's economic interest will be different than its effect on the public generally.

Conflict of Interest Code: The Act requires every state and local government agency to adopt a conflict of interest code. The code may be contained in a regulation, policy statement, or a city or county ordinance.

An agency's conflict of interest code must designate all officials and employees of, and consultants to,

the agency who make or participate in making governmental decisions which could cause conflicts of interest. These individuals are required by the code to file statements of economic interests and to disqualify themselves when conflicts of interest occur.

The disclosure required under a conflict of interest code for a particular designated official or employee should include only the kinds of personal economic interests he or she could significantly affect through the exercise of his or her official duties. For example, an employee whose duties are limited to reviewing contracts for supplies, equipment, materials or services provided to the agency should be required to report only those interests he or she holds which are likely to be affected by the agency's contracts for supplies, equipment, materials or services.

Consultant: An individual who contracts with or whose employer contracts with state or local government agencies and who makes or participates in making governmental decisions. Consultants may be required to file Form 700. The obligation to file Form 700 is always imposed on the individual who is providing services to the agency, not on the business or firm which employs the individual.

Designated Employee: An official or employee of a state or local government agency whose position has been designated in the agency's conflict of interest code to file statements of economic interests. Individuals who contract with government agencies (consultants) may also be designated in a conflict of interest code.

Disclosure Category: The section of an agency's conflict of interest code that specifies the types of personal economic interests officials and employees of the agency must disclose on their statements of economic interests. Disclosure categories are usually contained in an appendix or attachment to the conflict of interest code. Contact your agency to get a copy of your disclosure category.

Elected State Officer: Elected state officers include the Governor, Lieutenant Governor, Attorney General, Insurance Commissioner, State Controller, Secretary of State, State Treasurer, Superintendent of Public Instruction, member of the State Legislature, and member of the State Board of Equalization.

Enforcement: The FPPC investigates suspected violations of the Act. Other law enforcement agencies (the Attorney General or district attorney) may also initiate investigations under certain circumstances. If violations are found, the Commission may initiate administrative enforcement proceedings which could result in the imposition of monetary penalties of up to \$5,000 per violation.

Instead of administrative prosecution, a civil action may be brought for negligent or intentional violations by the appropriate civil prosecutor (the Commission, Attorney General or district attorney). In civil actions, the measure of damages for most violations is the amount or value not properly reported.

Persons who violate the conflict of interest disclosure provisions of the Act can also be subject to discipline by their agency, including dismissal.

Finally, a knowing or willful violation of any provision of the Act is a misdemeanor. Persons convicted of a misdemeanor may be disqualified for four years from the date of the conviction from serving as a lobbyist or running for elective office, in addition to other penalties which may be imposed. The Act also provides for numerous civil penalties, including monetary penalties and damages, and injunctive relief from the courts.

Expanded Statement: Some officials or employees may have multiple filing obligations (e.g., a city councilperson who also holds a designated position with a county agency, board, or commission). Such officials or employees may complete one "expanded" statement covering the disclosure requirements for all positions and file an originally signed copy with each agency.

Fair Market Value: When reporting the value of an investment, interest in real property, or gift, you must disclose the fair market value, i.e., what the item would sell for on the open market. This is particularly important when valuing gifts, because the fair market value of a gift may be different from the amount it cost the donor to provide the gift. For example, the wholesale cost of a bouquet of flowers may be \$10, but the fair market value may be \$25 or more. In addition, there are special rules for valuing free tickets and passes. Call the FPPC for assistance.

Gift and Honoraria Prohibitions:

Gifts:

State and local officials who are listed in Gov. Code Section 87200, except judges (see page 2), candidates for those elective offices (including judicial candidates), and officials and employees of state and local government agencies who are designated in a conflict of interest code are prohibited from accepting a gift or gifts aggregating more than \$290 in a calendar year from a single source.

In addition, elected state officers, candidates for elective state offices, and officials and employees of state agencies are subject to a \$10 per calendar month limit on gifts from lobbyists and lobbying firms registered with the Secretary of State.

Honoraria:

State and local officials who are listed in Gov. Code Section 87200, except judges (see page 2), candidates for those elective offices (including judicial candidates), and employees of state and local government agencies who are designated in a conflict of interest code are prohibited from accepting any honorarium for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering.

Exceptions:

- Some gifts are not reportable or subject to the gift and honoraria prohibitions, and other gifts may not be subject to the prohibitions but are reportable. For detailed information, see the FPPC Fact Sheet on Gifts, Honoraria and Travel (1/98). The Fact Sheet can be obtained from your filing officer or the Fair Political Practices Commission at (916) 322-5660.
- The \$290 gift limit and honorarium prohibition do not apply to a part-time member of the governing board of a public institution of higher education, unless the member is also an elected official.
- If you are designated in a state or local government agency's conflict of interest code, the \$290 gift limit and honorarium prohibition are applicable only to sources you would be

required to report on your statement of economic interests. However, this exception is not applicable if you also hold a position listed in Gov. Code Section 87200 (see page 2).

- For state agency officials and employees, the \$10 lobbyist/lobbying firm gift limit is applicable only to lobbyists and lobbying firms registered to lobby your agency. This exception is not applicable if you are an elected state officer or a member or employee of the State Legislature.

Judges:

Section 170.9 of the Code of Civil Procedure imposes gift limits on judges and prohibits judges from accepting any honorarium. Section 170.9 is enforced by the Commission on Judicial Performance. The FPPC has no authority to interpret or enforce the Code of Civil Procedure.

Income Reporting: Reporting income under the Act is different than reporting income for tax purposes. The Act requires gross income (the amount received before deducting losses or expenses) to be reported.

The instructions for reporting certain types of income (e.g., business entity income and rental income) refer to your pro rata share of the income received. Your pro rata share is normally based on your ownership interest in the entity or property. For example, if you are a sole proprietor, you must disclose 100% of the gross income received by your business entity on Schedule A-2. If you own 25% of a piece of rental property, you must report 25% of the gross rental income received.

When you are required to report sources of income to a business entity, sources of rental income, or sources of commission income, you are only required to disclose individual sources of income of \$10,000 or more. However, you may be required to **disqualify** yourself from decisions affecting sources of \$250 or more in income, even though you are not required to report it.

Jurisdiction: A public official or employee required to file statements of economic interests must disclose interests which are located in or doing business in his or her "jurisdiction." (See page 5 of the instructions to determine what your jurisdiction is.)

A business entity is located in or doing business in your jurisdiction if it, a parent or subsidiary, or a related business entity:

- Manufactures, distributes, sells, or purchases products or services on a regular basis in the jurisdiction;
- Plans to do business in the jurisdiction;
- Has done business in the jurisdiction within the previous two years;
- Has an interest in real property in the jurisdiction; or
- Has an office in the jurisdiction.

The same criteria are used to determine whether an individual, organization, or other entity is located in or doing business in your jurisdiction.

Exception:

- Gifts are reportable regardless of the location of the donor. For example, a state agency official with full disclosure must report gifts from sources located outside of California.

For reporting interests in real property, if your jurisdiction is the state, you must disclose real property located anywhere within the state of California.

For local agencies, an interest in real property is located in your jurisdiction if any part of the property is located in, or within two miles of, the region, city, county, district or other geographical area in which the agency has jurisdiction, or if the property is located within two miles of any land owned or used by the agency.

Leasehold Interest: The term "interest in real property" includes leasehold interests. An interest in a lease on real property is reportable if the value of the leasehold interest is \$1,000 or more. The value of the interest is the total amount of rent owed by you during the reporting period, or on a candidate, assuming office, or initial statement, during the prior 12 months.

You are not required to disclose a leasehold interest with a value of less than \$1,000 or a month-to-month tenancy.

Loans: Beginning January 1, 1998, state and local elected and appointed officials and employees are prohibited from receiving any personal loan aggregating more than \$250 from an official, employee, or consultant of their governmental agencies or any governmental agency over which the official or the official's agency has direction or control. In addition, loans of more than \$250 from any person who has a contract with the official's agency or an agency under the official's control are prohibited unless the loan is from a commercial lending institution or part of a retail installment or credit card transaction made in the regular course of business on terms available to members of the public.

State and local elected officials are also prohibited from receiving any personal loan of \$500 or more unless the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, the date, amount, and term of the loan, the date or dates when payments are due, the amount of the payments, and the interest rate on the loan.

Campaign loans and loans from family members are not subject to the \$250 and \$500 loan prohibitions.

A personal loan made to a public official that is not being repaid or is being repaid below certain amounts will become a gift to the official under certain circumstances. Contact the FPPC at (916) 322-5660 for further information.

Privileged Information: You are not required to disclose on Schedule A-2, Part 3 the name of a person who paid fees or made payments to a business entity if disclosure of the name would violate a legally recognized privilege under California law. For example, a name is protected by attorney-client privilege when facts concerning an attorney's representation of an anonymous client are publicly known and those facts, when coupled with disclosure of the client's identity, might expose the client to an official investigation or to civil or criminal liability.

A patient's name is protected by physician-patient privilege when disclosure of the patient's name would also reveal the nature of the treatment received by the patient because, for example, the physician is recognized as a specialist.

FPPC Regulation 18740 sets out specific procedures that must be followed in order to withhold the name of a source of income.

Public Officials Who Manage Public

Investments: Individuals who invest public funds in revenue-producing programs must file Form 700. This includes individuals who direct or approve investment transactions, formulate or approve investment policies and establish guidelines for asset allocations. FPPC Regulation 18720 defines "public officials who manage public investments" to include the following:

- Members of boards and commissions, including pension and retirement boards or commissions, and committees thereof, who exercise responsibility for the management of public investments;
- High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers; and
- Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions described above.

Retirement Accounts (e.g., deferred compensation, 401(k) and individual retirement accounts (IRAs)): Retirement accounts are reportable only if the funds are invested in reportable items, such as common stock or real estate. Retirement accounts invested in non-reportable items, such as mutual funds, government bonds or deposits in financial institutions, are not reportable. The most common reportable and non-reportable investments are listed on the instructions for Schedule A.

If you have a retirement fund or account that was worth \$1,000 or more during the reporting period, and was invested in reportable items, your investment in the fund or account must be reported. If no single reportable asset held in the account had a value of \$1,000 or more during the reporting period, report the account on Schedule A-1. If any single reportable asset held in the account had a value of \$1,000 or more during the reporting period, report the account and the asset on Schedule A-2.

Examples:

- Alice McSherry deposits \$500 per month into her employer's deferred compensation program. She has chosen to purchase shares in two diversified mutual funds registered with the Securities and Exchange Commission. Alice is not required to disclose her deferred compensation account because it is invested solely in non-reportable mutual funds.
- Bob Allison has \$6,000 in an individual retirement account with an investment firm. He has chosen to purchase common stock in several companies doing business in his jurisdiction. One of his stock holdings, Gala Computers, reached a value of \$2,500 during the reporting period. The value of his investment in each of the other companies was less than \$1,000. Bob must report the retirement account on Schedule A-2 and, because the value of his Gala Computers stock was \$1,000 or more, he must report it as an investment held by the account.
- Adriane Fisher has \$10,000 in a retirement fund which invests in real property located in her jurisdiction. The value of her interest in each piece of real property held by the fund was less than \$1,000 during the reporting period. Adriane must report her investment in the retirement fund on Schedule A-1. She is not required to disclose any of the real property held by the fund because she did not have a \$1,000 or greater interest in any single piece of real property.

Trusts: Investments and interests in real property held by a trust (including a living trust) are reported on Schedule A-2 if you, your spouse, or your dependent children had a 10% or greater interest in the trust and your pro rata share of a single investment or interest in real property was \$1,000 or more.

You have an interest in a trust if you are a maker and:

- Can revoke or terminate the trust; or
- Have retained any rights to the income or principal of the trust or retained any reversionary or remainder interest; or
- Have retained any power of appointment including the power to change the beneficiaries;

Or you are a beneficiary and:

- Presently receive income; or
- Have an irrevocable future right to receive income or principal.

Blind Trusts:

If you have a direct, indirect, or beneficial interest in a blind trust, you may not be required to disclose your pro rata share of the trust's assets or income. However, the trust must meet certain standards which are set out in FPPC Regulation 18235, and you may be required to disclose assets originally transferred into the blind trust and income from those original assets.

Trustees:

If you are only a trustee, you do not have a reportable interest in the trust.

Wedding Gifts: Wedding gifts must be disclosed if they were received from a reportable source during the period covered by the statement. Gifts valued at \$50 or more are reportable; however, a wedding gift is considered a gift to both spouses equally. Therefore, you would count one-half of the value of a wedding gift to determine if it is reportable and need only report individual gifts with a total value of \$100 or more unless a particular gift can only be used by you or is intended only for your use.

For example, you receive a placesetting of china valued at \$150 from a reportable source (e.g., not a family member) as a wedding gift. Because the value to you is \$50 or more, you must report the gift on Schedule E but may state its value as \$75. Wedding gifts are not subject to the \$290 gift limit, but they are subject to the \$10 lobbyist/lobbying firm gift limit for state officials.

