

CHAPTER 16
CONFLICT OF INTEREST
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CHAPTER 16
CONFLICT OF INTEREST

1. DISCLOSURE REQUIREMENTS.

a. The California Highway Patrol (CHP) adopted a conflict-of-interest code pursuant to the requirements of the Political Reform Act of 1974. Individuals holding designated positions identified in the code are required to disclose certain financial interests. Refer to Annexes A and B for information concerning whether an employee is subject to the code's disclosure requirements and to what extent.

b. Human Resources Section (HRS), Selection Standards and Examinations Unit (SSEU), will determine if employees are in a position considered designated within the Department's code. Employees must disclose the interests described in their disclosure category on the Form 700, Statement of Economic Interests. The link for the Form 700, with filing instructions, is accessed on the CHP STARPOINT Web site under: Organization, Assistant Commissioner, Staff, Personnel and Training Division, Human Resources Section, Conflict of Interest.

c. The code's schedule requirements for each disclosure category are as follows (refer to Annex B for definitions of the disclosure categories):

(1) Category 1 – Schedules A through E. All investments (Schedules A-1 and A-2), all business positions (Schedule C), all income including gifts, loans, and travel payments (Schedules A-2, C, D, and E).

(2) Category 2 – Schedule B. All interests in real property located in the State of California (Schedule B).

(3) Category 3 – Schedule B. All interests in real property located in, or within two miles of the boundaries of any land owned or used by, the field Division to which the filer is assigned (Schedule B).

(4) Category 4 – Schedules A-1, A-2, and C through E (B does not apply). All investments (Schedule A-1, A-2), business positions (Schedule C), and income, including gifts, loans, and travel payments, from any source (Schedules A-2, C through E) that provides leased facilities, goods, equipment, vehicles, machinery, or services, including training or consulting services, of the type utilized by the CHP.

(5) Category 5 – Schedules A-1, A-2, and C through E with limitations (B does not apply). All investments (Schedules A-1, A-2), business positions (Schedule C), and income, including gifts, loans, and travel payments, from

any source (Schedules A-2, C through E) that provides leased facilities, goods, equipment, vehicles, machinery, or services, including training or consulting services of the type utilized by the Division to which the filer is assigned.

(6) Category 6 – Schedules A-1, A-2, and C. All investments (Schedules A-1, A-2), business positions (Schedule C), and income, including gifts, loans, and travel payments, from any source that is a commercial motor carrier, an operator of motor vehicles or aircrafts and automotive or aircraft parts, accessories, or supplies.

(7) Category 7 – Schedules A-1, A-2, and C. All investments (Schedules A-1, A-2), business positions (Schedule C), and income, including gifts, loans, and travel payments, from sources that are subject to regulatory, permit, or licensing authority of, or have an application for a license or permit pending before, the CHP.

d. A State Officials – Ethics Training Course shall be completed every two years to comply with Government Code 11146.3 for those CHP employees considered designated by the Department's code. The State Officials – Ethics Training Course can be accessed via the CHP STARPOINT Web site, as explained above, under "Conflict of Interest." The certificate of completion located at the end of the course shall be submitted with the annual statement.

2. SUBMISSION.

a. Submission of Form 700. The Statement of Economic Interests completed by individuals holding designated positions shall be submitted directly to the Department's Filing Officer in HRS, SSEU. There are four types of statements:

(1) Initial Statement. All individuals employed by the Department holding designated positions on the effective date of this code shall file an Initial Statement within 30 days after the code has become effective. Thereafter, an employee assigned to, or holding a position not previously designated in the code, must file an Initial Statement within 30 days after the code is amended to add that position.

(2) Assuming Office Statement. An employee who assumes a designated position must file an Assuming Office Statement within 30 days after assuming the designated position, unless it is otherwise specified.

(3) Annual Statement. All individuals holding designated positions shall file an Annual Statement no later than April 1. Exception: if assuming office between October 1 and December 31, and filing an Assuming Office Statement; individuals are not required to file an Annual Statement the following year. The

next Annual Statement required will cover the day after assuming office through the next year.

(4) Leaving Office Statement. All individuals who leave designated positions shall file a Leaving Office Statement within 30 days after leaving office.

b. Transfer or Promotion. A designated employee who, during the year, transfers from one designated position to another designated position within the Department will, on the next statement, disclose the interests required to be reported under the employee's original disclosure category and the interests required to be reported under the employee's new disclosure category, if applicable. This does not apply to appointed officials.

c. Submission of State Officials – Ethics Training Course Certificate. The submission of the State Officials – Ethics Training Course certificate completed by individuals holding designated positions, shall be submitted directly to the Department's filing officer in HRS, SSEU.

(1) Requirements for Submission. First time filers of the State Officials – Ethics Training Course certificate and designated employees, who require recertification, must immediately complete the training and print the certification located at the end of the course; thereafter, the certificate shall be submitted every two years.

3. PENALTIES FOR NON-FILERS AND LATE FILERS. In accordance with Government Code 91013, late filers may be liable for a fine of \$10 per day up to a maximum of \$100. They may also be liable for criminal and civil penalties.

4. CONTENTS OF, AND PERIOD COVERED BY, FORM 700.

a. Initial Statement. An Initial Statement shall disclose any reportable investments, interests in real property, and business positions held on the effective date of the code amendment which added the position. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment is reportable.

b. Assuming Office Statement. An Assuming Office Statement shall disclose any reportable investments, interests in real property, and business positions held on the date of assuming office. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of assuming office must be disclosed.

c. Annual Statement. An Annual Statement shall disclose any reportable investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the previous calendar year. If the disclosure category changes during a reporting period, individuals should disclose under the old category until the effective date of the conflict-of-interest code amendment and disclose under the new disclosure category through the end of the reporting period.

d. Leaving Office Statement. A Leaving Office Statement shall disclose reportable investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the closing date of the last statement filed and the date of leaving office.

5. MANNER OF REPORTING. Refer to the CHP STARPOINT Web site, under the HRS link, for a detailed explanation of what is to be reported on each disclosure schedule.

6. DISQUALIFICATION. Public officials may be required to disqualify themselves from making, participating in, or attempting to influence any governmental decision which will affect their financial interests, including, but not limited to, those that must be reported on the Form 700. The California Code of Regulations (CCR) Section 18730 explains when disqualification is required by law. Refer to the FPPC's Web site at www.fppc.ca.gov for information regarding CCR 18730.

ANNEX A

DEPARTMENTAL CONFLICT OF INTEREST CODE

The Political Reform Act (PRA) of 1974, Government Code (GC) Sections 81000, et seq., requires state and local government agencies to adopt and promulgate a conflict-of-interest code. The Fair Political Practices Commission (FPPC) has adopted a regulation, Title 2, Division 6, California Code of Regulations (CCR), Section 18730, which contains the terms of a standard conflict-of-interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the FPPC to conform to amendments in the PRA. Therefore, the terms of Title 2, Division 6, CCR, Section 18730, and any amendments to it duly adopted by the FPPC are hereby incorporated by reference. This regulation, and the attached appendices, designating positions and establishing disclosure categories, shall constitute the conflict-of-interest code of the California Highway Patrol (CHP).

Individuals holding designated positions shall file Form 700, Statement of Economic Interests, with CHP, which will make the statements available for public inspection and reproduction (GC Section 81008). The original Form 700 from the Commissioner shall be forwarded to the FPPC, and a copy shall be retained by CHP. The original Form 700s for all other designated positions will be retained by CHP.

NOTE: Authority cited: Vehicle Code Section 2402, and GC Section 87300.

<u>Designated Positions</u>	<u>Assigned Disclosure Categories</u>
Commissioner	1,2
Deputy Commissioner	1,2
Assistant Commissioner(s).....	1,2
Chief and Assistant Chief of Commissioners	1,2
Consultants	*
Inspector General.....	1

Chiefs and Assistant Chiefs of the following Divisions:

ANNEX A

DEPARTMENTAL CONFLICT OF INTEREST CODE (continued)

Administrative Services Division 1,2
Enforcement and Planning Division 2,4,6,7
Information Management Division..... 2,4
Personnel and Training Division 1,2
Protective Services Division..... 2,5

Chiefs and Assistant Chiefs of field Divisions..... 3,5,7

Commanders of the following:

Academy 5
Capitol Protection Section..... 5
Communications Center Support Section 4
Counterterrorism and Threat Awareness Section 4,5
Dignitary Protection Section..... 5
Emergency Operations and Safety Services Section..... 5
Office of Equal Employment Opportunity 4
Fleet Operations Section..... 4,6
Field Support Section..... 6,7
Information Technology Section..... 4
Office of Internal Affairs 4
Judicial Protection Section 5
Office of Air Operations..... 5,6
Office of Employee Safety and Assistance 4
Office of Community Outreach and Media Relations 4
Research and Planning Section..... 4
Support Services Section..... 4
Telecommunications Section 2,4

ANNEX A

DEPARTMENTAL CONFLICT OF INTEREST CODE (continued)

Area Commanders 3,5,7

Special Services Commanders in field Divisions..... 5,6,7

The following employees of Business Services Section:

Commander 2,4

Associate Business Management Analyst 5

Associate Governmental Program Analyst, Contract Services Unit 4

Manager of Purchasing Services Unit..... 4

Manager of Supply Services Unit..... 4

Manager of Contract Services Unit 4

Procurement Manager 4

Staff Services Manager II (Sup), Operations Manager 2,4

The following employees of Commercial Vehicle Section:

Commander 6,7

Manager, Motor Carrier Safety Program 6,7

The following employees of the Office of Employee Relations:

Commander 4

Lieutenant 4

The following employees of Facilities Section:

Commander 2,4

Associate Business Management Analyst 5

Associate Construction Analyst(s) 4

The following employees of Fiscal Management Section:

Commander 4

Accounting Administrator II 4

ANNEX A

DEPARTMENTAL CONFLICT OF INTEREST CODE (continued)

The following employees of Legal Affairs Section:

Commander 4,7
Attorney III(s) 4,7
Staff Services Manager I 4

The following employees of Special Projects Section:

Commander 4
Lieutenant 4

Motor Carrier Specialist(s) I, II, and III in administrative positions 6,7
Motor Carrier Specialist(s) I, II, and III in field Divisions 6,7

*Consultants shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitations:

The Commissioner may determine in writing that a particular consultant, although a “designated person,” may be hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s duties and a statement of the extent of disclosure requirements. The Commissioner’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (GC Section 81008.) Nothing herein excuses any such consultant from any other provision of this conflict-of-interest code.

ANNEX B

DEFINITION OF DISCLOSURE CATEGORIES

Category 1

Designated positions in Category 1 shall report:

All investments, business positions, and income, including gifts, loans, and travel payments, from all sources.

Category 2

Designated positions in Category 2 shall report:

All interest in real property located in the State of California.

Category 3

Designated positions in Category 3 shall report:

All interest in real property located in, or within two miles of the boundaries of any land owned or used by, the field Division to which the filer is assigned.

Category 4

Designated positions in Category 4 shall report:

All investments, business positions, and income, including gifts, loans, and travel payments, from any source that provides leased facilities, goods, equipment, vehicles, machinery, or services, including training or consulting services, of the type utilized by the California Highway Patrol (CHP).

ANNEX B

DEFINITION OF DISCLOSURE CATEGORIES (*continued*)

Category 5

Designated positions in Category 5 shall report:

All investments, business positions, and income, including gifts, loans, and travel payments, from any source that provides leased facilities, goods, equipment, vehicles, machinery, or services, including training or consulting services, of the type utilized by the Division to which the filer is assigned.

Category 6

Designated positions in Category 6 shall report:

All investments, business positions, and income, including gifts, loans, and travel payments, from any source that is a commercial motor carrier, an operator of motor vehicles used for commercial purposes, or a manufacturer or vendor of motor vehicles or aircrafts and automotive or aircraft parts, accessories, or supplies.

Category 7

Designated positions in Category 7 shall report:

All investments, business positions, and income, including gifts, loans, and travel payments, from sources that are subject to the regulatory, permit, or licensing authority of, or have an application for a license or permit pending before, the CHP.

NOTE: Authority cited: California Vehicle Code Section 2402, and Government Code Section 87300.