

STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2004 - 0009

ADOPTION OF REVISED APPENDIX TO CONFLICT OF INTEREST CODE

WHEREAS:

1. The Political Reform Act, Government Code sections 81000 and following, requires all state agencies to adopt a Conflict of Interest Code, containing a list of designated positions within the Agency and, for each position, a list of the types of economic interests which must be reported.
2. Government Code section 87306 requires every state agency to review its Conflict of Interest Code every two years and revise it if necessary.
3. The State Board's Conflict of Interest Code was last revised in 2001. Because new positions were created and some positions were eliminated or renamed, the Appendix to the Code, which contains State's Regional Boards' list of designated positions and corresponding disclosure categories, must be updated.
4. A revised Appendix was, therefore, prepared and circulated for a 60-day public comment period.
5. The revised Appendix was amended in response to comments received. The State Board has responded to all comments in the Summary of Comments and Responses to Comments.

THEREFORE BE IT RESOLVED THAT:

The revised Appendix is adopted, and the Executive Director is authorized to transmit it, with the required declaration, to the Fair Political Practices Commission for approval.

CERTIFICATION

The undersigned, Clerk to the Board, does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on March 18, 2004.


Debbie Irvin
Clerk to the Board

CONFLICT OF INTEREST CODE
FOR THE
STATE WATER RESOURCES CONTROL BOARD

The Political Reform Act (Gov. Code, § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (Cal. Code Regs., tit. 2, § 18730.) which can be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of Title 2, California Code of Regulations, section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the State Water Resources Control Board (SWRCB or State Board).

Designated employees shall file statements of economic interests with the State Board who will make the statements available for public inspection and reproduction. (Gov. Code, § 81008.) Upon receipt of the statements of the State Board Executive Director and the State Board Members, the SWRCB shall make and retain a copy and forward the original of these statements to the Fair Political Practices Commission. Statements for all other designated employees shall be retained by the SWRCB.

CONFLICT OF INTEREST CODE
FOR THE
STATE WATER RESOURCES CONTROL BOARD

APPENDIX

DESIGNATED POSITIONS	DISCLOSURE CATEGORIES
I. STATE WATER RESOURCES CONTROL BOARD	
A. Executive	
1. State Board Members	1
2. Executive Director	1
3. Deputy Director	1
4. Chief, Office of Statewide Initiatives	1
5. Chief, Statewide Assistance Unit	1
6. Economists, Office of Statewide Initiatives	1
7. Chief, Policy Development	1
8. Senior Level Employee, Compliance Assurance & Enforcement Unit	1
9. Compliance and Enforcement Specialist	1
10. Clean Beaches Coordinator	1
11. Clerk to the Board	2
12. Supervisors (including Chief and Assistant Chief), Office of Information Technology	8
13. Administrative Officer, Office of Information Technology	2
B. Division of Water Quality	
1. Division Chief	1
2. Assistant Division Chief(s)	1
3. All Section Supervisors	1
4. Manager, Administrative Support Services	2
C. Division of Administrative Services	
1. Division Chief	2
2. Assistant Division Chief	2
3. Administrative Liaison	2

DESIGNATED POSITIONS	DISCLOSURE CATEGORIES
4. Chief, Business Management and Support Branch	2
5. Professional Staff, Contracts, Business Management and Special Projects Sections	2
6. Professional Staff, Training Section	2
7. Professional Staff, Telecommunications Section	2
8. Filing Officer (defined in Government Code section 82027)	9
D. Division of Water Rights	
1. Division Chief	1
2. Assistant Division Chief(s)	1
3. Chief, Permitting Section	3, 4
4. Chief, License Section	3
5. Chief, Hearings and Special Project Section	1
6. Supervisor, Administrative Support Unit	2
E. Division of Financial Assistance	
1. Division Chief	1
2. Assistant Division Chief(s)	1
3. All Section Chiefs, except Management Support	1
4. All Unit Supervisors	1
5. Clean Water State Revolving Fund (CWSRF) Program Coordinator	1
6. Watershed Management Initiative (WMI) Coordinator	1
7. Supervisor, Cleanup Fund Claims Review and Settlements	1
8. Supervisor, Payments and Closures	1
9. Supervisor, Payments	1
10. Chief, Management Support Section	2
F. Office of Chief Counsel	
1. Chief Counsel	1
2. All Attorneys	1
3. Administrative Liaison	2

G.	Office of Legislative and Public Affairs	
1.	Chief	1
2.	Chief, Public Affairs Office	1
II.	REGIONAL WATER QUALITY CONTROL BOARDS	
A.	All Regional Board Members	1
B.	Region 1	
1.	Executive Officer	1
2.	Assistant Executive Officer(s)	1
3.	All Division Chiefs	1
4.	All Unit Supervisors (except Administrative Unit)	1
5.	Supervisor, Administrative Unit	2
C.	Region 2	
1.	Executive Officer	1
2.	Assistant Executive Officer(s)	1
3.	All Division Chiefs (except Management Services)	1
4.	All Section Leaders	1
5.	All Non-supervising seniors	1
6.	All Staff Environmental Scientists	1
7.	Chief, Management Services Division	2
D.	Region 3	
1.	Executive Officer	1
2.	Assistant Executive Officer	1
3.	All Branch Chiefs	1
4.	All Unit Supervisors (except Administrative Services)	1
5.	Supervisor, Administrative Services Unit	2
E.	Region 4	
1.	Executive Officer	1
2.	Assistant Executive Officer(s)	1
3.	All Section Chiefs (except Administrative Services)	1
4.	All Unit Supervisors	1
5.	Watershed Coordinator	1
6.	Specialist, Contaminated Sediment	1

7.	Senior Environmental Planner	1
8.	Staff Environmental Scientist, Basin Planning & TMDL Programs	1
9.	Staff Environmental Scientist, Santa Monica Bay Restoration Commission	1
10.	Chief, Administrative Services	2
F.	Region 5	
1.	Executive Officer	1
2.	Assistant Executive Officer(s)	1
3.	All Section Supervisors (except Administrative Support Services/Technical Support)	1
4.	All Unit Seniors	1
5.	All Non-supervising Seniors	1
6.	Manager, Administrative Support Services/Technical and Program Support	2
7.	Supervisor(s), Administrative Support Services	2
G.	Region 6	
1.	Executive Officer	1
2.	Assistant Executive Officer	1
3.	All Division Chiefs	1
4.	All Unit Supervisors (except Administrative Support Services)	1
5.	Regional Monitoring Coordinator	1
6.	Watershed Management Initiative Coordinator	1
7.	Supervisor, Administrative Support Services	2
H.	Region 7	
1.	Executive Officer	1
2.	Assistant Executive Officer	1
3.	All Branch Chiefs	
4.	All Section Supervisors (except Administrative and Support Services)	1
5.	Supervisor, Administrative Support Services	2
I.	Region 8	
1.	Executive Officer	1

2.	Assistant Executive Officer	1
3.	All Branch Chiefs	1
4.	All Section Supervisors (except Administrative Support Services)	1
5.	Supervisor, Administrative Services	2
J. Region 9		
1.	Executive Officer	1
2.	Assistant Executive Officer	1
3.	All Branch Chiefs	1
4.	All Unit Supervisors (Except Business Support Services	1
5.	Watershed Management Coordinator	1
6.	Senior Specialist, Marine Waters (Technical Assistance, San Diego Bay Cleanup Project)	1
7.	Staff Services Analyst, Administrative Services	2
8.	Supervisor, Business Support Services	2
K. Consultant*		1

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

The Executive Director or Executive Officer may determine in writing that a particular consultant, although a "designated position," is 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, based upon that description, a statement of the extent of disclosure requirements. The Executive Director's or Executive Officer'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.

DISCLOSURE CATEGORIES

Disclosure categories applied to members, officers and employees of Regional Water Quality Control Boards refer to the jurisdiction of the applicable Regional Water Quality Control Board as set forth in Water Code sections 13200 and 13260(a). Disclosure categories applied to members, officers and employees of the State Water Resources Control Board refer to the jurisdiction of the State Water Resources Control Board which is the entire State of California. Notwithstanding this limitation of disclosure categories, disclosure of a financial interest outside the jurisdiction of the applicable State or Regional Water Board (for example, the identity of the donor of certain gifts) may be required by statute or regulation.

Category 1

All investments and business positions in business entities, interest in real property and sources of income.

Category 2

- (a) Any source of income and any investment and business positions in a business entity, which source of income or business entity is of a type which contracts with the State Board or a Regional Board to provide services, supplies, materials, machinery or equipment.
- (b) All interests in real property.

Category 3

- (a) Any source of income and any investment and business positions in a business entity which source of income or business entity holds a water right entitlement from the State Board as well as any source of income and any investment in a business entity which is an applicant for a water right entitlement from the State Board.
- (b) Any interest in real property for which the application for a water right entitlement has been made or for which a water right entitlement has been obtained.

Category 4

- (a) Any source of income and any investment and business positions in a business entity which source of income or business entity is a party to a court reference proceeding or is a claimant of a right in a statutory adjudication proceeding.
- (b) Any interest in real property with respect to which water rights are being adjudicated in a court reference proceeding or in a statutory adjudication proceeding.

Category 5

Any source of income and any investment and business positions in a business entity, which source of income or business entity engages in the design or construction of municipal wastewater treatment facilities or manufactures equipment for use in municipal wastewater treatment facilities.

Category 6

Any source of and any investment and business positions in a business entity which source of income or business entity provides research, planning or environmental impact reporting services related to water supply or water quality.

Category 7

- (a) Any source of income and any investments and business positions in a business entity which source of income or business entity engages in the provision of training courses which may serve as experience equivalents in accordance with sections 2481(d) and (e) of the State Board's regulations (Cal. Code Regs., Tit. 23), regarding operator training and certification.
- (b) Any source of income from any holder of, or applicant for, a wastewater treatment plant operator certificate pursuant to Chapter 14 of the State Board's regulations (Cal. Code Regs., Tit. 23).

Category 8

Any source of income and any investment and business positions in a business entity, which source of income or business entity is of a type which contracts with the State Board or a Regional Board to provide computer related services, supplies, materials, machinery or equipment.

Category 9

Any source of income from any person who is a State Board or Regional Water Board Member, officer or employee who holds a position on the Designated Positions list of this Conflict of Interest Code.

NOTE: Authority Cited: Sections 87300, 87304, Government Code.
Reference: Sections 87300, et seq., Government Code.

* * * * *

Given the limited and particular application of these regulations, it has been determined that these regulations shall not be set forth in full in the California Code of Regulations, but that appropriate reference be made therein pursuant to Government Code section 11344.

These regulations are available to the public for review or purchase at cost at the following locations:

State Water Resources Control Board
Personnel Officer
1001 I Street, 18th Floor
P.O. Box 100 [95812-0100]
Sacramento, CA 95814

Fair Political Practices Commission
428 J Street, Suite 800
P.O. Box 807
Sacramento, CA 95804

Archives
Secretary of State
1020 O Street
Sacramento, CA 95814

EXPLANATION OF REASONS FOR
AMENDMENTS TO THE CONFLICT OF INTEREST CODE
OF THE STATE WATER RESOURCES CONTROL BOARD
2004

I. STATE WATER RESOURCES CONTROL BOARD

A. Executive Office

1. The position Assistant Director has been deleted because that position no longer exists.
2. The position of Compliance and Enforcement Specialist has been added. This is a new position reporting to the chief of the Statewide Assistance Unit. Duties include development and implementation of agency-wide enforcement policy, analysis of compliance assurance activities and contacts with governmental and private parties involved with water quality protection and resource management. Because this position may have a material financial effect on a wide variety of financial interests, this position was placed in the broadest disclosure category.

B. Division of Water Quality

1. The position Branch Chiefs has been renamed Assistant Division Chief(s). No disclosure responsibilities have been changed by this renaming.
2. The position Watershed Management Initiative Coordinator has been removed from the listing for the Division of Water Quality because this position is now located in the newly formed Division of Financial Assistance. The position is now designated for the new division.

C. Division of Administrative Services

1. The position Administrative Liaison has been added because this position routinely selects vendors for goods and services. Therefore, this position has been placed in disclosure category 2.
2. The designation Professional Staff, Training Section has been added because this position routinely selects vendors for goods and services. Therefore, this position has been placed in disclosure category 2.

D. Division of Water Rights

1. The position Chief, Application and Petition Section has been renamed Chief, Permitting Section. No disclosure responsibilities have been changed by this renaming.
2. The position Chief, Licensing and Compliance Section has been renamed Chief, License Section. No disclosure responsibilities have been changed by this renaming.
3. The position Chief, Environmental Section has been deleted because that position has been eliminated.
4. The position Chief, Bay-Delta Section/Hearing Section has been renamed Chief, Hearings and Special Project Section. No disclosure responsibilities have been changed by this renaming.

E. Division of Financial Assistance—NEWLY CREATED DIVISION

1. The position Division Chief was previously designated in the Division of Clean Water Programs. No disclosure responsibilities have been changed.
2. The position Assistant Division Chief(s) was previously designated in the Division of Clean Water Programs. No disclosure responsibilities have been changed.
3. The position All Section Chiefs, except Management Support is a new designation. These positions report to the Assistant Division Chief and supervise work from multiple units. These positions oversee staff administering state and federal financial assistance programs to a broad range of parties involving water quality projects. Because this position may have a material financial effect on a wide variety of financial interests, this position was placed in the broadest disclosure category.
4. The position All Unit Supervisors is a new designation. This position reports to the applicable Section Chief and supervises work that includes administration of loans, grants and other financial assistance to a broad range of parties under a variety of state and federal clean water programs, involving eligibility determinations, audits, investigation and policy development. Because this position may have a material financial effect on a variety of financial interests, this position was placed in the broadest disclosure category.
5. The position Clean Water State Revolving Fund (CWSRF) Program Coordinator is a new designation. This position reports directly to the Assistant Division Chief and is responsible for managing all

administrative activities of the State Revolving Fund program, which provides low-interest and no-interest loans to public and private entities for various water improvement projects. Because this position may have a material financial effect on a variety of financial interests, this position was placed in the broadest disclosure category.

6. The position Watershed Management Initiative Coordinator has been moved. This position was previously a designated position in the Division of Water Quality. No disclosure responsibilities have been changed.
7. The position Supervisor, Cleanup Fund Claims Review and Settlements is a new designation. This position oversees work relating to applications for funding of cleanups and commitments obligating funds as well as determination of priority of claimants to funding. Activities include eligibility determinations, analysis of tax documentation, issuance of letters of commitment, coordinating with regard to outside sources of funding to ensure that proper costs are charged, and interaction with claimants and their representatives. Because this position may have a material financial effect on a variety of financial interests, this position was placed in the broadest disclosure category.
8. The position Supervisor, Payments and Closures is a new designation. This position oversees work relating to payments for cleanup work performed. Activities include monitoring of reasonableness of costs claimed, audits of claims for closure, and interaction with claimants and their representatives. Because this position may have a material financial effect on a variety of financial interests, this position was placed in the broadest disclosure category.
9. The position Supervisor, Payments is a new designation. This position oversees work relating to payments for cleanup work performed. Activities include monitoring of reasonableness of costs claimed and interactions with claimants and their representatives. Because this position may have a material financial effect on a variety of financial interests, this position was placed in the broadest disclosure category.
10. The position Chief, Management Support Section was previously designated as Supervisor, Management Support Section in the Division of Clean Water Programs. No disclosure responsibilities have been changed.

F. Division of Clean Water Programs

1. The position Division Chief has been moved to the newly created Division of Financial Assistance. The Division of Clean Water Programs no longer exists.

2. The position Assistant Division Chief, Loans & Grants Branch has been moved to the newly created Division of Financial Assistance and renamed Assistant Division Chief(s). The Division of Clean Water Programs no longer exists.
3. The position Supervisor, Facilities Planning and Design Section has been moved to the newly created Division of Financial Assistance and renamed All Section Chiefs, except Management Support. The Division of Clean Water Programs no longer exists.
4. The position Supervisor, Administration and Operator Certification Section has been moved to the newly created Division of Financial Assistance and renamed All Section Chiefs, except Management Support. The Division of Clean Water Programs no longer exists.
5. The position Supervisor, Office of Water Reclamation and Operations has been moved to the newly created Division of Financial Assistance and renamed All Section Chiefs, except Management Support. The Division of Clean Water Programs no longer exists.
6. The position Supervisor, Management Support Section has been moved to the newly created Division of Financial Assistance and renamed Chief, Management Support Section. The Division of Clean Water Programs no longer exists.
7. The position Assistant Division Chief, Regulatory Programs Branch has been moved to the Division of Water Quality and renamed Assistant Division Chief(s). No disclosure responsibilities have been changed.
8. The position Supervisor, Underground Storage Tank/Program Support Section has been moved to the Division of Water Quality and renamed All Section Supervisors. No disclosure responsibilities have been changed.
9. The position Supervisor, Land Disposal Section has been moved to the Division of Water Quality and renamed All Section Supervisors. No disclosure responsibilities have been changed.
10. The position Supervisor, Underground Tank Cleanup Fund Section has been moved to the newly created Division of Financial Assistance and renamed All Section Chiefs, except Management Support.

II. REGIONAL BOARDS

A. Region 2

1. The designation Senior Specialist, Groundwater Remediation has been renamed All Non-Supervising Seniors. No disclosure responsibilities have been changed by this renaming.
2. The designation Senior Specialist, Rural Water Quality has been renamed All Staff Environmental Scientists. No disclosure responsibilities have been changed by this renaming.
3. The designation Senior Specialist, Watershed Management Coordinator has been renamed All Staff Environmental Scientists. No disclosure responsibilities have been changed by this renaming.
4. The designation Senior Specialist, Monitoring and Assessment has been renamed All Staff Environmental Scientists. No disclosure responsibilities have been changed by this renaming.
5. The designation All Non-supervising Seniors is a new designation. This designation covers non-supervising senior specialists. The incumbents report directly to the Assistant Executive Officer or the Division Chief and coordinate complex stakeholder planning processes and regulatory oversight programs, formulating recommendations for decision-making. Because this position may have a material effect on a broad range of financial interests, this position has been placed in the broadest disclosure category.
6. The designation All Staff Environmental Scientists is a new designation. This designation covers non-supervising specialists. A number of the incumbents were previously designated under a different position name. All incumbents report directly to the applicable Division Chief or Chief Executive Officer and serve as specialists reviewing projects or proposals and making recommendations on topics including wetlands, Basin Planning, stream restoration, and others. Because these specialist positions may have a material effect on a broad range of financial interests, the designation has been placed in the broadest disclosure category.

B. Region 4

1. The designation All Branch Chiefs (except Administrative Services) has been renamed All Section Chiefs (except Administrative Services). No disclosure responsibilities have been changed by this renaming.

2. The designation All Section Supervisors has been renamed All Unit Supervisors. No disclosure responsibilities have been changed by this renaming.
3. The designation Watershed Coordinator is a new designation. This specialist position reports to the Regional Programs Section Chief, coordinating planning and permitting activities relating to watershed management. The incumbent interacts with staff, stakeholders and the general public. The incumbent also acts as lead scientist on issues that may include development of site-specific objectives, use attainability studies, or pollutant trading efforts. Because this position may have a material effect on a broad range of financial interests, this position has been placed in the broadest disclosure category.
4. The designation Specialist, Contaminated Sediment is a new designation. This specialist position reports to the Watershed Regulatory Section Chief, participating in development and implementation of management plans for contaminated sediments as well as adoption of cleanup plans for toxic hot spots. The incumbent coordinates with other agencies and with interested parties in developing and implementing cleanup and monitoring activities. Because this position may have a material effect on a broad range of financial interests, this position has been placed in the broadest disclosure category.
5. The designation Senior Environmental Planner is a new designation. This position reports directly to the Executive Officer, preparing environmental analyses of proposed projects and programs in the region, including various state and federal permitting programs. The incumbent also represents the Regional Board before a variety of organizations and public entities. Because this position may have a material effect on a broad range of financial interests, this position has been placed in the broadest disclosure category.
6. The designation Staff Environmental Scientist, Basin Planning and TMDL Programs is a new designation. This position reports to the Regional Programs Section Chief, acting as lead staff person on basin planning. The incumbent coordinates planning activities related to development of Total Maximum Daily Load (TMDL) assignments for water bodies throughout the region, interacting with staff and stakeholders. Because this position may have a material effect on a range of financial interests, it has been placed in the broadest disclosure category.
7. The designation Staff Environmental Scientist, Santa Monica Bay Restoration Commission is a new designation. Although the incumbent is assigned to the newly created state Santa Monica Bay Restoration Commission, the incumbent is an employee of the Los Angeles Regional

Water Quality Control Board rather than the Commission. The incumbent reports directly to the director of the Commission and is responsible for coordinating the activities of the Commission's Technical Advisory Committee, overseeing research and monitoring activities, and acts as lead in the management and administration of grant projects. Because this position may have a material effect on a range of financial interests, it has been placed in the broadest disclosure category.

C. Region 5

The designation Manager, Administrative Support Services/Technical Support has been renamed Manager, Administrative Support Services/Technical and Program Support. No disclosure responsibilities have been changed by this renaming.

D. Region 6

1. The designation All Branch Chiefs has been renamed All Division Chiefs. No disclosure responsibilities have been changed by this renaming.
2. The designation All Lead Associates has been deleted because that position has been eliminated.
3. The designation Regional Monitoring Coordinator is a new designation. This is a specialist position reporting directly to the Assistant Executive Officer. The incumbent works with regional board and State Board staff as well as stakeholders to develop and implement a regional monitoring program. Other assignments include public outreach and investigation of citizen complaints. This position has been placed in the broadest disclosure category because the associated responsibilities cover a broad range of potential effects on a variety of financial interests.
4. The designation Watershed Management Initiative Coordinator is a new designation. This specialist position reports directly to the Assistant Executive Officer. The incumbent coordinates watershed management activities, facilitating public involvement in planning and monitoring activities as well as collecting information for assessment and prioritization of wetlands. This position has been placed in the broadest disclosure category because the associated responsibilities cover a broad range of potential effects on a variety of financial interests.

E. Region 9

1. The designation Chief, Inland Surface Waters (Technical Assistance) has been deleted because that position has been eliminated.

2. The designation Watershed Management Coordinator is a new designation. This position reports directly to the Assistant Executive Officer and the position has responsibility for watershed management policies and programs. These include some of the most complex and controversial projects of the Board. Because this position can influence decisions affecting a wide variety of financial interests, it was placed in the broadest disclosure category.
3. The designation Chief, Marine Waters (Technical Assistance, San Diego Bay Cleanup Project) has been renamed Senior Specialist, Marine Waters (Technical Assistance, San Diego Bay Cleanup Project). No disclosure responsibilities have been changed by this renaming.
4. The designation Supervisor, Business Support Services has been added because this position has administrative responsibilities that include contracting and oversight of procurement programs. Therefore, this position has been placed in disclosure category 2.

2004
PROPOSED REVISIONS TO CONFLICT OF INTEREST CODE
STATE WATER RESOURCES CONTROL BOARD

SUMMARY OF COMMENTS AND RESPONSES TO COMMENTS

The following written comments were received during the 60-day comment period which ended on August 5, 2003.

1. Allan Patton, Division of Financial Assistance (DFA):

- a. *For DFA, it seems the "Supervisor, Cleanup Fund Claims Review," "Supervisor, Payments and Settlement," and "Supervisor, Payments and Priority" positions are already covered under "All Unit Supervisors," and separate designations are unnecessary.*

Response: The Division of Financial Assistance is generally organized into Branches, Sections, and Units. Although there are further subdivisions indicated, they are not delineated with uniform category descriptions. The May 2003 organizational chart shows the Cleanup Fund Unit, located in the Water Protection Branch, is subdivided into three groups titled Cleanup Fund Claims Review, Payments and Settlements, and Payments and Priority. Unlike groups at the next hierarchical level, these three groups are identified solely by function rather than with a descriptor such as section or unit. In order to clearly identify the positions intended, they are specifically named in the DFA listing.

2. David Charter, Division of Financial Assistance:

- a. *Why is this document being revised at this time? Are there any new statutes or regulations that now require that more employees complete the disclosure form? If the statutory requirements have not changed, have I or the Water Board been in violation for the past 2 ½ years?*

Response: The Political Reform Act, California Government Code Section 81000 et seq., requires that every state agency review its Conflict of Interest Code biennially and submit a report to the Fair Political Practices Commission (FPPC) specifying whether the code must be amended. Cal. Gov. Code Sec. 87306. The report was required this year and was due to the FPPC no later than March 1, 2003. Pursuant to the required review, a number of new positions were identified as requiring disclosure in the State Board's Conflicts of Interest Code.

No new statutory requirements were enacted that would mandate additional employees being required to file the financial disclosure form. However, the biennial review indicated that additional designations should be made for employees who participate in decisions that could affect financial interests. Therefore, the appendix is being revised.

Because your position has not been previously designated, you have not been required to file the statement of financial interests. Consequently, you were not in violation of the Political Reform Act. Although your position was not previously designated, your management in its review identified your position as participating in decisions that could affect financial interests. The responsibilities listed in your duty statement support this determination.

- b. *How does the mere fact that someone has been given a supervisory position lead to the same disclosure requirements as judges and elected officials?*

Response: The determination to designate a position is based upon the areas of substantive responsibility rather than the fact of supervising employees. If an employee's responsibilities entail participation in decisions that have a material effect on financial interests, the position must be designated. The breadth of financial disclosure requirements associated with a designation is dependent upon the types of financial interests that could be affected by decisions the employee makes or participates in. As noted in the Explanation of Reasons circulated with the public notice and draft appendix, unit supervisors in DFA oversee work that entails participation in decisions affecting a very wide range of individuals, businesses, and other entities. Because the range of financial interests potentially affected are so broad, this position was placed in the most extensive disclosure category.

- c. *I presently supervise nine people in my technical review unit. Each person reviews and approves over \$12 million in reimbursements per year, on average. Should the reporting requirements be based on the total dollar value of work performed, rather than on a simple job description?*

Response: Reporting requirements for designated employees are not intended to reflect the monetary value of decisions made pursuant to their official duties. Rather, employees are required to disclose their financial interests that could be affected by decisions they make or decisions in which they participate. If an employee's responsibilities cover only a limited type of financial interest, disclosure requirements are more limited. Because your responsibilities include participation in decisions affecting a wide range of business and property interests, your position has been added at the broadest disclosure level.

- d. *I supervise work in Regions 1, 2, 3, 4, 6, and 7. I live and work in Region 5 (Yolo County) and all my property and business interests are in Region 5. Do I have to disclose these interests, since they are located outside my jurisdiction?*

Response: Although you are assigned to handle matters that are specific to regions, the State Board's jurisdiction dictates the parameters of your disclosure requirements. California Government Code section 82035 provides that jurisdiction for a state agency is the state. Therefore, you must disclose interests located throughout the state.

- e. *The Cleanup Fund is only responsible for reimbursing reasonable and necessary corrective action costs to individual claimants. These costs have already been incurred by the claimants, and we are not in the business of contracting for or procuring services from consultants or contractors. Since we are not in the contracting business, why do Fund personnel have these reporting requirements?*

Response: Disclosure of financial interests is not limited to interests in parties who may contract with a state agency, although that is one area of potential conflicts. The decision to reimburse corrective action costs may result in a material effect on a business that could be a financial interest to a state agency employee. An actual conflict is not necessary to give rise to disclosure requirements under the Political Reform Act. The disclosures are intended to alert designated employees about their economic interests and potential areas of conflict in relation to their duties, as well as provide information to members of the public who may monitor official actions for any conflict.

3. Sue Horn, Division of Administrative Services

- a. *She is pleased with the changes and gives her approval.*

Response: Comment noted.

4. Toru Okamoto, Division of Financial Assistance

- a. *Suggested changes to titles and job descriptions contained in the draft statement of reasons:*

(1) “The position Supervisor, Cleanup Fund Claims Review and Settlements is a new designation. This position oversees work relating to applications for funding of cleanups and commitments obligating funds as well as determination of priority of claimants to funding. Activities include eligibility determinations, analysis of tax documentation, issuance of letters of commitment, coordinating with regard to outside sources of funding to ensure that proper costs are charged, and interaction with claimants and their representatives. Because this position may have a material financial effect on a variety of financial interests, this position was placed in the broadest disclosure category.”

(2) “The position Supervisor, Payments and Settlements Closures is a new designation. This position oversees work relating to payments for cleanup work performed. Activities include monitoring of reasonableness of costs claimed ~~and coordinating with regard to outside sources of funding to ensure that proper costs are charged~~, audits of claims for closure, and interaction with claimants and their representatives. Because this position may have a material financial

effect on a variety of financial interests, this position was placed in the broadest disclosure category.

(3) “The position Supervisor, Payments and Priority is a new designation. This position oversees work relating to payments for cleanup work performed, ~~as well as determination of priority of claimants to funding.~~ Activities include monitoring of reasonableness of costs ~~claimed as well as analysis of tax documentation~~ and interactions with claimants and their representatives. Because this position may have a material financial effect on a variety of financial interests, this position was placed in the broadest disclosure category.”

Response: These changes will be made in the Statement of Reasons and in the appendix listing designated positions.