

1 Amend 2 Cal. Code Regs., Section 18235 to read:

2 **§ 18235. Reporting Interests in a Blind Trust (82030, 82033 and 82034).**

3 (a) Notwithstanding the provisions of 2 Cal. Adm. Code Section 18234(c), a filer who  
4 has a direct, indirect or beneficial interest in a blind trust which meets the standards set forth in  
5 subsection (b) is not required to disclose the pro rata share of the trust's interests in real property  
6 or investments, or income deriving from any such interests or investments, if those interests or  
7 investments are acquired by the trustee after the trust complies with subsection (b).

8 However, nothing in this section relieves the filer from ~~his or her~~ the obligation (1) to  
9 disclose the pro rata share of the trust's interests in real property or investments, or income  
10 deriving from any such interests or investments, if the interests or investments were originally  
11 transferred into the trust, and (2) to ~~disqualify himself or herself~~ not take part from participating  
12 in decisions which may have a foreseeable and material effect on financial interests which are  
13 reportable under this regulation.

14 (b) A blind trust must comply with the following conditions:

15 (1) the trustee must be a disinterested party other than the filer's spouse, child, parent,  
16 grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, aunt, uncle,  
17 or first cousin or the spouse of any such person;

18 (2) the trustee must be given complete discretion to manage the trust including, but not  
19 limited to, the power to dispose of and acquire trust assets without consulting or notifying the  
20 filer;

21 (3) the trustee must be required to notify the filer of the date of disposition and value at  
22 disposition of any original investments or interests in real property so that information can be

1 reported on the filer's next Statement of Economic Interests;

2 (4) the trustee must be prohibited from disclosing to the filer any information concerning  
3 the replacement assets except for information required under this subsection or the minimum tax  
4 information which lists only the totals of taxable items from the trust and does not describe the  
5 source of any individual item of income; and

6 (5) if the trust is revoked while the filer is a public official, or if the filer learns of any  
7 replacement assets of the trust, the filer must file an amendment to the most recent Statement of  
8 Economic Interests disclosing the date of revocation and the previously unreported pro rata share  
9 of the trust's interests in real property or investments or income deriving from any such interests  
10 in real property or investments and not take part in the decisions under the Act's conflict of  
11 interest provisions ~~disqualify himself or herself~~, as necessary. For purposes of this regulation,  
12 any replacement assets of which the filer learns shall thereafter be treated as though they were  
13 original assets of the trust.

14 (c) If a filer has an interest in a blind trust which meets the requirements of subsection  
15 (b), the filer shall indicate the existence of the blind trust, its date of creation and the name of the  
16 trustee on the Statement of Economic Interests and attach a copy of a statement signed by the  
17 trustee, under penalty of perjury, that ~~he or she~~ the trustee has not revealed any information to  
18 the filer, except what is required under subsections (b)(3) and (4), and that the trust is in  
19 conformance with subsection (b).

20 Note: Authority cited: Section 83112, Government Code. Reference: Sections 82030-82034,  
21 Government Code.