

HOUSE RESEARCH

Bill Summary

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Overview

This bill expands certain provisions related to conflicts of interest and disclosure of economic interests, including the addition of spouses to the requirements related to potential conflicts of interest and a requirement that business and professional activity codes be listed to identify work performed as an employee or independent contractor in certain cases.

The bill also classifies data and modifies provisions related to audits and investigations conducted by the board.

Section

- 1 Audits and investigations.** Requires the Campaign Finance and Public Disclosure Board to make audits and investigations of compliance with campaign finance laws, within the limits of available resources.

Current law provides discretionary audit and investigation authority to the board.

This section also grants the board authority to require testimony under oath, and to permit written statements to be given under oath, when conducting matters related to its official duties.

- 2 Disclosure of potential conflicts.** Adds the financial interests of an official's spouse to the list of items that may require the official to disclose a potential conflict of interest, using the procedure for disclosure already provided for in law.

The list of officials required to make these disclosures is unchanged.

Section

3 Form (statement of economic interest). Requires individuals who file a statement of economic interest to list relevant principal business or professional activity codes in the following circumstances:

- if the individual receives more than \$50 in any month as an employee of a business, and if the individual owns more than a 25 percent interest in the business (new clause (6))
- if the individual received compensation of more than \$2,500 in the past 12 months as an independent contractor (new clause (7))

The list of principal business or professional activity codes is contained in paragraph (b). The Campaign Finance and Public Disclosure Board would be permitted to add additional codes through board rule or advisory opinions.

These new requirements would apply to new public officials and candidates beginning the day following final enactment. Current public officials would be required to include these new disclosures in their supplementary statement due April 15, 2015.

4 Board audits; data classification. Permits the board to require an individual to disclose underlying data, in the course of a board's audit of the individual's compliance with the economic interest statement requirements.

This section also classifies data related to the audit, except for the board's final audit report, as confidential data, and prohibits disclosure of the data by a member, employee, or agent of the board except as necessary to carry out the audit or take action in the matter.

A final audit report must publicly disclose the name of the individual subject to the audit, a description of the audit's findings, a description of any responses provided by the individual, and the manner in which the findings were resolved.

5 Statements of economic interest. Adds a cross reference in the Data Practices Act to the new data classifications contained in section 4 of the bill.

