STAFF REPORT

MEETING DATE:	**September 30, 2026**
SUBJECT:	**Review and Discuss Proposed Changes to SRTA's Conflict of Interest Policy**
AGENDA ITEM:	**7-11**
STAFF CONTACT:	**Sean Tiedgen, AICP, Executive Director**

STAFF RECOMMENDATION:

It is recommended that the board of directors approve changes to SRTA's Conflict of Interest policy (Section 2.05.050) in accordance with changes in state law under Senate Bill 852 effective January 1, 2026.

DISCUSSION:

Senate Bill (SB) 852, effective January 1, 2026, amended Section 87500 of the Political Reform Act in California by further clarifying who must file a Form 700 to the Fair Political Practices Commission (FPPC) instead of to the local agency (i.e., County Clerk). The changes require anyone with discretionary authority at a government agency to "invest or formulate investment policies for public funds" must file a Form 700 with the FPPC instead of the local agency. SRTA's board members, as locally elected officials, are required to file Form 700s with the FPPC. On review, staff and legal counsel found that SRTA's executive director and chief fiscal officer fall under SB 852 changes and must now annually file a Form 700 with the FPPC. SRTA's policies have been updated to reflect this change (see attachment).

Staff and legal counsel reviewed other sections of the conflict of interest policy and proposed additional edits for clarity and consistency with applicable regulations.

ALTERNATIVES:

The board of directors may request additional information and delay this item to the next board meeting. This will impact SRTA meeting the Shasta County Clerk's conflict of interest policy reporting deadline.

OTHER AGENCY INVOLVEMENT:

SRTA files a form every two years to the Shasta County Clerk regarding SRTA's Conflict of Interest policies. Staff will work with the FPPC and Shasta County Clerk to implement the changes after board of directors' approval.

FISCAL & POLICY COMMITTEE REVIEW:

///The Fiscal & Policy Committee met on September 21, 2026, to review and discuss the proposed changes and to vote on the matter.///

FISCAL IMPACT:

There is no net fiscal impact in acting on this item.

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Sean Tiedgen, AICP, Executive Director

Attachment: Section 5.05.050 – Conflict of Interest (updated draft)

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2.05.050 - CONFLICT OF INTEREST

(Amended 6/20/24)

Introduction: Conflicts of interest occur when a conflict exists between the public interest and the private monetary interest of the public official or employee.

A. The following policy ensures that any conflicts of interest or the appearance thereof are avoided or appropriately managed through disclosure, ~~recuse~~ recusal or other means. No board member, employee or consultant involved with daily operations of the agency may:

1. Engage or participate in a business or transaction, including outside employment, or have a direct or indirect interest that is incompatible with, or that would tend to impair their independent judgment in the proper discharge of their agency responsibilities;

2. Solicit or accept a gift from anyone who has an interest in any project within the board member's or employee's responsibility;

3. Use information about the agency's affairs for his/her own or others' financial interests;

4. Ask or permit agency-owned vehicles, equipment, facilities, materials, or property to be used for his/her own personal convenience or profit, except when this property is permitted for the employee's or board member's use when conducting agency business;

5. Use his/her position for personal financial benefit or that of an immediate family member (spouse, child or dependent relative living in his/her household) or associated business (business owned by a board member, employee or member of one's immediate family or where any one of them works or serves as a board member, director or compensated agent);

6. Accept a fee or honorarium for an article written, appearance or speech made, or participation at an event, in one's official agency capacity;

7. Engage in any political activity while on duty or during any time one is paid to be on duty for the agency that violates the conditions of any grant contract in effect with the agency;
8. Use agency funds, supplies, vehicles, or facilities for political activity;

9. Solicit or accept anything of value, including a gift, loan, political contribution, reward or promise of future employment based on any understanding that the board member's or employee's official action or judgment would be or had been influenced by it. A "gift" is generally anything of value given for less than its value.

10. Vote on, or otherwise participate in, any matter on behalf of the agency if he/she has an associated business, or an immediate family member has a financial or personal interest

in the matter greater than that of any other segment of the population, including the sale of real estate, material, supplies, or services to the agency. If the participation is within the scope of the board member's or employee's official responsibility, he/she must give the board a written explanation of the nature and extent of one's interest. This policy prohibits immediate families and associated businesses from entering into private contractual agreements with the agency.

11. Employees and former employees shall not use confidential information for actual or anticipated personal gain or for the gain of any other person.

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B. Former board members or employees are prohibited from:

1. Accepting compensation from the agency to appear before the agency or board for the first year after terminating employment or office;

2. Representing anyone, other than the agency, in any matter in which they participated personally and substantially while in agency service;

3. Disclosing or using confidential information gained in their position at the agency for their own financial gain or that of others; or

4. Working for a party under contract, other than the agency, for one year after the contract is signed, if they participated substantially in the contract negotiations or award.

5. Employees who participate in selection, review or approval or who have influence over selection or approval in the purchasing process should not become employees of a firm contracting with the agency. An employee should not act as a principal or as an agent for a firm that does business with the agency for six months after the termination with the agency.

C. The Political Reform Act (Government Code Section 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 (2 California Code of Regulations Section 18730) that 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 Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 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 information set forth below designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the Shasta Regional Transportation Agency ("SRTA").

D. Individuals holding designated positions shall file their statements of economic interests with SRTA, through the designated filing system or with the FPPC pursuant to applicable FPPC regulations, and SRTA will make the statements available for public inspection and reproduction (Gov. Code Sec. 81008). Copies of statements will be retained by SRTA.

~~A Conflict of Interest Form must be completed as required by government code by all designated positions. Designated positions are defined below as well as the disclosure category. Members have a responsibility to disclose actual or potential conflicts before their appointment.~~

~~Designated Position Disclosure Category~~

~~Board Member 1~~
~~Executive Director 1~~
~~Planner 1~~
~~Chief Fiscal Officer 1~~
~~Consultants* 1~~
~~Administrative Associate/Executive Assistant 1~~
~~Administrative Assistant 1~~
~~Accounting Clerk 1~~
~~Fiscal Analyst 1~~
~~Apprentice/Intern 1~~

Designated Position	**Disclosure Category**	**FPPC Form 7~~872~~00 or Netfile Form 700**
Board Member*	-	FPPC Form ~~8~~7~~2~~00
Executive Director*	-	FPPC Form ~~8~~7~~2~~00
Chief Fiscal Officer*	-	FPPC Form ~~8~~7~~2~~00
Planner	1,2,3	Netfile Form 700
Consultants*	1,2,3	Netfile Form 700
Administrative Associate/Executive Assistant	1,2,3	Netfile Form 700
Administrative Assistant	1,2,3	Netfile Form 700
Accounting Clerk	1,2,3	Netfile Form 700
Fiscal Analyst	1,2,3	Netfile Form 700
Apprentice/Intern	1,2,3	Netfile Form 700
Agency Counsel	-	FPPC Form 700

* Officials who manage public investments are deemed to be "statutory filers" within the meaning of Government Code sections 87200 and 87500 California Code of Regulations, Title 2, section 18720 because they must file statements of economic interest (FPPC Form 700) pursuant to the Political Reform Act instead of the District's conflict of interest code. As a result, such persons are not designated in this code and are listed here for information only.

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Disclosure Categories. The disclosure categories are defined as follows:

Category 1:
All persons in this disclosure category shall disclose all interests in real property located within the agency or within two miles of the agency's boundaries. This disclosure category is not applicable to the person's principle residence or real property interests with a fair market value of less than $2,000.

Category 2:
All persons in this disclosure category shall disclose all investments in business entities and business positions in business entities that have an interest in real property in the agency, or that have done business with the agency during the year prior to the date of the person's disclosure statement, or that are likely to do business with the agency during the year subsequent to the date of the person's disclosure statement. This disclosure category is not applicable to investments with a fair market value of less than $2,000.

Category 3:
All persons in this disclosure category shall disclose all sources of personal income and business entity income from entities that provide services, materials, machinery, equipment, or supplies of the type utilized by the agency or that are located within the agency, including gifts, loans and travel payments. This disclosure category is not applicable to income received from the agency.

*Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure in the Conflict ~~-~~of I~~-I~~nterest Code, subject to the following:

~~1. Disclosure Category~~

~~a. All investments and business positions in business entities, sources of income, and interests in real property.~~

~~b.~~The Executive Director, or his or her designee, in consultation with agency ~~Outside~~ counsel ~~for the agency or his designee~~ may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that are limited in scope and thus is not required to fully comply with the disclosure requirements of this section. Such written determination shall include a description of the consultant's duties and based upon that description, a statement to the extent of disclosure requirements. The determination of the Executive Director ~~outside counsel or his designee~~ is a public record and shall be retained for public inspection in the same manner and location as this Conflict ~~-~~of ~~-~~Interest Code.

~~D. The executive director, in consultation with legal counsel, may administratively amend Section2.05.050(C) of SRTA's Conflict of Interest policy, as needed, and prepare necessary documentation to submit for approval by the Shasta County Board of Supervisors or applicable government agency.~~