

DEPARTMENT OF BUSINESS OVERSIGHT*Ensuring a Fair and Secure Financial Services Marketplace for all Californians***Jan Lynn Owen****Commissioner of Business Oversight****NOTICE OF MODIFICATIONS TO PROPOSED REGULATIONS**

To Interested Persons:

On December 22, 2017, the Commissioner of Business Oversight published a Notice of Rulemaking Action to amend section 260.607 of Title 10 of the California Code of Regulations, which sets out rules regarding conflict of interest and incompatible activities for Department employees. (The Department's Conflict of Interest Code is contained in section 250.30 of title 10 of the California Code of Regulations, which is not being amended.) This proposed action would also adopt section 260.607.5 of title 10 of the California Code of Regulations.

No public comments were received. The Commissioner is proposing additional changes to the regulations. A copy of the proposed revisions is being made available to the public in accordance with the requirements of Government Code section 11346.8(c). The text showing modifications to section 260.607 is attached. The originally proposed amendments are shown in underline of additions and strike-out of deletions, and the additional changes proposed by this notice are shown by double underlining of additions and double strike-out of deletions. The public may submit comments on the proposed changes as described below.

DESCRIPTION OF CHANGES

The proposed changes would:

- In section 260.607, subsection (d), correct an incorrect internal reference;
- In section 260.607, subsection (e), paragraph (2), incorporate by reference Schedule A-1 of the 2017-2018 Statement of Economic Interests Form 700 periodically published by the Fair Political Practices Commission; and
- In section 260.607, subsection (e), paragraph (2), clarify that the reporting and disqualification provisions apply to all designated employees in Title 10 California Code of Regulations Section 250.30.

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The initial statement of reasons for the proposed action containing all the information upon which the proposal is based is available on the Department of Business Oversight's website at www.dbo.ca.gov and from the Legal Division of the Department of Business Oversight. As required by the Administrative Procedure Act, the Legal Division maintains a rulemaking file containing all the information upon which the proposal is based. The rulemaking file is available for public inspection during regular business hours. Comments or inquiries concerning these proposed regulation changes may be directed to Mark Dyer at (916) 322-1977.

15-DAY COMMENT PERIOD

Any interest person may submit written comments regarding the changes from the originally proposed sections by written communications addressed as follows:

Commissioner of Business Oversight
Attn: Mark Dyer, Regulations Coordinator, Legal Division
1515 K Street, Suite 200
Sacramento, CA 95814

Comments must be received by December 17, 2018. Written comments may also be sent to Mark Dyer via electronic email at regulations@dbo.ca.gov.

The proposed additions to the Commissioner's rules in the text accompanying this notice are not yet effective and will not be effective until approved by the Office of Administrative Law and filed with the Secretary of State in accordance with Government Code section 11349.3. Questions regarding the content of this notice may be directed to Mark Dyer at (916) 322-1977.

Dated: November 30, 2018
Sacramento, California