County of Monterey
Board Policy Manual

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Levine Act Policy (Government Code section 84308)	G-125	1 of 3
Policy Category Government and Administration		

I. Purpose

a. To provide guidance on the County's compliance with Government Code section 84308, a provision of the Political Reform Act generally known as the "Levine Act," and to facilitate the efforts of County officers, parties, participants, and agents in their efforts to comply with the Levine Act.

II. Definitions

a. "Board" means the County of Monterey Board of Supervisors.
b. "Competitively bid" means where the County has little, if any, discretion in choosing the contractor and includes, for example, a solicitation in which bidders submit fixed amounts in their bids and the County is legally required to award the contract to the lowest responsive, responsible bidder.
c. "Contribution" includes contributions to County candidates, County officeholders, and/or their controlled committees in federal, state, or local elections.
d. "License, permit, or other entitlement for use" means all business, professional, trade, and land use licenses and permits and all other entitlements for use, including all entitlements for land use, all contracts, and all franchises. Amendments, extensions, and renewals of licenses, permits, or other entitlements for use are included within this definition. "License, permit, or other entitlement for use" does not include:
    i. Competitively bid contracts that are required by law, agency policy, or agency rule to be awarded pursuant to a competitive process.
    ii. Labor contracts.
    iii. Personal employment contracts.
    iv. Contracts valued under $50,000.
    v. Contracts where no party receives financial compensation.
    vi. Contracts between two or more agencies.
    vii. The periodic review or renewal of development agreements unless there is a material modification or amendment proposed to the agreement. Non-material modifications or amendments may be approved by staff.
    viii. The periodic review or renewal of competitively bid contracts unless there are material modifications or amendments proposed to the agreement that are valued at more than 10% of the value of the contract or $50,000, whichever is less. Non-material modifications or amendments may be approved by staff.

ix. Modification of or amendments to contracts that are exempt under this subparagraph, other than competitively bid contracts.

e. "Officer" means any elected or appointed officer of an agency, any alternate to an elected or appointed officer of an agency, and any candidate for elective office in an agency.

f. "Participant" means any person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use and who has a financial interest in the decision, as described in Government Code section 87100, *et seq*. A person actively supports or opposes a particular decision in a proceeding if that person lobbies in person the officers or employees of the County, testifies in person before the County, or otherwise acts to influence officers of the County. A person is not a "participant" under this paragraph if their financial interest in the decision results solely from an increase or decrease in membership dues.

g. "Party" means any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use.

h. "Pending" in a proceeding involving a license, permit, or other entitlement for use means either of the following:

(i) For an officer, when either of the following occurs:

1. An item involving the license, permit, or other entitlement for use is placed on the agenda for discussion or decision at a public meeting of the body of which the officer is a member.

2. The officer knows a proceeding involving a license, permit, or other entitlement for use is within the jurisdiction of the officer's agency for its decision or other action, and it is reasonably foreseeable that the decision will come before the officer in the officer's decision-making capacity.

(ii) For a party or party's agent, or a participant or participant's agent, when an application is filed with an agency, or, if the proceeding process does not require an application, when the proceeding is before the agency for its decision or other action.

III. Background

a. In 1982, the California Legislature passed the Levine Act, adding Government Code section 84308 to the Political Reform Act ("Section 84308"), following reports in the Los Angeles Times that several California Coastal Commissioners had solicited and received large campaign contributions from persons who had applications pending before the Commission. One of the purposes of the Levine Act was to assure that appointed members of legislative bodies were not influenced by the receipt of campaign contributions from the individuals and parties appearing before them, and that officials were not able to use their positions of authority to unduly influence applicants to make contributions to their campaigns.

b. On September 29, 2022, Governor Newsom signed Senate Bill ("SB") 1439 into law, making a number of changes to the Levine Act. The Levine Act previously only applied to local governing boards composed of elected officials appointed to governing boards other than their organic board, such as to joint powers authorities or Local Agency Formation Commissions. Effective as of January 1, 2023, SB 1439 amends section 84308 to apply to elected officials sitting on their own elected governing boards.

c. In September 2024, SBs 1181 and 1243 were enacted into legislation, making numerous additional changes to Section 84308 effective January 1, 2025. These changes include, in relevant part, raising the contribution threshold from $250 to $500; defining or redefining key terms, such as "pending," "agent," "license, permit, or other entitlement for use," and what types of contract decisions fall within the law; specifying that contributions from agents are no longer aggregated with those of parties; expanding the circumstances in which a disqualifying contribution may be returned and extending the period for return from 14 to 30 days; and adding clarification to the time period during which a party to an entitlement for use proceeding must disclose that it made a contribution greater than $500 (formerly $250).
d. Government Code section 84308 provides, in relevant part, that an officer (as defined) is prohibited from taking part in a license, permit, or other entitlement use proceeding if the officer has received a contribution, for any office the officer holds or seeks, in excess of $500 within the preceding 12 months. An officer is also prohibited from accepting a contribution in excess of $500 during the proceeding and for 12 months following the date a final decision is rendered in the proceeding.

IV. Policy and Procedure

a. This Policy applies to all County officers and departments. County departments may have policies specific to their departments, not in conflict with this Policy, to maintain Levine Act compliance for licenses, permits, or entitlements for use.
b. Any questions concerning compliance with this Policy should be directed to the Office of the County Counsel.
c. The policy and procedure are as follows:
    1. While a license, permit, or other entitlement for use from the County is pending, and for 12 months after a final decision is rendered on the matter, a County officer may not solicit, accept, or direct a contribution of more than $500 from any party or a party's agent, or from any participant or a participant's agent if the officer knows or has reason to know that the participant has a financial interest. This prohibition applies regardless of whether the County officer accepts, solicits, or directs the contribution on the officer's own behalf, or on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee.
    2. A County officer may not make, participate in making, or in any way use the officer's official position to influence a decision regarding a license, permit, or other entitlement for use from the County if the officer has willfully or knowingly received a contribution of more than $500 within the preceding 12 months from any party or a party's agent, or from any participant or a participant's agent if the officer knows or has reason to know that the participant has a financial interest.
    3. Before participating in any decision in a proceeding involving a license, permit or other entitlement for use, a County officer who received a contribution over $500 in the preceding 12 months from a party or any participant in the proceeding must disclose that fact on the record and recuse him or herself, and leave the dais and room where the meeting is being held.

4. If the County officer returns the contribution within 30 days from the time the officer knows or should have known about the contribution and relevant proceeding, the officer may participate in the decision.
5. A party, or an agent for a party, seeking a license, permit, or other entitlement for use or a participant in the proceeding may not make a contribution in excess of $500 to a County officer while the matter is pending before the County or within 12 months after there has been a final decision on the matter. The party to the pending matter must disclose on the record any qualifying contribution made within the preceding 12 months.
6. A party to a proceeding involving a license, permit, or other entitlement for use pending before the County in the proceeding must disclose any contribution of more than $500 made to a County officer within the preceding 12 months by the party or the party's agent.

V. Review Date

a. This Policy will be reviewed for continuance by February 18, 2030, or as needed with changes to the Levine Act.

VI. Board Action

a. Legistar File Number: RES 25-025, February 18, 2025.