



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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EXECUTIVE STAFF REPORTS

May 21, 2020 Commission Hearing

Contents

<u>ENFORCEMENT DIVISION</u>	2
<u>LEGAL DIVISION</u>	9

I. ENFORCEMENT DIVISION

STAFF: GALENA WEST, CHIEF OF ENFORCEMENT

I. Overview

During the period of April 1, 2020 through April 30, 2020 the Enforcement Division received 32 complaints, opened 4 for investigation, and rejected 25. The Enforcement Division received 9 referrals during this time. The Enforcement Division closed a total of 157 cases including:

- 82 warning letters – advertisement violations (2), campaign violations (37), conflict of interests violations (1), lobbying violations (2), and statement of economic interests violations (40);
- 45 no action closure letters alleging – advertisement violations (1), campaign violations (19), lobbying violations (2), and statement of economic interests violations (23);
- 1 advisory letter for a conflict of interest violation;
- 6 approved stipulations from the April Commission meeting;
- 19 committees were administratively terminated; and
- 4 cases used as placeholders for system testing.

The Division had 1,874 cases in various stages of resolution at the time of the April Monthly Report and currently has approximately 1,743 cases in various stages of resolution, including the 28 cases before the Commission as listed in the May Agenda.

II. Annual Statistics

On the next page, you will find a chart that details the annual statistics for enforcement complaints, referrals and cases. This chart includes the data from 2019, where Enforcement had a highly efficient and effective year, receiving almost 2,700 complaints and referrals and closing 1,031 cases with violations found. The information in the chart has been gathered from public reports, information from the defunct and inactive database, and data that has been converted into current form, so the numbers are close estimates in some instances.

	Year	2016	2017	2018	2019
1	Complaints Received	1,180	564	1,352	744
2	Referrals Received	350	1,616	1,529	1,950
3	Total Complaint and Referrals Received	1,530	2,180	2,881	2,694
4	Cases opened	1,315	1,480	1,561	1,820
5	Cases closed ³	1,803	1,477	1,243	1,465
6	Cases with resolutions approved by the Commission ¹	311	340	235	343
	a Streamline cases approved by Commission	234	262	173	263
	b Mainline cases approved by Commission	70	66	56	73
	c Default cases approved by Commission	7	12	6	7
7	Total fines imposed by the Commission	\$894,257	\$1,126,933	\$499,606	\$797,384
8	Warning letters issued	489	505	554	584
9	Administrative terminations	668	297	177	104
10	Cases closed with violations found ²	1,468	1,142	966	1,031
11	Advisory letters issued	14	17	20	9
12	No action closure letters	321	318	252	423

¹ Total for lines 6a, 6b, and 6c.

² Total for lines 6, 8, and 9.

³ Total cases closed includes Commission approved cases from the previous year and a Commission approved administrative judgement. It does not include Commission approved cases not yet closed.

III. Unexecuted Streamline Stipulations

Streamline penalty stipulations are approved by the Chief of Enforcement and reported to the Commission for discussion only before they are executed. The following streamline stipulations are presented for that purpose. After the close of the hearing, the Chief of Enforcement may execute all or any of the streamline penalty stipulations, at her discretion per Regulation 18360.2.

Advertisements

[In the Matter of Long Beach Reform Coalition PAC, a committee to oppose Measure BBB, David L. Gould, and Ian Patton; FPPC No. 19/217.](#) Staff: Christopher Burton, Senior Commission Counsel and Garrett Micheels, Special Investigator. Long Beach Reform Coalition PAC, a committee to oppose Measure BBB is a committee primarily formed to oppose Long Beach Measure BBB, which appeared on the ballot in the November 6, 2018 General Election. David L. Gould is the Committee's treasurer, and Ian Patton is the Committee's principal officer. The Committee and Patton failed to include the correct disclosures on two different advertisements, in violation of Government Code Section 84504.2 (2 counts). Additionally, the Committee, Gould, and Patton failed to timely file four 24-Hour Reports, in violation of Government Code Section 84203 (4 counts). **Total Proposed Penalty: \$1,533.**

[In the Matter of Yes on Measure PV – Safer Schools for Our PVP Kids and Howard Edelson; FPPC No. 20/352.](#) Staff: Galena West, Chief of Enforcement and Dominika Wojenska, Associate Governmental Program Analyst. The respondents were represented by Beverly Grossman Palmer of Strumwasser & Woocher LLP. Yes on Measure PV – Safer Schools for Our PVP Kids is a local primarily formed committee. Howard Edelson is the Committee's principal officer. The Committee and Edelson failed to include the proper advertisement disclosure on a mailer, newspaper ad, and yard signs paid for by the Committee prior to the March 3, 2020 Primary Election, in violation of Government Code Section 84504.2 (4 counts). **Total Proposed Penalty: \$560.**

[In the Matter of Joy McCreary for GUSD School Board, District A 2020 and Joy McCreary, FPPC No. 20/247.](#) Staff: Galena West, Chief of Enforcement and Tara Stock, Intake Manager. Joy McCreary was an unsuccessful candidate for Glendale Unified School District Board in the March 3, 2020 Primary Election. Joy McCreary for GUSD School Board, District A 2020 was her candidate-controlled committee. The Committee and McCreary failed to include the proper advertisement disclosures in a mass mailing distributed prior to the election, in violation of Government Code Section 84305 (1 count). **Total Proposed Penalty: \$102.**

Campaign Late Filer

[In the Matter of Ken Hara for Judge 2020 and Kenneth Hara; FPPC No. 20/242.](#) Staff: Jenna C. Rinehart, Commission Counsel. Kenneth Hara was a successful candidate for Stanislaus County Superior Court Judge Office 5 in the March 3, 2020 Primary Election. Ken Hara for Judge 2020 is his candidate-controlled committee. The Committee and Hara failed to timely disclose when the Committee qualified as a committee on its statement of organization, in violation of Government Code Section 84103 (1 count); failed to timely file two pre-election campaign statements, in violation of Government Code Section 84200.5 (2 counts); and failed to

timely file two 24-Hour Reports prior to the election, in violation of Government Code Section 84203 (2 counts). **Total Proposed Penalty: \$2,070.**

In the Matter of Carlton for Menlo Park City Council 2016, Catherine Carlton, and Anil Advani; FPPC No. 19/1231.

Staff: Galena West, Chief of Enforcement and Dominika Wojenska, Associate Governmental Program Analyst. Catherine Carlton was a successful candidate for Menlo Park City Council in the November 8, 2016 General Election. Carlton for Menlo Park City Council 2016 is her candidate-controlled committee. Anil Advani is the Committee's treasurer. The Committee, Carlton, and Advani failed to timely file four semiannual campaign statements, in violation of Government Code Section 84200 (4 counts). **Total Proposed Penalty: \$800.**

In the Matter of John Marquez for CCC College Board 2018 and John Marquez; FPPC No. 19/564.

Staff: Galena West, Chief of Enforcement and Ginny Lambing, Political Reform Consultant. John Marquez was a successful candidate for Contra Costa Community College Board in the November 6, 2018 General Election. John Marquez for CCC College Board 2018 was his candidate-controlled committee. The Committee and Marquez failed to timely file two semiannual campaign statements, in violation of Government Code Section 84200 (2 counts). **Total Proposed Penalty: \$439.**

In the Matter of Greg Dale for Harbor Commission 2015, Greg Dale, and Sandra Dale; FPPC No. 19/1525.

Staff: Galena West, Chief of Enforcement and Ginny Lambing, Political Reform Consultant. Greg Dale was a successful candidate for Humboldt County Harbor Commission in the November 3, 2015 General Election. Greg Dale for Harbor Commission 2015 is his candidate-controlled committee. Sandra Dale is the Committee's treasurer. The Committee, Dale, and Dale failed to timely file two semiannual campaign statements, in violation of Government Code Section 84200 (2 counts). **Total Proposed Penalty: \$409.**

In the Matter of Committee to Recall Jose Lara and Leanne M. Ibarra 2019 and Susanne Perea; FPPC No. 19/1762.

Staff: Galena West, Chief of Enforcement and Ginny Lambing, Political Reform Consultant. Committee to Recall Jose Lara and Leanne M. Ibarra 2019 is a local primarily formed committee. Susanne Perea is the Committee's treasurer. The Committee and Perea failed to timely file a quarterly campaign statement, in violation of Government Code Section 84202.3 (1 count). **Total Proposed Penalty: \$292.**

Lobbying

In the Matter of LAFC StadiumCo, LLC (Los Angeles Football Club); FPPC No. 18/1552.

Staff: Galena West, Chief of Enforcement and Tara Stock, Intake Manager. LAFC StadiumCo, LLC (Los Angeles Football Club), a lobbyist employer, failed to timely file two lobbyist employer reports, in violation of Government Code Section 86117 (2 counts). **Total Proposed Penalty: \$752.**

In the Matter of Sam Lauter; FPPC No. 19/1699.

Staff: Galena West, Chief of Enforcement and Ginny Lambing, Political Reform Consultant. Sam Lauter, a lobbying firm, failed to timely file a lobbying firm quarterly report, in violation of Government Code Section 86114 (1 count). **Total Proposed Penalty: \$380.**

Statement of Economic Interests Late Filer

[In the Matter of Danielle Bogan; FPPC No. 19/638.](#) Staff: Galena West, Chief of Enforcement and Cheng Saetern, Assistant Political Reform Consultant. Danielle Bogan, a Director for the Health and Human Services Agency of El Dorado County, failed to timely file an Assuming Office, a 2017 Annual, and a 2018 Annual/Leaving Office Statement of Economic Interests, in violation of Government Code Section 87300 (3 counts). **Total Proposed Penalty: \$600.**

[In the Matter of Terra Brusseau; FPPC No. 19/715.](#) Staff: Galena West, Chief of Enforcement and Cheng Saetern, Assistant Political Reform Consultant. Terra Brusseau, a Board Member for the Fresno Housing Authority, failed to timely file a 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400.**

[In the Matter of Joseph Myers; FPPC No. 19/1151.](#) Staff: Galena West, Chief of Enforcement and Ginny Lambing, Political Reform Consultant. Joseph Myers, Commissioner of the Native American Heritage Commission, failed to timely file a 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

[In the Matter of Patrick Parker; FPPC No. 19/683.](#) Staff: Galena West, Chief of Enforcement and Cheng Saetern, Assistant Political Reform Consultant. Patrick Parker, a Member of the Community Planning Group of San Diego County, failed to timely file an Assuming Office Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

Statement of Economic Interests Late Reporter

[In the Matter of Jimmie Soto; FPPC No. 19/1565.](#) Staff: Galena West, Chief of Enforcement and Tara Stock, Intake Manager. Jimmie Soto, a former Member of the California State Independent Living Council, failed to timely disclose a source of income on his 2017 Annual, 2018 Annual, and Leaving Office Statements of Economic Interests, in violation of Government Code Section 87300 (3 counts). **Total Proposed Penalty: \$300.**

[In the Matter of Danielle Anderson; FPPC No. 19/1562.](#) Staff: Galena West, Chief of Enforcement and Tara Stock, Intake Manager. Danielle Anderson, a Member of the California State Independent Living Council, failed to timely disclose a source of income on her Assuming Office and 2018 Annual Statements of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Total Proposed Penalty: \$200.**

[In the Matter of Lisa Hayes; FPPC No. 19/1563.](#) Staff: Galena West, Chief of Enforcement and Tara Stock, Intake Manager. Lisa Hayes, a Member of the California State Independent Living Council, failed to timely disclose a source of income on her 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$100.**

In the Matter of Curtis Cannon; FPPC No. 20/418. Staff: Galena West, Chief of Enforcement and Tara Stock, Intake Manager. Curtis Cannon, an Economic Development Manager for the City of Palmdale, failed to timely disclose a source of income on his Assuming Office Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$100.**

II. LEGAL DIVISION

STAFF: DAVID BAINBRIDGE, GENERAL COUNSEL

A. Pending Litigation

California State Association of Counties and California School Boards Association v. FPPC
Los Angeles County Superior Court, Central District, Case No. BS174653

On September 11, 2018, petitioners served a first amended petition for writ of mandate and complaint for declaratory relief. Petitioners allege that Regulations 18420.1 and 18901.1 are invalid as a matter of law, that the Commission has exceeded its jurisdiction in adopting these Regulations, and that the Regulations are unenforceable.

The Attorney General's Office is representing the Commission and timely filed an answer to the petition/complaint. On March 4, 2019, the Commission filed a Motion for Judgment on the Pleadings.

On March 29, 2019, the Commission's Motion for Judgment on the Pleadings was granted with leave to amend. The court vacated all hearing dates and set a new trial setting conference. Plaintiffs timely filed a Second Amended Complaint (SAC) on June 27, 2019.

The Commission filed a demurrer and the hearing occurred on November 22, 2019. In its ruling, the court: (1) sustained the demurrer to the first cause of action without leave to amend; (2) sustained the demurrer with leave to amend on plaintiff CSBA's standing on all cause of action and plaintiff CSAC's standing on all causes of actions challenging Regulation 18901.1; and (3) overruled the remaining grounds for demurrer.

Plaintiffs filed a third amended complaint and the Commission has filed an answer. The trial setting conference originally scheduled for April 3, 2020, has been continued to June 24, 2020, at 9:30 a.m. in Dept. 86.

B. Outreach and Training

- Political Reform Consultant, Katie Trumbly, conducted two webinars for the City of Solvang on April 23rd. One on Form 700 filers and one on Candidate/Treasurers. Ten people participated in the webinars.
- Political Reform Consultant, Stephen Hernandez, created a workshop request form specifically for webinars. It generated multiple requests within 24 hours. Over the next few months, the Education Program has scheduled the following webinars:
 - May 13th, Political Reform Consultant, Katie Trumbly will conduct a Form 700 Filing officer webinar, hosted by the FPPC, at noon. At this moment, over 450 Filing Officers have registered.

- May 18th, Staff Services Manager, Alana Jeydel and/or Political Reform Consultant, Alexandra Castillo, will conduct a Form 700 Filers webinar for the City of Victorville.
 - May 29th, Political Reform Consultants Stephen Hernandez and Katie Trumbly will conduct a Candidate/Treasurer webinar for the Oakland Ethics Commission. This was originally scheduled as an in-person training, but we reached out to Oakland and rescheduled it as a webinar.
 - June 10th, Political Reform Consultants Adam Ramirez and Katie Trumbly will conduct a Combo Filing Officer webinar for the City of Livermore.
 - July 29th, Political Reform Consultants, Stephen Hernandez and Katie Trumbly will conduct a Candidate/Treasurer webinar for the City of Livermore.
 - August 11th, Political Reform Consultant, Stephen Hernandez will conduct a Candidate/Treasurer webinar for the City of Santa Clara.
- Video Tutorials: Commission video tutorials were accessed a total of 364 times in April. Form 700 videos were accessed 240 times, the Candidate/Treasurer video was accessed 64 times, and the filing officer videos were accessed 60 times.

C. Advice

In April 2020, the Legal Division responded to the following requests for advice:

- **Requests for Advice:** The Email Advice and Conflict of Interest Code Program and Legal Division attorneys collectively responded to more than 693 e-mail and telephone requests for advice, 23 of which were not responded to within 24 hours.
- **Advice Letters:** The Legal Division received five advice letter requests under the Political Reform Act and completed seven.
- **Section 1090 Letters:** The Legal Division received three advice letter requests concerning Section 1090 and completed three. This year to date, we have received 16 advice requests regarding Section 1090.

D. Miscellaneous Decisions

None to report.

E. Potential Upcoming Regulations

June 18th, 2020

- Enforcement Proceedings (Regulations 18360, 18361.4, 18361.5, 18361.9, 18404.2): Various changes to Enforcement proceedings and practices including updating and clarifying the process for Enforcement complaints, probable cause proceedings, administrative hearings, adoption of proposed decisions by an administrative law judge, and administrative termination. (Prenotice Discussion.)
- Recusal Process (Regulation 18707): Amend the existing regulation to ensure an official prohibited from participating on an item at a public meeting due to a financial conflict of interest adequately identifies the interest requiring recusal on the record. (Adoption.)
- Limited Liability Companies: New regulation requiring disclosure of individual(s) associated with Limited Liability Companies that make contributions. (Adoption.)
- Sponsored Committee Rules (Regulation 18419): Amend existing regulation establishing the time periods for analyzing whether a committee qualified as sponsored. (Adoption.)

July 16th, 2020

- Public Generally Exception (Regulation 18703): Amend the existing regulation to provide greater clarity on when the public generally exception will apply to a financial conflict of interest. (Prenotice Discussion.)
- Minor and Technical Clean-Up Regulations. (Adoption.)

August 20th, 2020

- Enforcement Proceedings (Regulations 18360, 18361.4, 18361.5, 18361.9, 18404.2): Various changes to Enforcement proceedings and practices including updating and clarifying the process for Enforcement complaints, probable cause proceedings, administrative hearings, adoption of proposed decisions by an administrative law judge, and administrative termination. (Adoption.)

F. Conflict of Interest Codes

Adoptions and Amendments

- None to report.

Exemptions

- None to report.

Extensions

- None to report.

G. Probable Cause Hearings

Please note, a finding of probable cause does not constitute a finding that a violation has occurred. The respondents are presumed to be innocent of any violation of the Act unless a violation is proven in a subsequent proceeding.

1. ***In the Matter of Tommie Nellon, FPPC No. 18/512.*** On May 1, 2020, after a probable cause conference, probably cause was found to believe Respondent committed the following violations of the Act:

Count 1: Respondent failed to timely file his 2015 annual SEI by the April 1, 2016 due date, in violation of Government Code Section 87203.

Count 2: Respondent failed to timely file his 2016 annual SEI by the April 3, 2017 due date, in violation of Government Code Section 87203.

Count 3: Respondent failed to timely file his 2017 annual SEI by the April 2, 2018 due date, in violation of Government Code Section 87203.

Count 4: Respondent failed to timely file his 2018 annual SEI by the April 1, 2019 due date, in violation of Government Code Section 87203.

The following matters were decided based solely on the papers. The respondents did not request a probable cause hearing.

2. ***In the Matter of Antonio Flores, FPPC No. 16/20070.*** On April 21, 2020, probable cause was found to believe Respondent committed the following violations of the Act:

Count 1: Flores failed to timely file his Assuming Office Statement of Economic Interests (“SEI”) by the April 14, 2016 due date, in violation of Government Code Section 87300.

Count 2: Flores failed to timely file his Leaving Office SEI by the January 2, 2017 due date, in violation of Government Code Section 87300.

3. ***In the Matter of Vergne for LMUSD Trustee Area 3 2018 and Andrea Vergne, FPPC No. 18/867.*** On April 23, 2020, probable cause was found to believe Respondents committed the following violations of the Act:

Count 1: On or around September 17, 2018, the Committee and Vergne failed to timely file a qualifying statement of organization, in violation of Government Code Section.

Count 2: The Committee and Vergne failed to timely file the first pre-election campaign statement for the reporting period of January 1, 2018 to September 22, 2018, by the

September 27, 2018 due date, in violation of Government Code Sections 84200.5 and 84200.8.

Count 3: Between July 1, 2018 and September 22, 2018, the Committee and Vergne failed to accurately report the Committee's contributions and expenditures totaling approximately \$2,260.88, in violation of Government Code Section 84211, subdivisions (f) and (k).

Count 4: The Committee and Vergne failed to timely file the semi-annual campaign statement for the reporting period of October 21, 2018 to December 31, 2018, by the January 31, 2019 due date, in violation of Government Code Section 84200.

Count 5: Between July 1, 2018 and September 22, 2018, the Committee and Vergne failed to source approximately \$2,260.88, or 100%, of its contributions and expenditures through the Committee's campaign bank account, in violation of Government Code Section 85201, subdivision (c) and (e).

4. ***In the Matter of Gabe Kearney for Petaluma City Council 2012, Gabe Kearney for Petaluma Council 2016, and Gabriel "Gabe" Kearney, FPPC Nos. 2017/01214 & 2019/01157.*** On May 4, 2020, probable cause was found to believe that Respondents committed the following violations of the Act:

Count 1: The 2012 Committee and Kearney failed to timely pay the 2016 annual fee by the January 15, 2016 due date, and failed to pay the resulting \$150 late penalty, in violation of Government Code section 84101.5, subdivisions (c) and (d).

Count 2: The 2016 Committee and Kearney failed to timely file a statement of organization by or before the deadline of June 11, 2016 after qualifying as a committee on or around June 1, 2016 when the committee reported receiving \$2,000 in contributions, in violation of Government Code section 84101.

Count 3: The 2016 Committee and Kearney failed to timely file a pre-election campaign statement for the reporting period of July 1, 2016 through September 24, 2016 by the deadline of September 29, 2016, in violation of Government Code section 84200.5.

Count 4: The 2016 Committee and Kearney failed to timely file a semiannual campaign statement for the reporting period of October 23, 2016 through December 31, 2016 by the deadline of January 31, 2017, in violation of Government Code section 84200.

Count 5: The 2016 Committee and Kearney failed to timely file a semiannual campaign statement for the reporting period of January 1, 2017 through June 30, 2017 by the deadline of July 31, 2017, in violation of Government Code section 84200.

- Count 6: The 2016 Committee and Kearney failed to timely file a semiannual campaign statement for the reporting period of July 1, 2017 through December 31, 2017 by the deadline of January 31, 2018, in violation of Government Code section 84200.
- Count 7: The 2016 Committee and Kearney failed to timely file a semiannual campaign statement for the reporting period of January 1, 2018 through June 30, 2018 by the deadline of July 31, 2018, in violation of Government Code section 84200.
- Count 8: The 2016 Committee and Kearney failed to timely file a semiannual campaign statement for the reporting period of July 1, 2018 through December 31, 2018 by the deadline of January 31, 2019, in violation of Government Code section 84200.
- Count 9: The 2016 Committee and Kearney failed to timely file a semiannual campaign statement for the reporting period of January 1, 2019 through June 30, 2019 by the deadline of July 31, 2019, in violation of Government Code section 84200.
- Count 10: The 2016 Committee and Kearney failed to timely file a semiannual campaign statement for the reporting period of July 1, 2019 through December 31, 2019 by the deadline of January 31, 2020, in violation of Government Code section 84200.
- Count 11: The 2016 Committee and Kearney failed to timely pay the 2016 annual fee by the January 15, 2016 due date, in violation of Government Code section 84101.5, subdivisions (c) and (d).
- Count 12: The 2016 Committee and Kearney failed to timely pay the 2017 annual fee by the January 16, 2017 due date, and failed to pay the resulting \$150 late penalty, in violation of Government Code section 84101.5, subdivisions (c) and (d).
- Count 13: The 2016 Committee and Kearney failed to timely pay the 2018 annual fee by the January 15, 2018 due date, and failed to pay the resulting \$150 late penalty, in violation of Government Code section 84101.5, subdivisions (c) and (d).
- Count 14: The 2016 Committee and Kearney failed to timely pay the 2019 annual fee by the January 15, 2019 due date, and failed to pay the resulting \$150 late penalty, in violation of Government Code section 84101.5, subdivisions (c) and (d).
- Count 15: Kearney solicited campaign contributions and accepted campaign contributions totaling approximately \$5,315 prior to filing a candidate statement of intention regarding his candidacy for Petaluma City Council during the November 8, 2016 General Election, in violation of Government Code section 85200.
- Count 16: Kearney failed to timely file a statement of economic interests for the calendar year of 2018 by the deadline of April 1, 2019, in violation of Government Code section 87203.