



(AMENDED)
NOTICE AND AGENDA
Commission Meeting¹

California Fair Political Practices Commission
1102 Q Street, Suite 3800
Sacramento, CA 95811

Thursday, February 15, 2018
10:00 A.M.

Under Government Code section 11123(a), all meetings of a state body are open and public, and all persons are permitted to attend any meeting of a state body, except as otherwise provided in that article. The section further states that the portion of the teleconferenced meeting that is required to be open to the public must be audible to the public at the location specified in the notice of the meeting. The Commission may take action on any item listed on this agenda.

Welcome

Jodi Remke, FPPC Chair

Public Comment

- 1. Public Comment for Items not on Agenda.** During this comment period, any person is invited to speak on any topic that is not listed on this agenda. Action may not be taken on any matter raised during this public comment period until the matter is specifically listed on a future agenda. Those who wish to comment on an item that has been listed on this agenda may comment when that item has been opened for consideration by the Commission and before any action is taken.

¹You can obtain further information about the meeting by contacting the Commission Assistant, 1102 Q Street, Suite 3000, Sacramento, CA, 95811, Tel. (916) 322-5745. Written comments on agenda items should be submitted to the Commission no later than 12:00 p.m. the day before the meeting in order to afford the Commissioners adequate time to fully consider the comments. Email comment letters directly to CommAsst@fppc.ca.gov.

The agenda and related documents are posted on the FPPC website at www.fppc.ca.gov. Materials submitted by the public regarding each agenda item will be made available at the meeting and on the website.

Members of the public may listen to the meeting by phone by calling (877) 411-9748; access code 723284; or watch the meeting via Webinar at [YouTube](https://www.youtube.com/watch?v=...).

The meeting location is accessible to the disabled. Persons who, due to a disability, need assistance in order to participate in this meeting should, prior to the meeting, contact the Commission Assistant at (916) 322-5745 (voice), CommAsst@fppc.ca.gov (e-mail) and ADACoordinator@fppc.ca.gov. TTY/TDD and Speech-to-Speech users may dial 7-1-1 for the California Relay Service to submit comments on an agenda item or to request special accommodations for persons with disabilities. Please allow three business days between the request and the meeting date.

Approval of Commission Minutes

2. Approval of January 2018 Commission Hearing Minutes.

Consent Calendar 3-15

Lobbying

- 3. In the Matter of Susan Kennedy and Susan P. Kennedy, Inc.; FPPC No. 17/563.** Staff: Assistant Chief of Enforcement David Bainbridge and Special Investigator Ann Flaherty and Rooney Peterson. Susan Kennedy qualified as a lobbyist as the result of attempting to influence commissioners and staff of the California Public Utilities Commission from 2012 through 2014 on behalf of her clients: Lyft, Inc. and San Gabriel Valley Water Company. Susan P. Kennedy, Inc. is Kennedy's consulting company that received payment for Kennedy's lobbying thereby qualifying as a lobbying firm. Kennedy and Susan P. Kennedy, Inc. failed to timely register as a lobbyist and lobbying firm, in violation of Government Code Sections 86100 and 86101 (1 count); and failed to timely file quarterly lobbyist and lobbying firm reports for seven calendar quarters, in violation of Government Code Sections 86113, 86114, and 86117 (7 counts). **Total Proposed Penalty: \$32,500.**

Mass Mailings

- 4. In the Matter of Committee to Improve Hermosa Schools – Yes on S, Michael Collins, and John Friberg; FPPC No. 16/568.** Staff: Commission Counsel Christopher Burton. Committee to Improve Hermosa Schools – Yes on S was a primarily formed ballot measure committee in support of Hermosa Beach City School District Measure S, on the June 7, 2016 Primary Election ballot. Michael Collins was the Committee's principal officer. John Friberg was the Committee's treasurer. The Committee, Collins, and Friberg failed to print the language "Paid for by" and disclose the name of the Committee on certain advertisements, in violation of Government Code Section 84504 and Regulation 18450.4, subdivision (b)(1) (1 count). **Total Proposed Penalty: \$2,500.**

Campaign Non-Filer

- 5. In the Matter of Yes on P for Quality Schools and James Rod Borba; FPPC No. 15/1559.** Staff: Senior Commission Counsel Neal Bucknell and Special Investigator George Aradi. In 2012, Yes on P for Quality Schools was a ballot measure committee primarily formed to support Proposition P on the November 6, 2012 General Election ballot for voters in the Folsom Cordova Unified School District in Sacramento County. James Rod Borba was the Committee's treasurer. The Committee and Borba failed to file two pre-election campaign statements for the reporting periods covering January 1, 2012 through October 20, 2012, in violation of Government Code Sections 84200.5, subdivision (b); and 84200.7, subdivision (b) (1 count); failed to timely file one semiannual campaign statement for the reporting period covering October 21, 2012

through December 31, 2012, in violation of Government Code Section 84200, subdivision (a) (1 count); and failed to timely file four 24-Hour Reports, in violation of Government Code Section 84203, subdivision (b) (1 count). **Total Proposed Penalty: \$7,000.**

- 6. In the Matter of District 3 Democratic Club, Arthur Chang, and Chris Schulman; FPPC No. 15/1416 (Streamline Settlement).** Staff: Commission Counsel Theresa Gilbertson and Staff Services Analyst Dominika Wojenska. District 3 Democratic Club is a local general purpose committee. Arthur Chang and Chris Schulman served as the Committee's treasurers. The Committee, Chang, and Schulman failed to timely file five semiannual campaign statements for the reporting periods covering July 1, 2014 through December 31, 2016, in violation of Government Code Section 84200 (5 counts). **Total Proposed Penalty: \$3,229.**
- 7. In the Matter of Mayor Manuel Lozano 2013 and Manuel Lozano; FPPC No. 15/280 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Intake Manager Tara Stock. Manuel Lozano was a successful incumbent candidate for Mayor of Baldwin Park in the November 5, 2013 General Election and is currently holding office. Mayor Manuel Lozano 2013 was his candidate-controlled committee. The Committee and Lozano failed to timely file one pre-election statement covering the reporting period of January 1, 2013 through September 21, 2013, in violation of Government Code Section 84200.5 (1 count); one semiannual statement covering the reporting period of October 20, 2013 through December 31, 2013, in violation of Government Code Section 84200 (1 count); and three 24-Hour Reports, in violation of Government Code Section 84203 (3 counts). **Total Proposed Penalty: \$2,310.**
- 8. In the Matter of Payne for Palmdale 2015, Vajezatha Payne, and Sasha Cass; FPPC No. 16/19988 (Streamline Settlement).** Staff: Commission Counsel Christopher Burton. Vajezatha Payne was an unsuccessful candidate for the Palmdale School District Board of Trustees in the November 3, 2015 General Election. Payne for Palmdale 2015 was her candidate-controlled committee. Sasha Cass served as the Committee's treasurer. The Committee, Payne, and Cass failed to timely file one semiannual campaign statement covering the reporting period of October 18, 2015 to December 31, 2015, in violation of Government Code Section 84200 (1 count); and failed to timely file one 24-Hour Report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$1,685.**
- 9. In the Matter of Esplanade League and Paul Friedlander; FPPC Case No. 16/15961 (Streamline Settlement).** Staff: Commission Counsel Michael W. Hamilton and Special Investigator Jeffrey Kamigaki. Esplanade League is a county general purpose committee. Paul Friedlander is the Committee's treasurer. The Committee and Friedlander failed to file three 24-Hour Reports, in violation of Government Code Section 84203 (3 counts). The Committee and Friedlander failed to report making expenditures in support of Chico City Council candidates: Ann Schwab, Randall Stone, Tami Ritter, and Kimberly Rudisill and in support of Measure K on the semiannual statement covering the reporting period

of October 21, 2012 through December 31, 2012; and failed to timely report making an expenditure for a mailer supporting Lupe Arim-Law for Chico City Council, Forough Molina for Chico City Council, Scott Gruendl for Chico City Council, supporting Measure B and opposing Measure A on the semiannual campaign statement covering the reporting period of October 19, 2014 through December 31, 2014, in violation of Government Code Section 84211 (2 counts). **Total Proposed Penalty: \$1,087.**

10. In the Matter of Rick Johnson for Monterey Peninsula College Trustee Area 3 and Rick Johnson; FPPC No. 17/351 (Streamline Settlement). Staff: Commission Counsel Theresa Gilbertson and Staff Services Analyst Dominika Wojenska. Rick Johnson was the successful candidate for Trustee for the Monterey Peninsula College Board of Trustees in the November 8, 2011 General Election and was unopposed in 2016 for a second term. Rick Johnson for Monterey Peninsula College Trustee Area 3 was his candidate-controlled committee. The Committee and Johnson failed to timely file two semiannual campaign statements covering the reporting periods of July 1, 2016 through June 30, 2017, in violation of Government Code Section 84200 (2 counts). **Total Proposed Penalty: \$405.**

11. In the Matter of Friends of Robla School Kids – Yes on Measure K 2014 and Michael Henkel; FPPC No. 17/838 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Staff Services Analyst Hayley Porter. Friends of Robla School Kids – Yes on Measure K 2014 was a local primarily-formed ballot measure committee in support of Measure K on the November 4, 2014 General Election ballot in Sacramento County. Michael Henkel was the Committee's treasurer. The Committee and Henkel failed to timely file one semiannual campaign statement covering the reporting period of July 1, 2014 through December 31, 2014, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$362.**

Statement of Economic Interests Non-Filer

12. In the Matter of Lola Skelton; FPPC No. 16/19779 (Default Decision). Staff: Commission Counsel Theresa Gilbertson. Lola Skelton has been a member of the Governing Board for the Hughes-Elizabeth Lakes Union School District since 1988 and her current term extends through 2022. Skelton failed to timely file 2015 and 2016 Annual Statements of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Total Proposed Penalty: \$10,000.**

13. In the Matter of Edward Chell; FPPC No. 17/993 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Edward Chell, as an Alternate Commissioner of the California Pepper Commission, failed to timely file a 2016 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400.**

Statement of Economic Interests Non-Reporter

14. In the Matter of William Goddard; FPPC No. 17/1002 (Streamline Settlement).

Staff: Senior Commission Counsel Angela Brereton. William Goddard, a Director for the Big Bear Airport District Board, failed to timely disclose investments in and income from Goddard Aircraft Services on his Candidate Statement of Economic Interests, in violation of Government Code Sections 87206 (1 count); and on his Assuming Office Statement of Economic Interests, in violation of Government Section Code 87207 (1 count). **Total Proposed Penalty: \$200.**

15. In the Matter of Jerry Thorne; FPPC No. 16/19805 (Streamline Settlement). Staff:

Senior Commission Counsel Angela Brereton and Supervising Special Investigator Jay Martin. Jerry Thorne, Mayor for the City of Pleasanton, failed to timely disclose his investment interest in Costco on his 2016 Annual Statement of Economic Interests, in violation of Government Code Section 87206 (1 count). **Total Proposed Penalty: \$100.**

General Items 16-18

16. Assignment of Hearing to Administrative Law Judge (ALJ): In the Matter of Juan Sandoval Elect for County Superintendent of Schools 2014, Juan Sandoval and Vangie Urias; FPPC No. 14/434. Staff: Executive Director Erin V. Peth, Chief of Enforcement Galena West, and Commission Counsel Michael W. Hamilton. The Executive Director and the Chief of Enforcement are recommending that a hearing be conducted before an ALJ pursuant to Government Code Section 11512, subdivision (a). The ALJ will make a recommendation to the Commission on the findings of fact, law and penalty, if applicable, in the matter. The Commission will then have the opportunity to review the proposed decision and make the final determination on the case. If the Commission agrees with this recommendation, no action is required.

Staff Memo

17. Adoption of Amendment to Regulations 18746.1 and 18746.4. Staff: Matthew F. Christy, Commission Counsel, Legal Division. Staff proposes amendments, relating to the state one-year ban as it applies to members of the Legislature, to bring Regulations 18746.1 and 18746.4 into conformity with Government Code section 87406 as amended by AB 1620. Additionally, the proposed amendments make non-substantive changes to improve readability.

Staff Memo

Proposed Amendment of Regulation 18746.1

Proposed Amendment of Regulation 18746.4

18. Adoption of Amendment to Regulations 18746.3. Staff: Matthew F. Christy, Commission Counsel, Legal Division. Staff proposes amendments, relating to the local one-year ban, to bring Regulation 18746.3 into conformity with Government Code section 87406.3 as amended by AB 551. The proposed amendments remove redundant language, harmonize new statutory language, and improve readability.

Staff Memo

Proposed Amendment of Regulation 18746.3

19. Repeal of Regulation 18901. Staff: Ryan P. O'Connor, Commission Counsel, Legal Division. Staff proposes repealing Regulation 18901, relating to mass mailings sent at public expense, because of recently enacted SB 45 which incorporated the full text of that regulation into Section 89002.

Staff Memo

Proposed Repeal of Regulation 18901

20. The Bagley-Keene Open Meeting Act, Proposed Questions for Attorney General Opinion. Staff: John Feser, Senior Counsel, Legal Division. At the October 2017 Commission meeting, Deputies Attorney General Ted Prim and Julia Zuffelato presented an overview of the Bagley-Keene Open Meeting Act. At the January 2018 meeting, the Commission discussed the feasibility of soliciting an Attorney General's opinion to clarify some of the advice provided at the presentation. In accordance with the Commission's instructions at the January 2018 meeting, staff worked with interested Commissioners to prepare proposed questions for discussion at the February 2018 meeting.

Staff Memo

21. Compensation for Commissioners. Staff: John Feser, Senior Counsel, Legal Division. Government Code section 83106, which governs compensation for Commission members, authorizes per diem compensation only for travel to and from and attendance at Commission meetings and hearings. Compensation for all other activities is authorized only by a clearly articulated policy that identifies permissible activities. The Commission has never adopted a formal policy. Issues to discuss include the general rule on compensation, the current two-day cap on per diem compensation, compensation for Commissioners who serve on a subcommittee, pro-rata compensation, and whether the Commission should adopt a formal policy.

Staff Memo

22. Overview of Enforcement Procedures.

Staff: Chief of Enforcement Galena West and Assistant Chief of Enforcement David Bainbridge. A presentation in response to Commissioner Audero's inquiry regarding Enforcement Division processes.

23. Executive Staff Reports.

Enforcement Division. Galena West, Enforcement Chief
Legal Division. Jack Woodside, General Counsel
External Affairs and Education. Courtney Miller, Manager
Legislative and External Affairs. Phillip Ung, Director

24. Proposed Future Agenda Items.

Note: The Commission may not discuss or take action on any matter raised during public comment that is not included on this agenda, except to decide to place the matter on the agenda of a future meeting. (Government Code Sections 11125 & 11125.7(a).)