



NOTICE AND AGENDA Commission Meeting¹

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

Thursday, August 15, 2019
11:00 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

Richard C. Miadich, 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 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](#).

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 July 2019 Commission Hearing Minutes.

Enforcement Consent Calendar 3-7

Items on the consent calendar will be taken up and voted on as a group. A Commissioner may request that an item be removed from consent, in which case it will be discussed separately in the meeting.

Advertisements

3. In the Matter of Apple Valley Professional Firefighters Association Local 4742, James Peratt, and Larry Soper; FPPC No. 16/19935. Staff: Senior Commission Counsel Christopher Burton and Special Investigator Paul Rasey. Apple Valley Professional Firefighters Association Local 4742 is a local general purpose committee, but became primarily formed to support Apple Valley Fire Protection District Measure A, in the November 8, 2016 General Election. James Peratt is the Committee's principal officer and Larry Soper is the Committee's treasurer. The Committee, Peratt, and Soper failed to include identification of the supported ballot measure and failed to amend the Committee as being primarily formed on its Statement of Organization, in violation of Government Code Sections 84103 and 84107 (1 count); failed to timely file two pre-election campaign statements, in violation of Government Code Sections 84200.5 and 84200.8 (1 count); failed to timely file four 24-Hour Reports, in violation of Government Code Sections 84203 and 84204 (1 count); and failed to include the proper advertisement disclaimers on four different yard signs, in violation of Government Code Sections 84504, subdivision (c), 84506, subdivision (a); and Regulation 18450.4, subdivision (b) (1 count). **Total Proposed Penalty: \$13,000.**

4. In the Matter of Supporters of Daniel Billings North Orange County Community College District Board of Trustees 2016, Daniel Billings, and Sarah Billings; FPPC No. 16/85. Staff: Commission Counsel Jenna Rinehart and Special Investigator Jay Martin. Daniel Billings was an unsuccessful candidate for North Orange County Community College District Board of Trustees in the February 9, 2016 Special Election. Supporters of Daniel Billings for North Orange County Community College District Board of Trustees 2016 was his candidate-controlled committee. Sarah Billings was the Committee's treasurer. The Committee, Billings, and Billings failed to properly report contributions of \$100 or more on two pre-election campaign statements, in violation of Government Code Section 84211 (1 count), and failed to include the proper advertisement disclaimers on a mass mailing distributed by the committee prior to the election, in violation of Government Code Section 84305 (1 count). **Total Proposed Penalty: \$4,000.**

Campaign Related Communications at Public Expense

5. In the Matter of Rainbow Municipal Water District; FPPC No. 16/238. Staff: Senior Commission Counsel Bridgette Castillo and Program Specialist Patricia Ballantyne. The respondent was represented by Amber Maltbie of Nossaman, LLP. The Rainbow Municipal Water District ("District") provides water and sanitation services to the unincorporated communities of Rainbow and surrounding areas. The District used mailers to oppose a Local Agency Formation Commission ("LAFCO") proposal seeking to merge the District with

Fallbrook Public Utility District, causing them to qualify as an Independent Expenditure Committee. The District failed to timely file two semiannual campaign statements, in violation of Government Code Section 84200 (1 count); sent a mass mailing featuring a governmental official, in violation of Government Code Section 89001 and Regulation 18901 (1 count); and sent the mass mailing at the public's expense, opposing the LAFCO proposal, in violation of Government Code Section 89001 and Regulations 18901.1 and 18420.1 (1 count). **Total Proposed Penalty: \$7,000.**

Surplus Funds

- 6. In the Matter of Dolores Marquez for School Board 2016, Dolores Marquez for Santa Clara County Board of Education 2014, Dolores Marquez, and Anjelica Frausto; FPPC No. 17/106.** Staff: Commission Counsel Theresa Gilbertson and Special Investigator Garrett Micheels. Dolores Marquez was a successful candidate for School Board of Alum Rock Union Elementary School District in the 2016 General Election and is still in office. Dolores Marquez for School Board 2016 is her candidate-controlled committee. Anjelica Frausto is the Committee's Treasurer. The Committee, Marquez, and Frausto failed to report contributions and expenditures on two pre-election campaign statements, in violation of Government Code Section 84211, subdivisions (f) and (k) (1 count), and accepted a prohibited cash contribution, in violation of Government Code Section 84300, subdivision (c) (1 count). Marquez also ran unsuccessfully for Santa Clara County Board of Education in the November 4, 2014 General Election. Dolores Marquez for Santa Clara County Board of Education 2014 was her candidate-controlled committee, and Anjelica Frausto was the Committee's treasurer. The Committee, Marquez, and Frausto transferred the 2014 Committee's surplus funds to the 2016 Committee, as a contribution, in violation of Government Code Section 89519 (1 count.) **Total Proposed Penalty: \$7,000.**

Default Proceedings

Default Proceedings Requesting Commission Action

- 7. In the Matter of BFO & Associates and Berman Obaldia; FPPC No. 16/724.** Staff: Commission Counsel Ruth Yang. BFO & Associates was a registered lobbying firm during the 2015-2016 legislative session. Berman Obaldia was the sole principal officer and lobbyist for the firm. After the Secretary of State revoked Obaldia's registration for failure to complete the required lobbying ethics course, he continued to provide lobbying services, in violation of Government Code Section 86103 (1 count). The Firm and Obaldia also failed to timely file its quarterly reports for quarters 1 - 8, and Obaldia's lobbyist reports for quarters 2 - 8, in violation of Government Code Sections 86113, 86114, and 86117 (8 counts). **Total Proposed Penalty: \$19,000.**

General Items 8-19

- 8. Assignment of Hearing to Administrative Law Judge (ALJ): Consumers for Choice, Tim Snipes, and John Stoos; FPPC No. 15/078.** Staff: Executive Director Thomas Jones, Chief of Enforcement Galena West, and Commission Counsel Michael 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 and Accusation

- 9. Enforcement Task Force.** The Commission will consider the status of the Enforcement Task Force, including its potential dissolution and any remaining work to be performed.

Letter from Task Force Chair and Vice Chair

- 10. Prenotice Discussion of Amendments to Regulation 18419.** Staff: Dave Bainbridge, General Counsel and Zachary W. Norton, Senior Counsel, Legal Division. Staff proposes amendments to Regulation 18419 regarding sponsored committees to clarify when a committee qualifies as a sponsored committee, and provide guidance on naming a committee with multiple sponsors, amongst other amendments. The proposed amendments are presented for discussion and direction by the Commission and will be presented for adoption at a subsequent meeting.

Staff Memo

Proposed Amendments to Regulation 18419

- 11. Discussion of Remote Participation in Meetings by Members of the Public.** Staff: Thomas Jones, Executive Director; Dave Bainbridge, General Counsel; and Kevin Cornwall, Counsel, Legal Division. Staff will provide information regarding logistical, fiscal, and legal considerations for remote public comment and participation in Commission meetings.

Legal Memo

Fiscal Memo

Logistical Memo

- 12. Budget Update.** Staff: Loressa Hon, Chief of Administration.

Fiscal Year 2019/2020 Governor's Budget

- 13. Behested Payments Discussion.** Staff: Dave Bainbridge, General Counsel and Ryan O'Connor, Commission Counsel, Legal Division. The Commission will discuss the law regarding behested payments and consider whether to pursue regulatory and/or statutory changes.

Staff Memo

- 14. Local Jurisdiction Contract Update.** Staff: Thomas Jones, Executive Director and Karen Harrison, Commission Counsel. Approval of Template Contract to Provide FPPC Services Pursuant to Government Code Section 83123.6.

Template Contract

15. Committee Updates

Budget and Personnel Committee Update.

Law and Policy Committee Update.

16. Legislative Update. Staff: Dave Bainbridge, General Counsel and Phillip Ung, Legislative Director. The Commission will review and discuss recommendations from the Law & Policy Committee. The Commission will review and may take action on pending legislation.

Staff Memo

17. Advice Letter Report and Commission Review. Staff: Dave Bainbridge, General Counsel and Brian Lau, Assistant General Counsel. The Commission may review and discuss advice letters that have been issued since the July Executive Staff Report. The Commission may act to withdraw the advice provided.

Advice Letter Report

18. Executive Staff Reports.

Enforcement Division. Galena West, Chief of Enforcement

Legal Division. David Bainbridge, General Counsel

Administration & Technology Division, Loressa Hon, Chief of Administration

Executive Staff Report

19. Commissioner Comments and Proposed Future Agenda Items.

Note: While a Commissioner may identify a topic of interest, the Commission may not substantially discuss or take action on any matter raised during the meeting 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).)