



NOTICE AND AGENDA Commission Meeting¹

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

NEW! Public comments may be submitted in real time by following the link to our new public participation portal!

<http://mediasite.fppc.ca.gov/>

Thursday, September 19, 2019
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

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. To participate in real time, visit <http://mediasite.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 August 2019 Commission Hearing Minutes.

Enforcement Consent Calendar 3-18

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.

Personal Use of Campaign Funds

3. **In the Matter of Friends of Lilia Leon for Council 2013 and Lilia Leon; FPPC No. 16/116.** Staff: Bridgette Castillo, Senior Commission Counsel and Ann Flaherty, Special Investigator. Lilia Leon was a successful candidate for Commerce City Council in the March 5, 2013 Primary Election, and unsuccessful in the June 6, 2017 Primary Election. Friends of Lilia Leon for City Council 2013 was her candidate-controlled committee. Leon used campaign funds for personal purposes which were unrelated to a political, legislative, or governmental purpose, in violation of Government Code Section 89512 (1 count). The Committee and Leon failed to timely file a pre-election campaign statement for the reporting period of January 20, 2013 through February 16, 2013, in violation of Government Code Sections 84200.5, subdivision (c) and 84200.8 (1 count), and failed to properly disclose expenditures on campaign statements from January 20, 2013 to December 31, 2013, in violation of Government Code Section 84211, subdivisions (b), (i) - (k) (1 count). The Committee and Leon also failed to properly disclose expenditures on campaign statements from January 1, 2014 to December 31, 2014, in violation of Government Code Section 84211, subdivisions (b), (i) - (k) (1 count); failed to make all campaign expenditures from the designated campaign bank account, in violation of Government Code Section 85201 (1 count); and made impermissible cash expenditures from 2013 to 2015, in violation of Government Code Section 84300, subdivision (b) (1 count). **Total Proposed Penalty: \$11,000.**

Contribution Limits

4. **In the Matter of San Diego County Democratic Party and Xavier R. Martinez; FPPC No. 17/1356.** Staff: Christopher Burton, Senior Commission Counsel and Bob Perna, Program Specialist II. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. The respondent was represented by Nick Sanders and Jim Sutton of the Sutton Law Firm. San Diego County Democratic Party is a state general purpose committee. Xavier R. Martinez was the Committee's treasurer at the time the following violations occurred. The Committee and Martinez failed to timely file 10 24-Hour Reports between March 14, 2014 and December 4, 2014, in violation of Government Code Section 84203 (1 count); improperly made a contribution to a state candidate out of the Committee's restricted use bank account, in violation of Government Code Section 85303 and Regulation 18534, subdivision (d); and failed to timely disclose payments made for member communications between December 19, 2013 and October 24, 2014 on 24-Hour Reports, in violation of Government Code Section 85312 (1 count). **Total Proposed Penalty: \$9,000.**

Campaign Bank Account

- 5. In the Matter of David Albanese for Oxnard City Council and David Albanese; FPPC No. 16/19663.** Staff: Jenna Rinehart, Commission Counsel and Jay Martin, Special Investigator. David Albanese was an unsuccessful candidate for Oxnard City Council in the November 8, 2016 General Election. David Albanese for Oxnard City Council was his candidate-controlled committee. The Committee and Albanese failed to deposit all campaign contributions to, and make all campaign expenditures from the designated campaign bank account, in violation of Government Code Section 85201, subdivisions (c), (d), and (e) (1 count). **Total Proposed Penalty: \$1,500.**

Recordkeeping

- 6. In the Matter of Political Action by Pest Control Operators and Wayne L. Ordos; FPPC No. 17/846.** Staff: Angela Brereton, Assistant Chief Counsel and Soni Mangat, Program Specialist II. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. The respondents were represented by Wayne L. Ordos of The Law Offices of Wayne Ordos. Political Action by Pest Control Operators is a state general purpose committee, sponsored by Pest Control Operators of California, and Wayne L. Ordos is the Committee's treasurer. The Committee and Ordos failed to maintain adequate records for contributions and expenditures on a semiannual campaign statement for the reporting period of October 1, 2014 through December 31, 2014 and January 1, 2015 through December 31, 2015, in violation of Government Code Section 84104 (2 counts). The Committee and Ordos also failed to timely report contributions and expenditures, balances, and contributor and payee information on campaign statements for reporting period of October 1, 2014 through December 31, 2015, in violation of Government Code Section 84211, subdivisions (a) -(d), (f) and (i) - (k). (1 count). **Total Proposed Penalty: \$7,000.**
- 7. In the Matter of Bob Brunton for State Assembly 2014, Robert L. Brunton Jr., and Jeffrey D. Wald; FPPC No. 16/468.** Staff: Michael W. Hamilton, Commission Counsel and Bob Perna, Program Specialist II. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Bob Brunton was a successful candidate for Assembly District 25 in the June 3, 2014 Primary Election, and unsuccessful in the November 4, 2014 General Election. Bob Brunton for State Assembly 2014 was his candidate-controlled committee. Jeffrey D. Wald was the Committee's treasurer. The Committee, Brunton, and Wald failed to maintain adequate records for contributions and expenditures from February 13, 2014 to October 6, 2014, in violation of Government Code Section 84104 (1 count). The Committee, Brunton, and Wald also failed to report a loan from Brunton to the Committee on a pre-election campaign statement for the reporting period of July 1, 2014 through September 30, 2014, in violation Government Code Section 84211 (1 count). **Total Proposed Penalty: \$3,500.**

Advertisements

- 8. In the Matter of Mark Foster; FPPC No. 18/349.** Staff: Christopher Burton, Senior Commission Counsel and Lance Hachigian, Special Investigator. Mark Foster qualified as an independent expenditure committee opposing Pasadena Measures CC and DD in the June 5, 2018 Primary Election. Foster failed to timely file a 24-Hour Report, in violation of

Government Code Section 84204 (1 count); and failed to include the proper disclosures on a print advertisement distributed prior to the election, in violation of Government Code Section 84502 (1 count). **Total Proposed Penalty: \$4,000.**

9. In the Matter of Arcadian’s Rights Protection Association to Support Roger Chandler and Bob Harbicht for Arcadia City Council 2018, Karlfeldt Su, and Joseph Su; FPPC No. 18/153. Staff: Theresa Gilbertson, Commission Counsel and Lance Hachigian, Special Investigator. Arcadian’s Rights Protection Association to Support Roger Chandler and Bob Harbicht for Arcadia City Council 2018 was a primarily formed committee supporting candidates Roger Chandler and Bob Harbicht. Karlfedlt Su was the Committee’s treasurer and Joseph Su was the Committee’s principal officer. The Committee and Karlfedlt Su failed to timely file a semiannual campaign statement, a pre-election campaign statement, and a 24-Hour Report, in violation of Government Code Sections 84200, 84200.5, and 84204 (1 count). The Committee and Joseph Su failed to include the proper disclosures on print advertisements, in violation of Government Code Sections 84502, 84504.2, and 84506.5 (1 count). **Total Proposed Penalty: \$4,000.**

10. In the Matter of Yorba Linda Taxpayers Association, Tom Babnick, and Jeff Decker; FPPC No. 16/766. Staff: Christopher Burton, Senior Commission Counsel and Paul Rasey, Special Investigator. Yorba Linda Taxpayers Association is a local general purpose committee that was politically active for the November 8, 2016 General Election. Tom Babnick is the Committee’s treasurer and Jeff Decker is the Committee’s principal officer. The Committee, Babnick, and Decker failed to timely report sub-vendor payments on three different campaign statements, in violation of Government Code Sections 84211 and 84303, subdivision (k)(6) (1 count). The Committee and Decker failed to include the proper disclosures on a mailer advertisement, in violation of Government Code Sections 84506, 84506.5, and 84507 (1 count). **Total Proposed Penalty: \$3,500.**

11. In the Matter of Jeff Cole for Anaheim Elementary School Board 2018 and Jeff Cole; FPPC No. 18/1276. Staff: Christopher Burton, Senior Commission Counsel. Jeff Cole was an unsuccessful candidate for Anaheim Elementary School District Board in the November 6, 2018 General Election. Jeff Cole for Anaheim Elementary School Board 2018 was his candidate-controlled committee. The Committee and Cole failed to include the proper advertisement disclosures on a mass mailing distributed by the committee prior to the election, in violation of Government Code Section 84305 and Regulation 18435 (1 count). **Total Proposed Penalty: \$1,500.**

Major Donor Notifications

12. In the Matter of Santa Monica Forward Issues Committee – No on LV and Debbie Mulvaney; FPPC No. 17/1441. Staff: Theresa Gilbertson, Commission Counsel and Roone Peterson, Special Investigator. The respondent was represented by Joseph A. Guardarrama of the Kaufman Legal Group. Santa Monica Forward Issues Committee – No on LV was a state primarily formed ballot measure committee. Debbie Mulvaney was the Committee’s treasurer. The Committee and Mulvaney failed to provide sufficient notice to 30 potential major donor committees that they may have had to file campaign statements, in violation of Government Code Section 84105 and Regulation 18427.1 (1 count). **Total Proposed Penalty: \$3,000.**

Campaign Late Filer

- 13. In the Matter of Cheryl Hansen for County Superintendent of Schools 2018, Cheryl Hansen, and William Beemer; FPPC No. 18/586.** Staff: Theresa Gilbertson, Commission Counsel. Cheryl Hansen was an unsuccessful candidate for Contra Costa County Superintendent of Schools in the June 5, 2018 Primary and November 6, 2018 General Elections. Cheryl Hansen for County Superintendent of Schools 2018 was her candidate-controlled committee. William Beemer was the Committee's treasurer. Prior to the Primary Election, the Committee, Hansen, and Beemer failed to timely file a semiannual campaign statement for the reporting period of July 30, 2017 through December 31, 2017 and two pre-election campaign statements for reporting periods of January 1, 2018 through April 21, 2018 and April 22, 2018 through May 19, 2018, in violation of Government Code Sections 84200 and 84200.5 (1 count.). Prior to the General Election, the Committee, Hansen, and Beemer failed to timely file a semiannual campaign statement for the reporting period of May 20, 2018 through June 30, 2018 and two pre-election campaign statements for the reporting periods of July 1, 2018 through September 22, 2018 and September 23, 2018 through October 20, 2018, in violation of Government Code Sections 84200 and 84200.5 (1 count). **Total Proposed Penalty: \$4,500.**
- 14. In the Matter of Scott Schonfeld; FPPC No. 17/1449.** Staff: Jenna Rinehart, Commission Counsel. Scott Schonfeld qualified as a major donor committee in August of 2016. The Committee failed to timely file a semiannual major donor campaign statement for the reporting period of July 1, 2016 through December 31, 2016, in violation of Government Code Section 84200, subdivision (b) (1 count), and failed to timely file a 24-Hour Report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$3,500.**
- 15. In the Matter of Committee to Improve Gonzales Schools – Yes on N and Rutilia Baltazar; FPPC No. 18/1307.** Staff: Michael W. Hamilton, Commission Counsel. Committee to Improve Gonzales Schools – Yes on N was a local primarily formed ballot measure committee supporting Measure N, a school bond measure. Rutilia Baltazar was the Committee's treasurer. The Committee and Baltazar failed to timely file three semiannual campaign statements for the reporting periods of July 1, 2017 through December 31, 2017, January 1, 2018 through June 30, 2018, and July 1, 2018 through December 31, 2018, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$2,000.**
- 16. In the Matter of Janet McClean for SMUSD School Board 2012 and Janet McClean; FPPC No. 17/274.** Staff: Ruth Yang, Commission Counsel. Janet McClean was re-elected as a member of the San Marcos Unified School District Governing Board in the November 8, 2016 General Election. Janet McClean for SMUSD School Board 2012 was her candidate-controlled committee. The Committee and McClean failed to timely file a semiannual campaign statement for the reporting period of October 23, 2016 through December 31, 2016, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$1,000.**

Campaign Late Reporter

- 17. In the Matter of Friends of David Murphy for Yolo County Board of Education Trustee of Area 2, David Murphy, and Sharon Tobar; FPPC No. 18/1205.** Staff: Jenna Rinehart, Commission Counsel. David Murphy was an unsuccessful candidate for Yolo County Board

of Education, Trustee of Area 2, in the November 6, 2018 General Election. Friends of David Murphy for Yolo County Board of Education Trustee of Area 2 was his candidate-controlled committee. Sharon Tobar was the Committee's treasurer. The Committee, Murphy, and Tobar failed to accurately disclose contributions received and expenditures made on a pre-election campaign statement for the reporting period of January 1, 2018 through September 22, 2018, in violation of Government Code Section 84211, subdivisions (a) and (b) (1 count). **Total Proposed Penalty: \$1,000.**

Statement of Economic Interests Late Reporter

18. In the Matter of Samuel Escobar; FPPC Nos. 17/965 and 19/629. Staff: Jenna Rinehart, Commission Counsel. Samuel Escobar, a City Manager for the City of Orange Cove, failed to timely disclose reportable income received on his 2015 Annual Statement of Economic Interests, in violation of Government Code Sections 87203 and 87207 (1 count). **Total Proposed Penalty: \$1,000.**

General Items 19-31

19. Formatting Updates to Lobbying and Slate Mailer Forms. Staff: Deborah Hanephin, Manager, Education Program, Legal Division. Staff presents for Commission approval minor amendments to various lobbying report forms and the slate mailer Statement of Termination form. The Office of the Secretary of State requested the proposed amendments to coordinate with the new Cal-Access Replacement System currently in development.

Staff Memo

2019 Lobbying Form Updates with highlights Form 402 with highlights

20. Proposed Rules for Public Participation at Commission Meetings. Staff: Thomas Jones, Executive Director; Kevin Cornwall, Commission Counsel. The Commission will consider proposed rules for public engagement at meetings of the FPPC.

Staff Memo

21. Prenotice Discussion of Proposed Amendments and Proposed Regulations Related to the Disclose Act. Staff: Dave Bainbridge, General Counsel; Karen Harrison, Senior Commission Counsel, and Katelyn Greene, Commission Counsel, Legal Division. Staff proposes amendments to Regulation 18435, to clarify that mass mailing disclosures are not required on mass mailings that meet the definition of an advertisement, and personal mailings sent by a major donor. Staff also proposes an amendment to update a citation in Regulation 18450.1. Further, staff proposes three new regulations to: define "authorized and paid for" pursuant to Section 84501, specify the name disclosure for a top contributor name that is a major donor committee with affiliated entities, and clarify the disclosure requirement for video and television ads less than five seconds long. The proposed amendments and new regulations are presented for discussion and direction by the Commission and will be presented for adoption at a subsequent meeting.

Staff Memo

Proposed Amendments to Regulations 18435

Proposed Amendments to Regulation 18405.1
Proposed Adoption of Regulation 18450.2
Proposed Adoption of Regulation 18450.3
Proposed Adoption of Regulation 18450.4

- 22. Amendment of Regulation 18422, Multipurpose Organization Political Activity Transparency and Adoption of Regulation 18422.1, Multipurpose Organization Recordkeeping.** Staff: Dave Bainbridge, General Counsel; Sukhi Brar, Supervising Attorney; and Toren Lewis, Commission Counsel, Legal Division. Staff proposes amendments to Regulation 18422 and adoption of new Regulation 18422.1 to clarify the reporting and recordkeeping requirements for multipurpose organizations. The proposed amendments and regulation were presented for pre-notice discussion and direction at the July 2019 meeting, and are now presented for adoption.

Staff Memo
Proposed Amendments to Regulation 18422
Proposed Adoption of Regulation 18422.1

- 23. Review of Commissioner Manual** Staff: Thomas Jones, Executive Director. Commissioners may review and discuss the current Commissioner Manual.

Commissioner Manual

- 24. Committee Updates**
Budget and Personnel Committee Update.
Law and Policy Committee Update.
- 25. Unregistered Lobbying Regulation.** The Commission will discuss whether to assign the Law and Policy Committee the responsibility of working with staff to develop potential regulations on unregistered lobbyists for future consideration by the Commission.
- 26. Legislative Update.** Staff: 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

- 27. 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 August Executive Staff Report. The Commission may act to withdraw the advice provided.

Advice Letter Report

- 28. Proposal to Create Task Force to Study Best Practices for Regulating Campaign Activity on Digital Media:** The Commission will consider establishing a task force to study the challenges presented by, and identify best practices for, regulating campaign activity on social media and other digital platforms.

29. 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

30. Closed Session. Pending Litigation (Gov. Code § 11126(e)(1)). Staff: Dave Bainbridge, General Counsel. Discussion of pending litigation, updates and further handling.

31. Commissioner Comments and Proposed Future Agenda Items.

Note: Although any 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).)