

NOTICE AND AGENDA Commission Meeting¹

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

> Thursday, March 24, 2022 10:00 A.M.

Under Government Code section 11133(a), a state body may hold public meetings through teleconferencing and make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and address the state body. 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 <u>YouTube</u>. To participate in real time, visit <u>http://mediasite.fppc.ca.gov/</u> or call (877) 411-9748; access code 723284.

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), <u>CommAsst@fppc.ca.gov</u> (e-mail) and <u>ADACoordinator@fppc.ca.gov</u>. 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.

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.

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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 <u>CommAsst@fppc.ca.gov</u>. To participate in real time, visit <u>http://mediasite.fppc.ca.gov/</u>.

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

2. CAL-ACCESS Replacement System Update. Margie L. Hieter, Acting Division Chief, Political Reform Division, Secretary of State. The Commission will receive an update and current status for the CAL-ACCESS Replacement System.

Approval of Commission Minutes

3. Approval of February 2022 Commission Hearing Minutes.

Consent Calendar 4-5

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.

Default Proceedings - Default Proceedings Requesting Commission Action

- 4. In the Matter of Friends of Joe Aguirre for Delano City Council 2014 and Joe Aguirre; FPPC No. 17/193. Staff: Theresa Gilbertson, Senior Commission Counsel and Ann Flaherty, Special Investigator. The respondents were represented by Brandon Martin. Joe Aguirre was a successful candidate for Delano City Council in the November 8, 2014 General Election. Friends of Joe Aguirre for Delano City Council 2014 was Aguirre's candidate-controlled committee. The Committee and Aguirre failed to timely file four pre-election campaign statements, in violation of Government Code Sections 84200.5 and 84200.8 (4 counts) and failed to timely file eight semi-annual campaign statements, in violation of Government Code Section 84200.
- 5. Californians in Support of Mike Antonovich State Senate 2016 and Shelley Levine; FPPC Nos. 17/1397 and 18/821. Staff: Theresa Gilbertson, Senior Commission Counsel. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Californians in Support of Mike Antonovich State Senate 2016 was a primarily formed committee that supported the candidacy of Michael Antonovich for State Senate District 25 during the 2016 Primary and General Elections. Shelley Levine was the Committee's treasurer. The Committee and Levine failed to timely amend the Committee's statement of organization to include the name of its sponsor, in violation of Government Code Section 84103 (1 count), failed to timely file four pre-election campaign statements, in violation of Government Code Section 84200.5 (2 counts), failed to timely file two 24-hour reports, in violation of Government Code Section 84203 (1 count), and failed to adequately maintain campaign records, in violation of Government Code Section 84101 (1 count). Total Proposed Penalty: \$21,000.

Pre-Notice Default

6. In the Matter of Friends of H. Fangary for Hermosa Beach City Council 2013, H. S. Fangary for City Council 2017, Dina Fangary, and Hany S. Fangary; FPPC No. 18/005. Staff: Theresa Gilbertson, Senior Commission Counsel. Hany S. Fangary was a successful candidate for the 2013 and 2017 elections for City Council. H. Fangary for Hermosa Beach City Council 2013 and H. S. Fangary for City Council 2017 were Fangary's candidate-controlled committees. Dina Fangary served as the Committee's treasurer. The 2013 Committee, Fangary, and Fangary failed to timely file eight semi-annual campaign statements, in violation of Government Code Section 84200 (1 count) and failed to timely file two pre-election campaign statements, in violation of Government Code Sections

84200.5 and 84200.8 (2 counts). The 2017 Committee, Fangary, and Fangary failed to timely file a pre-election campaign statement, in violation of Government Code Sections 84200.5 and 84200.8 (2 counts), failed to timely file six semi-annual campaign statements, in violation of Government Code Section 84200 (1 count), failed to utilize a single, designated campaign bank account for all contributions, in violation of Government Code Section 85201 (1 count), and failed to include complete disclosure on a mass mailing, in violation of Government Code Section 84305 (1 count). **Total Proposed Penalty: \$24,000**.

7. In the Matter of Committee to Oppose Measure E, and James R. Nyman; FPPC No. 18/206. Staff: Christopher B. Burton, Assistant Chief of Enforcement and Lance Hachigian, Special Investigator. Committee to Oppose Measure E was a committee primarily formed to oppose Palos Verdes Estates Measure E, which appeared on the ballot in the April 10, 2018 Special Municipal Election. James R. Nyman served as the principal officer and treasurer of the Committee. The Committee and Nyman failed to timely file a pre-election campaign statement, in violation of Government Code Sections 84200.5 and 84200.8 (1 count), failed to timely report contributions, loans, expenditures, and subvendor payments on a semi-annual campaign statement, in violation of Government Code Section 84211 (1 count), and failed to timely file an amendment to the Committee's statement of organization after the Committee qualified, in violation of Government Code Section 84103 (1 count). Total Proposed Penalty: \$9,500.

General Items 8-11

8. In Re Leiderman Opinion. Staff: Katelyn Greene, Commission Counsel. The Commission will consider for issuance an opinion concluding that a committee that creates and sells non-fungible token ("NFT") trading cards must report as a contribution the entire amount received for each NFT it sells. The initial request for opinion and staff's memorandum was presented for consideration by the Commission at the February 2022 meeting.

Draft Opinion

9. Legislative Update. Staff: Lindsey Nakano, Senior Legislative Counsel. The Commission will review and discuss potential sponsored and other legislation. The Commission will provide direction on future legislation to be sought by the agency.

Legislative Update

10. Executive Staff Reports.

Enforcement Division. Angela Brereton, Chief. Audits and Assistance Division. Shrdha Shah, Chief. Legal Division. David Bainbridge, General Counsel. Administration and Technology Division. Loressa Hon, Chief. Executive Director Update. Galena West, Executive Director.

Executive Staff Report

11. 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).)