

### NOTICE AND AGENDA Commission Meeting<sup>1</sup>

California Fair Political Practices Commission 1102 Q Street, Suite 3050 Sacramento, CA 95811

> Thursday, January 16, 2025 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. Members of the public may listen to the meeting by phone by calling (669) 444-9171; meeting ID 9856036268; 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 (669) 444-9171; meeting ID 9856036268.

# To view the new procedure to participate by telephone, visit our public comment page.

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

Adam E. Silver, 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

<sup>&</sup>lt;sup>1</sup>You can obtain further information about the meeting by contacting the Commission Assistant, 1102 Q Street, Suite 3050, 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.

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.

### Comment Letter – Alderman, Cotati

#### **Approval of Commission Minutes**

### 2. Approval of November 2024 Commission Meeting Minutes.

#### **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.

3. Cost-of-Living Adjustment ("COLA") to Contribution Limits, Voluntary Expenditure Ceilings and Gift Limit: Staff recommends amending Regulations 18545, 18700, 18730, and 18940.2 to make biennial cost of living adjustments (COLA) to regulations establishing applicable contribution limits, voluntary expenditure ceilings, state officeholder contributions, and the gift limit for January 1, 2025, through December 31, 2026, as required by the Political Reform Act1 (Act).

### Staff Memo Proposed Amendments to Regulation 18545 Proposed Amendments to Regulation 18700 Proposed Amendments to Regulation 18730 Proposed Amendments to Regulation 18940.2

### **Misuse of Campaign Funds**

4. In the Matter of Fernando Armenta and Noemi Armenta; FPPC No. 19/996. Staff: Bridgette Castillo, Senior Commission Counsel and Lance Hachigian, Special Investigator. Fernando Armenta was an unsuccessful candidate for Monterey County Board of Supervisors in the June 7, 2016 Primary Election. Fernando Armenta was a member of the Monterey County Board of Supervisors from 2000 until the end of 2016. Fernando Armenta for County Supervisor was Fernando Armenta's candidate-controlled committee. Noemi Armenta served as the Committee's treasurer. From August 2016 through July 2018, Fernando Armenta and Noemi Armenta misused committee campaign funds by making payments that were unrelated to a political, legislative, or governmental purpose, in violation of Government Code Sections 89510, subdivision (b); 89512; 89513; and 89517 (5 Counts). Total Proposed Penalty: \$25,000.

Armenta - Stip

### **Campaign Late Filer**

5. In the Matter of AIDS Healthcare Foundation, Yes on 21 - Renters and Homeowners United to Keep Families in Their Homes, Sponsored by AIDS Healthcare Foundation, and Beverly Grossman Palmer; FPPC Nos. 20/338, 20/759, 20/760, & 20/818. Staff: Jenna Rinehart, Senior Commission Counsel, Paul Rasey, Special Investigator, and Bob Perna, Program Specialist. The AIDS Healthcare Foundation ("AHF") is represented by Bradley W. Hertz of Law Offices of Bradley W. Hertz and the Yes on 21 Committee is represented by Beverly Grossman Palmer of Strumwasser & Woocher LLP. AHF, qualified as a lobbyist employer in 2019 and as a state major donor committee in 2020. The Yes on 21 Committee is a primarily formed state ballot measure committee for Proposition

21 on the November 3, 2020 General Election ballot sponsored by AHF. Palmer serves as the Yes on 21 Committee's treasurer. AHF, as a lobbyist employer, failed to timely disclose, on its lobbyist employer reports, other payments to influence, in violation of Government Code Sections 86116 and 86117 (4 counts). Next, AHF, as a major donor committee, failed to timely disclose, on a major donor campaign statement, non-monetary contributions made along with the payee information and source of funds used, in violation of Government Code Sections 84211 and 84222 (1 count). Additionally, AHF failed to timely disclose non-monetary contributions made and failed to timely file 24-Hour Reports, in violation of Government Code Sections 84211 and 84203 (2 counts). The Yes on 21 Committee and Palmer failed to timely file 10-day reports, in violation of Government Code Sections 84203 and 84203.3 (3 counts). Total Proposed Penalty: \$40,500.

# **AIDS Healthcare Foundation - Stip**

### **Default Proceedings**

### **Pre-Notice Defaults**

- 6. In the Matter of Jeffrey Williams; FPPC No. 22/007. Staff: Laura Columbel, Commission Counsel. Jeffrey Williams, a current governing board member for the Weed Rec and Parks District, failed to timely file an Assuming Office SEI and the 2020, 2021, 2022, and 2023 Annual Statements of Economic Interests, in violation of Government Code Section 87300 (5 counts). Total Proposed Penalty: \$22,500.
- 7. In the Matter of Damian Morgan; FPPC No. 22/075. Staff: Laura Columbel, Commission Counsel. Damian Morgan, a board member for Marin City Community Service's District, failed to timely file the 2019, 2020 and 2021 Annual Statements of Economic Interests and a Leaving Office Statement of Economic Interests, in violation of Government Code Section 87300 (4 counts). Total Proposed Penalty: \$20,000.

### **General Items 8-12**

8. Pre-Notice Discussion of Proposed Repeal and Amendment of Levine Act (Section 84308) Regulations and Related Regulations (18360.1, 18438.2-18438.8, 18705). Staff: Toren Lewis, Commission Counsel, Legal Division; Kevin Cornwall, Senior Commission Counsel, Legal Division. Staff presents proposed amendments to Regulations 18360.1, 18438.2, 18438.4-18438.8, and 18705, as well as the proposed repeal of Regulation 18438.3. These changes are proposed in response to recent Levine Act legislation (SB 1243 and SB 1181), and to clarify and clean up the Commission's related regulations. The proposed amendments are presented for pre-notice discussion and feedback, with potential adoption to occur at the March Commission meeting.

### Staff Memo

Proposed Amendments to Regulation 18438.2 Proposed Amendments to Regulation 18438.3 Proposed Amendments to Regulation 18438.4 Proposed Amendments to Regulation 18438.5 Proposed Amendments to Regulation 18438.6 Proposed Amendments to Regulation 18438.7 Proposed Amendments to Regulation 18438.8

# Proposed Amendments to Regulation 18360.1 Proposed Amendments to Regulation 18705.

**9.** Adoption of Proposed Amendment of Regulation 18531.2; Refunding of General Election Contributions after Withdrawal of a Candidate. Staff: Zachary W. Norton, Senior Commission Counsel. Staff presents proposed amendments to Regulations 18531.2 for adoption, clarifying that withdrawal from a primary after filing a declaration of candidacy would qualify as a defeat and trigger the requirement to refund contributions in response to the passage of SB 948.

# Staff Memo Proposed Amendments to Regulation 18531.2

**10. Legislative Update.** Staff: Lindsey Nakano, Senior FPPC Legislative Counsel. The Commission will review and discuss potential sponsored and other legislation. The Commission may provide direction to staff regarding the same.

# Legislative Update

# 11. Executive Staff Reports.

Enforcement Division. James M. Lindsay, Chief. Audits and Assistance Division. Shrdha Shah, Chief. Legal Division. Dave Bainbridge, General Counsel. Administration and Technology Division. Jue Wang, PhD, Chief. Executive Director Update. Galena West, Executive Director.

### **Executive Staff Report**

### 12. 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).)