



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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EXECUTIVE STAFF REPORTS

March 21, 2019 Commission Hearing

Contents

<u>ENFORCEMENT DIVISION</u>	2
<u>LEGAL DIVISION</u>	9
<u>EXTERNAL AFFAIRS AND EDUCATION DIVISION</u>	13

I. ENFORCEMENT DIVISION

STAFF: GALENA WEST, CHIEF OF ENFORCEMENT

I. Overview

During the period of February 8, 2019 through February 28, 2019 the Enforcement Division received 53 complaints, opened 12 for investigation, and rejected 23. The Enforcement Division received 124 non-filer referrals during this time. During this time, the Enforcement Division closed a total of 97 cases including:

- 52 warning letters - campaign violations (21), legal defense fund (1) and statement of economic interests violations (30);
- 0 advisory letters;
- 20 no action closure letters alleging - campaign violations (4), statement of economic interests violations (11), advertisement violations (3), and conflict of interest violations (2);
- 24 approved stipulations at the January Commission meeting; and
- 1 committee was administratively terminated.

The Division had 1529 cases in various stages of resolution at the time of the February Monthly Report and currently has approximately 1481 cases in various stages of resolution, including the 25 cases before the Commission as listed in the March 2019 Agenda.

On May 1, 2015, the Division received from the Secretary of State's office 2,460 \$50 Annual Fee referrals for 2013 fees not paid timely. Of those, 6 remain pending. On October 22, 2015, the Division received the \$50 Annual Fee referrals for 2014, which totaled 1,786. Of those, 12 remain pending. We are receiving 2015, 2016, 2017, and 2018 referrals periodically through the new Electronic Complaint System.

II. Annual Statistics

On the next page, you will find a chart that details the annual statistics for enforcement complaints, referrals and cases. This chart includes the data from 2018, where consistent with other years, 966 cases were closed with violations found. The penalties collected decreased as the emphasis on providing warnings increased. The information in the chart has been gathered from public reports, information from the defunct and inactive database, and data that has been converted into current form, so the numbers are close estimates in some instances.

	Year	2015	2016	2017	2018
1	Complaints Received	609	1,180	564	1,352
2	Referrals Received	596	350	1,616	1,529
3	Total Complaint and Referrals Received	1,205	1,530	2,180	2,881
4	Cases opened	2,273 ¹	1,315	1,480	1,561
5	Cases closed	1,253	1,803	1,477	1,243
6	Cases with resolutions approved by the Commission ²	333	311	340	235
	a Streamline cases approved by Commission	258	234	262	173
	b Mainline cases approved by Commission	69	70	66	56
	c Default cases approved by Commission	6	7	12	6
7	Total fines imposed by the Commission	\$703,821	\$894,257	\$1,126,933	\$499,606
8	Warning letters issued	442	489	505	554
9	Administrative terminations	116	668	297	177
10	Cases closed with violations found ³	891	1,468	1,142	966
11	Advisory letters issued	19	14	17	20
12	No action closure letters	343	321	318	252

¹ In 2015, the Enforcement Division received information regarding 2,460 \$50 Annual Fee non-payors in May and another 1,786 in October of that year. None of these came through the typical “referral” process and had to be evaluated for: whether the committee had been terminated locally or with SOS, whether the committee never qualified, whether the fees were paid prior to the referral, and whether records existed to evaluate the committee, before the information could be opened into a case. Therefore, these do not appear in the Referral line since they did not follow that process.

² Total for lines 6a, 6b, and 6c.

³ Total for lines 6, 8, and 9.

III. Unexecuted Streamline Stipulations

Streamline penalty stipulations are approved by the Chief of Enforcement and reported to the Commission for discussion only before they are executed. The following streamline stipulations are presented for that purpose. After the close of the hearing, the Chief of Enforcement may execute all or any of the streamline penalty stipulations, at her discretion per Regulation 18360.2.

Campaign Non-Filer

[In the Matter of Steven Bradford for Senate 2016 and Steven C. Bradford; FPPC No. 19/0002.](#)

Staff: Chief of Enforcement Galena West and Associate Governmental Program Analyst Dominika Wojenska. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. The respondent was represented by Steven Kaufman of Kaufman Legal Group. Steven C. Bradford was a successful candidate for Senate in the November 8, 2016 General Election. Steven Bradford for Senate 2016 is his candidate-controlled committee. The Committee and Bradford failed to timely file six 24-Hour Reports and two 10-Day reports, in violation of Government Code Section 84203 (8 counts). **Total Proposed Penalty: \$1,916.**

[In the Matter of Shaffer Cormell for Judge 2016, Shaffer Cormell for Judge 2018, Shaffer](#)

[Cormell, and Melissa Cormell; FPPC No. 18/477.](#) Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Shaffer Cormell was an unsuccessful candidate for Riverside County Superior Court Judge in the June 7, 2016 Primary Election and the June 5, 2018 Primary Election. Shaffer Cormell for Judge 2016 was his candidate-controlled committee in the 2016 Primary Election. Shaffer Cormell for Judge 2018 was his candidate-controlled committee in the 2018 Primary Election. Melissa Cormell was the treasurer for both committees. The 2016 Committee, Cormell, and Cormell failed to timely file a pre-election campaign statement, in violation of Government Code Section 84200.5 (1 count). The 2018 Committee, Cormell, and Cormell failed to timely file three pre-election campaign statements, in violation of Government Code Section 84200.5 (3 counts); and failed to timely file one 24-Hour Report within 24 hours of receiving a contribution on May 4, 2018, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$1,413.**

[In the Matter of Association of San Miguel Firefighters Local 1434 and Ron Quinlan; FPPC No. 18/1015.](#)

Staff: Chief of Enforcement Galena West and Associate Governmental Program Analyst Dominika Wojenska. Association of San Miguel Firefighters Local 1434 is a local general purpose committee. Ron Quinlan is the Committee's treasurer. The Committee and Quinlan failed to timely file three 24-Hour Independent Expenditure Reports, in violation of Government Code Section 84204 (3 counts); and failed to timely report independent expenditures 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 (1 count). **Total Proposed Penalty: \$1,270.**

[In the Matter of Valerie F. Davis for School Board Area 3, Valerie F. Davis, and Michael F. Davis; FPPC No. 18/1203.](#)

Staff: Chief of Enforcement Galena West, Program Specialist Luz Bonetti, and Associate Governmental Program Analyst Dominika Wojenska. Valerie F. Davis was a successful candidate for Fresno Unified School District Board of Trustees in the

November 6, 2018 General Election. Valerie F. Davis for School Board Area 3 is her candidate-controlled committee. Michael F. Davis is the Committee's treasurer. The Committee, Davis, and Davis failed to timely file two 24-Hour Reports, in violation of Government Code Section 84203 (2 counts); and failed to timely report contributions received on 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 Section 84211 (2 counts). **Total Proposed Penalty: \$968.**

[In the Matter of Pritchard for AV City Council 2018, Gary Pritchard, and Glen Hatton; FPPC No. 18/1211.](#) Staff: Chief of Enforcement Galena West and Intake Manager Tara Stock. Gary Pritchard was an unsuccessful candidate for Aliso Viejo City Council in the November 6, 2018 General Election. Pritchard for AV City Council 2018 is his candidate-controlled committee. Glen Hatton is the Committee's treasurer. The Committee, Pritchard, and Hatton failed to timely file four 24-Hour Reports for contributions received of \$1,000 or more, in violation of Government Code Section 84203 (4 counts). **Total Proposed Penalty: \$930.**

[In the Matter of The California List and Bettina Duval; FPPC No. 17/1380.](#) Staff: Commission Counsel Michael W. Hamilton. The respondents are represented by Richard Rios of Olson Hagel & Fishburn. The California List is a state general purpose committee. Bettina Duval is the Committee's treasurer. The Committee and Duval failed to timely file two pre-election statements for reporting periods of January 1, 2014 through March 17, 2014 and July 1, 2014 through September 30, 2014, in violation of Government Code Sections 84200.5 and 84200.7 (2 counts) **Total Proposed Penalty: \$708.**

[In the matter of Tony Barrera for Salinas City Council 2018, Tony Barrera and Guadalupe Gilpas; FPPC No. 18/1199.](#) Staff: Chief of Enforcement Galena West and Staff Services Analyst Shaina Elkin. Tony Barrera was a successful candidate for Salinas City Council District 2, in the November 6, 2018 General Election. Tony Barrera for City Council 2018 is his candidate-controlled committee. Guadalupe Gilpas is the Committee's treasurer. The Committee, Barrera and Gilpas failed to timely file two pre-election campaign statements for the reporting periods of January 1, 2018 through September 22, 2018, and September 23, 2018 through October 20, 2018, in violation of Government Code Section 84200.5 (2 counts). The Committee, Barrera and Gilpas also failed to timely file one 24-Hour Report during the reporting period of September 22, 2018 through October 20, 2018, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$672.**

[In the Matter of Chula Vista Educators PAC and Craig Best; FPPC No. 18/1016.](#) Staff: Chief of Enforcement Galena West and Associate Governmental Program Analyst Dominika Wojenska. Chula Vista Educators PAC is a local general purpose committee. Craig Best is the Committee's treasurer. The Committee and Best failed to timely file a pre-election campaign statement for the reporting period of July 1, 2018 through September 22, 2018, in violation of Government Code Section 84200.5 (1 count); and failed to timely file one 24-Hour Report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$514.**

[In the Matter of Procaccianti Companies, Inc.; FPPC No. 17/1458.](#) Staff: Chief of Enforcement Galena West and Associate Governmental Program Analyst Dominika Wojenska. Procaccianti Companies, Inc. is a local major donor committee in the City of Santa Monica. The Committee failed to timely file one 24-Hour Report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$320.**

[In the Matter of Gil J. Botello for City Council 2018 and Gil J. Botello; FPPC No. 18/1284.](#) Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Gil J. Botello was an unsuccessful candidate for San Bernardino City Council in the November 6, 2018 General Election. Gil J. Botello for City Council 2018 was his candidate-controlled committee. The Committee and Botello failed to timely file a pre-election campaign statement for the reporting period of September 22, 2018 through October 20, 2018, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$281.**

[In the Matter of Oak Grove Educators Association CTA NEA PAC and Rebecca Munson; FPPC No. 18/1038.](#) Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Oak Grove Educators Association CTA NEA PAC is a county general purpose committee. Rebecca Munson is the Committee's treasurer. The Committee and Munson failed to timely file a pre-election campaign statement for the reporting period of July 1, 2018 through September 22, 2018, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$257.**

[In the Matter of Yamel Jimmy Mourad and Donna I. Gannon for Bell City Council 2015, Donna I. Gannon, Yamel Jimmy Mourad, and Luz Martinez; FPPC No. 15/149.](#) Staff: Assistant Chief Counsel Angela Brereton and Special Investigator Garrett Micheels. Donna I. Gannon and Yamel Jimmy Mourad were unsuccessful candidates for Bell City Council in the March 3, 2015 Primary Election. Yamel Jimmy Mourad and Donna I. Gannon for Bell City Council 2015 was Gannon's and Mourad's joint candidate-controlled committee. Luz Martinez was the Committee's treasurer. The Committee, Gannon, Mourad, and Martinez failed to timely report contributions received and occupation/employer information, on a semi-annual campaign statement for the reporting period of February 15 through June 30, 2015, in violation of Government Code Section 84211 (1 count). **Total Proposed Penalty: \$235.**

[In the Matter of David Cohen for Berryessa School Board 2018 and David Cohen; FPPC No. 18/925.](#) Staff: Chief of Enforcement Galena West and Associate Governmental Program Analyst Dominika Wojenska. David Cohen was a successful candidate for Berryessa Union School District Board in the November 6, 2018 General Election. David Cohen for Berryessa School Board 2018 is his candidate-controlled committee. The Committee and Cohen failed to timely file one 24-Hour Report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$235.**

[In the Matter of Sabrina Narain for City Council 2018 and Sabrina Narain; FPPC No. 18/1197.](#) Chief of Enforcement Galena West and Staff Services Analyst Shaina Elkin. Sabrina Narain was an unsuccessful candidate for City Council Member of Fullerton, in the November 6, 2018 General Election. Sabrina Narain for City Council 2018 was her candidate-controlled committee.

The Committee and Narain failed to timely file a 24-Hour Report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$230**

[In the Matter of Friends of Michele Rendler for Redlands School Board 2018, Michele Rendler, and Ann VanDamme; FPPC No. 18/1220.](#) Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Michele Rendler was an unsuccessful candidate for Board Member of the Redlands School Board in the November 6, 2018 General Election. Friends of Michele Rendler for Redlands School Board 2018 was her candidate-controlled committee. Ann VanDamme was the Committee's treasurer. The Committee, Rendler, and VanDamme failed to timely file a pre-election campaign statement for the reporting period of January 1, 2018 through October 20, 2018, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$228.**

[In the Matter of Matt Taylor for Yolo County Office of Education and Matt Taylor; FPPC No. 18/1190.](#) Staff: Chief of Enforcement Galena West and Associate Governmental Program Analyst Dominika Wojenska. Matt Taylor was a successful candidate for Yolo County Board of Education in the November 6, 2018 General Election. Matt Taylor for Yolo County Office of Education is his candidate-controlled committee. The Committee and Taylor failed to timely file a pre-election campaign statement for the reporting period of September 28, 2018 through October 20, 2018, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$217.**

[In the Matter of Dina Walker for Rialto School Board 2018, Dina Walker, and Paul Scott; FPPC No. 18/983.](#) Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Dina Walker was a successful candidate for Board Member of Rialto School Board in the November 6, 2018 General Election. Dina Walker for Rialto School Board was her candidate-controlled committee. Paul Scott was the Committee's treasurer. The Committee, Walker, and Scott failed to timely file a 24-Hour Report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$215.**

Statement of Economic Interests Non-Filer

[In the Matter of Mumbie Fredson Cole; FPPC No. 17/1041.](#) Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Mumbie Fredson Cole, a Senior Transportation Engineer of District 7 in Los Angeles with the California Department of Transportation, failed to timely file a 2016 Annual Statement of Economic Interests and a 2017 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Total Proposed Penalty: \$400.**

[In the Matter of David Mecchi; FPPC No. 17/994.](#) Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. David Mecchi, a Director of the Sierra Coordinated Resources Management Council, failed to timely file a 2016 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

[In the Matter of Bret Daniels; FPPC No. 19/298.](#) Staff: Chief of Enforcement Galena West and Intake Manager Tara Stock. Bret Daniels, a City Council Member for the City of Citrus Heights, failed to timely file a 2017 Annual Statement of Economic Interests, in violation of Government Code Section 87203 (1 count). **Total Proposed Penalty: \$200.**

II. LEGAL DIVISION

STAFF:

DAVID BAINBRIDGE, GENERAL COUNSEL

BRIAN LAU, ASSISTANT GENERAL COUNSEL

A. Pending Litigation

California State Association of Counties and California School Boards Association v. FPPC
Los Angeles County Superior Court, Central District, Case No. BS174653

On September 11, 2018, petitioners served a first amended petition for writ of mandate and complaint for declaratory relief. Petitioners allege that Regulations 18420.1 and 18901.1 are invalid as a matter of law, that the Commission has exceeded its jurisdiction in adopting these regulations, and that the regulations are unenforceable.

The Attorney General's Office is representing the Commission and timely filed an answer to the petition/complaint. At the continued trial setting conference on December 19, 2018, the court set trial on the merits for August 14, 2019, at 9:30 a.m.

On March 4, 2019, the Commission filed a Motion for Judgment on the Pleadings. The Motion will be heard on March 29, 2019, at 9:30 a.m. in Department 86 of the Los Angeles County Superior Court.

Howard Jarvis Taxpayers Association, et al. v. Edmund Brown, et al.
Court of Appeal, Third Appellate District, Case No. C086334

On December 12, 2016, the Howard Jarvis Taxpayers Association and retired State Senator and Judge Quentin L. Kopp filed a lawsuit against Governor Brown and the Commission to invalidate a new law that would allow public funds to be used for political campaigning. In September of 2016, the Governor signed Senate Bill 1107 which authorizes the use of public funds to finance campaigns if a jurisdiction adopts a law or ordinance creating a public financing program. Plaintiffs allege the new law improperly eliminates the prohibition against public financing of campaigns, implemented pursuant to Proposition 73 in 1988, because it was done without voter approval. In addition, plaintiffs allege that the new law violates the Political Reform Act because it does not "further the purposes of the Act," an express requirement in the Act for legislative amendment. The Attorney General's Office is representing both Governor Brown and the Commission in this litigation. A hearing was held in Superior Court on August 4, 2017. After taking the matter under submission, the Court issued a Ruling, dated August 23, 2017, "entering a judgment declaring that the amendments made to Government Code section 85300 by Senate Bill No. 1107 are void and have no legal effect; and an injunction restraining Respondents from enforcing the unconstitutional amendments made by Senate Bill No. 1107."

In closed session at its meeting on September 21, 2017, the Commission voted to appeal the Superior Court decision. The Notice of Appeal was filed with the Third District Court of Appeal on January 9, 2018. Appellants' Opening Brief was timely filed on September 21, 2018. Respondents' Brief was timely filed on December 10, 2018. Appellants' Reply Brief was timely filed on March 1, 2019. All appellate briefs are submitted. Further action on this matter will be determined by the court's order, most likely to set a date for oral argument.

Frank J. Burgess v. Fair Political Practices Commission
Riverside County Superior Court, Case No. RIC 1510656

After prevailing on the Commission's appeal of plaintiff's motion for attorney's fees at trial, plaintiff Frank J. Burgess filed a motion for attorney's fees and costs on appeal. After briefing by the parties, the court issued a tentative ruling reducing the claimed fees and costs on appeal by approximately \$5,000. The parties did not request a hearing and the tentative became the court's order. Rather than pursue its Motion to Tax Costs, the Commission stipulated with plaintiff to the amount of \$56,995.36 awarded by the court on plaintiff's motion.

B. Outreach and Training

- On February 7th, Supervising Attorney Sukhi K. Brar participated on a panel for the Legislature's lobbyist ethics course providing guidance on the Act's lobbying laws and regulations to lobbyists.

C. Advice

In February 2019, the Legal Division responded to the following requests for advice:

- **Requests for Advice:** Legal Division Political Reform Consultants and attorneys collectively responded to more than 828 e-mail and telephone requests for advice. 14 questions were not responded to within 24 hours.
- **Advice Letters:** Legal Division received 15 new advice letter requests under the Political Reform Act and completed 13 letters.
- **Section 1090 Letters:** Legal Division received nine advice letter requests concerning Section 1090 and completed nine letters. This year to date, we have received 14 advice requests regarding Section 1090.

D. Miscellaneous Decisions

None to report.

E. Potential Upcoming Regulations

April 11th, 2019

- Regulation 18329: Advice Letter Process. (Prenotice discussion.)
- Regulations 18944.1, 18942, 18946, 18946.1: Agency Provided Tickets or Passes, and Valuation. (Adoption.)

May 16th, 2019

- Regulation 18702.1: Conflict of Interest Analysis, Business Entity Materiality Threshold. (Prenotice discussion.)
- Regulation 18702.3: Conflict of Interest Analysis, Source of Income Materiality Threshold. (Prenotice discussion.)

June 13th, 2019

- Clean-Up Regulations. (Adoption.)
- Regulation 18329: Advice Letter Process. (Adoption.)

F. Conflict of Interest Codes

Adoptions and Amendments

State Agency Conflict of Interest Codes

- Statewide Health Planning & Development Office

Multi-County Agency Conflict of Interest Codes

Antelope Valley State Water Contractors Association

- California Statewide Communities Development Authority
- Carpinteria Sanitary District
- Coachella Valley Water District
- Delta Conveyance Design and Construction Authority
- El Dorado Water and Power Authority
- Elsinore Valley Municipal Water District
- Glenn Groundwater Authority
- Resource Conservation District of the Santa Monica Mountains
- Scholarship Prep Charter School
- Sonoma Marin Rail Transit District (SMART)
- Truckee Tahoe Airport Land Use Commission

Exemptions

None to report.

Extensions

None to report.

G. Probable Cause Hearings

None to report.

III. EXTERNAL AFFAIRS AND EDUCATION DIVISION

STAFF: DEBORAH HANEPHIN, MANAGER

Phone Advice Requests

The External Affairs and Education Division responded to 728 requests for technical assistance via phone in February.

Training & Outreach

Political Reform Consultant Alex Castillo delivered 3 workshops to Form 700 filing officers and filers in Hawaiian Gardens. Approximately 111 clerks and filers attended these trainings.

Consultant Glen Bailey presented 2 Form 700 filing officer and filer training in San Diego. Approximately 39 people attended.

Glen Bailey, along with Katie Trumbly, visited Ranch Cordova to deliver a Form 700 filer training to approximately 30 filers.

Deborah Hanephin and Katie Trumbly delivered training to filing officers in San Francisco and at FPPC in Sacramento. Approximately 21 and 30 clerks attended these workshops, respectively.

Additional Training

Our video tutorials were viewed a total of 666 times in January. The Form 700 videos received 545 of those views while the Candidate/Treasurer video received 32 views. Filing officer videos were viewed 89 times.

Filing Schedules

Staff created 5 filing schedules for local elections in Solana Beach, Morgan Hill, and Riverside, Placer, and Calaveras Counties. Staff also created a filing schedule for Slate Mailer Organizations for the November 2019 election.