



STATE OF CALIFORNIA  
FAIR POLITICAL PRACTICES COMMISSION  
1102 Q Street • Suite 3000 • Sacramento, CA 95811  
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# EXECUTIVE STAFF REPORTS

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*April 15, 2021 Commission Hearing*

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# I. ENFORCEMENT DIVISION

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STAFF: ANGELA BRERETON, CHIEF OF ENFORCEMENT

## I. Overview

During the period of March 1, 2021 through March 31, 2021 the Enforcement Division received 50 complaints, opened 7 for investigation, and rejected 11. The Enforcement Division received 64 referrals during this time. The Enforcement Division closed a total of 61 cases including:

- 25 warning letters – advertisement violations (1), campaign violations (8), conflict of interest code violations (1), and statement of economic interests violations (15);
- 18 no action closure letters alleging – advertisement violations (3), campaign violations (6), conflict of interest violations (2), and statement of economic interests violations (7);
- 16 approved stipulations from the February and March Commission meetings; and
- 2 committees were administratively terminated.

The Division had 1,429 cases in various stages of resolution at the time of the March Monthly Report and currently has approximately 1,425 cases in various stages of resolution, including the 18 cases before the Commission as listed in the April Agenda.

## 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 2020, where Enforcement had a highly efficient and effective year, receiving over 2,900 complaints and referrals and closing 1,117 cases with violations found. 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.

	<b>Year</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
1	Complaints Received	1,180	564	1,352	744	1,390
2	Referrals Received	350	1,616	1,529	1,950	1,518
3	Total Complaint and Referrals Received	1,530	2,180	2,881	2,694	2,908
4	Cases opened	1,315	1,480	1,561	1,820	1,155
5	Cases closed <sup>3</sup>	1,803	1,477	1,243	1,465	1,526
6	Cases with resolutions approved by the Commission <sup>1</sup>	311	340	235	343	278
	a Streamline cases approved by Commission	234	262	173	263	194
	b Mainline cases approved by Commission	70	66	56	73	77
	c Default cases approved by Commission	7	12	6	7	7
7	Total fines imposed by the Commission	\$894,257	\$1,126,933	\$499,606	\$797,384	\$1,940,107
8	Warning letters issued	489	505	554	584	777
9	Administrative terminations	668	297	177	104	62
10	Cases closed with violations found <sup>2</sup>	1,468	1,142	966	1,031	1,117
11	Advisory letters issued	14	17	20	9	7
12	No action closure letters	321	318	252	423	402

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<sup>1</sup> Total for lines 6a, 6b, and 6c.

<sup>2</sup> Total for lines 6, 8, and 9.

<sup>3</sup> Total cases closed includes Commission approved cases from the previous year and Commission approved administrative judgements. It does not include Commission approved cases not yet closed.

### 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.

Since the last Monthly Report, the Enforcement Chief has not used discretion to increase the penalties for Tier Two advertising violations resulting in public confusion, under Regulation 18360.3(d)(7)(B)(i)(b), or to increase the penalties for Tier Two violations involving the same candidate, committee, or principal officer who has paid a Tier One penalty to the Commission or received a Warning Letter from the Commission for the same type of violation occurring within the last five years, based on the resulting public harm.

#### Campaign Late Filer

**In the Matter of Truth & Dignity Municipal Leadership PAC and Gary Crummitt; FPPC No. 18/1385.** Staff: Jenna C. Rinehart, Commission Counsel and Lance Hachigian, Special Investigator. Truth & Dignity Municipal Leadership PAC was a state general purpose committee. Gary Crummitt was the Committee's treasurer. The Committee and Crummitt failed to timely file an amended statement of organization, in violation of Government Code Section 84101 (1 count); failed to timely file three pre-election campaign statements, in violation of Government Code Section 84200.5 and 84200.8 (3 counts); failed to timely file one semi-annual campaign statement, in violation of Government Code Section 84200 (1 count); and failed to timely file nine 24-hour reports, in violation of Government Code Section 84204 (9 counts). **Total Penalty: \$3,745 (Tier One).**

**In the Matter of Gloria Negrete McLeod Supervisor 2018, Gloria Negrete McLeod, and Gilbert L. McLeod; FPPC No. 19/1579.** Staff: Angela Brereton, Chief of Enforcement and Dominika Wojenska, Associate Governmental Program Analyst. Gloria Negrete McLeod was an unsuccessful candidate for San Bernardino County Supervisor in the June 5, 2018 Primary Election. Gloria Negrete McLeod Supervisor 2018 was her candidate-controlled committee. Gilbert L. McLeod was the Committee's treasurer. The Committee, McLeod, and McLeod failed to timely file two semi-annual campaign statements in electronic format, in violation of Government Code Section 84200 and San Bernardino County Ordinance Section 12.4311 (2 counts). **Total Penalty: \$827 (Tier One).**

**In the Matter of Committee to Elect Schileen Potter Hartnell College Board Trustee – Dist 2 for the Election Year 2020, Schileen Potter, and Sandy Nee; FPPC No. 20/993.** Staff: Angela Brereton, Chief of Enforcement and Amber Burnside, Assistant Political Reform Consultant. Schileen Potter was an unsuccessful candidate for Hartnell Community College District Board of Trustees in the November 3, 2020 General Election. Committee to Elect Schileen Potter Hartnell College Board Trustee – Dist 2 for the Election Year 2020 was her candidate-controlled committee. Sandy Nee was the Committee's treasurer. The Committee, Potter, and Nee failed to timely file a preelection campaign statement, in violation of Government Code Section 84200.5 (1 count) and failed to timely file two 24-hour reports, in violation of Government Code Section 84203 (2 counts). **Total Penalty: \$686 (Tier One).**

**In the Matter of Slagle for Grossmont Schools 2020, Justin Slagle, and Clarissa Freedman; FPPC No. 20/1013.** Staff: Angela Brereton, Chief of Enforcement and Amber Burnside, Assistant Political Reform Consultant. Justin Slagle was an unsuccessful candidate for the Grossmont Union High School District Board of Trustees in the November 3, 2020 General Election. Slagle for Grossmont Schools 2020 was his candidate-controlled committee. Clarissa Freedman was the Committee's treasurer. The Committee, Slagle, and Freedman failed to timely file a preelection campaign statement, in violation of Government Code Section 84200.5 (1 count) and failed to timely file a 24-hour report, in violation of Government Code Section 84203 (1 count). **Total Penalty: \$672 (Tier One).**

**In the Matter of Jane C. Anderson Re-Election Committee School Board 2020, Jane C. Anderson, and Adriana Jeovana Morgan; FPPC No. 20/1006.** Staff: Angela Brereton, Chief of Enforcement and Amber Burnside, Assistant Political Reform Consultant. Jane C. Anderson was an unsuccessful candidate for Alhambra Unified School District Board of Education in the November 3, 2020 General Election. Jane C. Anderson Re-Election Committee School Board 2020 was her candidate-controlled committee. Adriana Jeovana Morgan was the Committee's treasurer. The Committee, Anderson, and Morgan failed to timely file a preelection campaign statement, in violation of Government Code Section 84200.5 (1 count) and failed to timely file a 24-hour report, in violation of Government Code Section 84203 (1 count). **Total Penalty: \$456 (Tier One).**

**In the Matter of Sandi Smith for Sweetwater District Board of Trustees 2020, Sandra Smith, and Keely Rodriguez; FPPC No. 20/1004.** Staff: Angela Brereton, Chief of Enforcement and Amber Burnside, Assistant Political Reform Consultant. Sandra Smith was an unsuccessful candidate for Sweetwater Union High School District Board of Trustees in the November 3, 2020 General Election. Sandi Smith for Sweetwater District Board of Trustees 2020 was her candidate-controlled committee. Keely Rodriguez was the Committee's treasurer. The Committee, Smith, and Rodriguez failed to timely file a preelection campaign statement, in violation of Government Code Section 84200.5 (1 count). **Total Penalty: \$231 (Tier One).**

### **Campaign Late Reporter**

**In the Matter of Pacific Grove Friends of Project Bella Yes on Measure X, funded by Domaine Pacific Grove, LLC and Ronald Meer; FPPC No. 17/017.** Staff: Megan A. Van Arsdale, Commission Counsel and Paul Rasey, Special Investigator. The Respondents were represented by Ashlee Titus of Bell, McAndrews & Hiltachk, LLP. Pacific Grove Friends of Project Bella Yes on Measure X, funded by Domaine Pacific Grove, LLC is a local primarily formed ballot measure committee that supported the successful ballot measure, Measure X, in the April 19, 2016 Special Election. Ronald Meer is the Committee's treasurer. The Committee and Meer failed to disclose accrued expenses on a semi-annual campaign statement, in violation of Government Code Section 84211 (1 count). **Total Penalty: \$1,400 (Tier Two).**

**In the Matter of Heidi Shink for West Hollywood City Council 2015, Heidi Shink, and David Gould; FPPC No. 15/264.** Staff: Michael W. Hamilton, Commission Counsel and Jay Martin, Special Investigator. Heidi Shink and the Committee were represented by Jim Sutton of the Sutton Law Firm, and David Gould was represented by Fredric Woocher of Strumwasser &

Woocher. Heidi Shink was an unsuccessful candidate for West Hollywood City Council in the June 2, 2015 Special Election. Heidi Shink for West Hollywood City Council 2015 was her candidate-controlled committee. David Gould was the Committees treasurer. The Committee, Shink, and Gould failed to timely report expenditures on two semi-annual campaign statements, in violation of Government Code Section 84211 (2 counts). **Total Penalty: \$278 (Tier One).**

### **Gift Over-the-Limit**

**[In the Matter of Lori Liu; FPPC No. 16/16483.](#)** Staff: Michael W. Hamilton, Commission Counsel and Special Investigator, Garrett Micheels. Lori Liu was a successful candidate for Brisbane City Council in the November 5, 2013 General Election and served as Mayor from 2016-2017. Liu accepted a gift that exceeded the 2016 gift limit, in violation of Government Code Section 89503 (1 count). **Total Penalty: \$600 (Tier Two).**

### **Statement of Economic Interests Late Filer/Reporter**

**[In the Matter of Henry Pritchard; FPPC No. 16/20050.](#)** Staff: Jenna C. Rinehart, Commission Counsel. The respondent was represented by Rob J. Taylor of McCarthy & Rubright, LLP. Henry Pritchard, a Director for Shasta-Tehama County Watermaster District, failed to timely file a 2015, 2017, and 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (3 counts). **Total Penalty: \$1,800 (Tier One).**

**[In the Matter of Gary Osmundson; FPPC No. 16/423.](#)** Staff: Michael W. Hamilton, Commission Counsel and Jeffrey Kamigaki, Supervising Special Investigator. Gary Osmundson, a Board Member for Oakdale Irrigation District, failed to timely file an Assuming Office Statement of Economic Interest, in violation of Government Code Section 87202 (1 count) and failed to timely report interests on his 2015 Annual, 2016 Annual, and Leaving Office Statements of Economic Interest, in violation of Government Code Sections 87206, 87207, and 87209 (16 counts). **Total Penalty: \$1,800 (Tier One).**

**[In the Matter of Laurie Hauf; FPPC No. 19/1609.](#)** Staff: Angela Brereton, Chief of Enforcement and Amber Burnside, Assistant Political Reform Consultant. Laurie Hauf, a member of the North County Gang Commission, failed to timely file a 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Penalty: \$200 (Tier One).**

**[In the Matter of Tara Garrett; FPPC No. 17/1262.](#)** Staff: Angela Brereton, Chief of Enforcement and Chloe Hackert, Political Reform Consultant. Tara Garrett, as a Clinical Psychologist for the California Department of Corrections and Rehabilitation, failed to timely file a 2016 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Penalty: \$200 (Tier One).**

**[In the Matter of Jaime Fontes; FPPC No. 19/1705.](#)** Staff: Angela Brereton, Chief of Enforcement and Shaina Elkin, Staff Services Analyst. Jaime Fontes, as a City Manager of Greenfield, failed to timely file a Leaving Office Statement of Economic Interests, in violation of Government Code Section 87204 (1 count). **Total Penalty: \$200 (Tier One).**

**In the Matter of Veronica Vargas; FPPC No. 17/1471.** Staff: Jenna C. Rinehart, Commission Counsel and Lance Hachigian, Special Investigator. The respondent was represented by Nicholas Sanders of The Sutton Law Firm. Veronica Vargas, a member of the Tracy City Council, failed to timely report a source of income on her 2015 and 2016 Annual Statements of Economic Interest, in violation of Government Code Section 87207 (2 counts). **Total Penalty: \$200 (Tier One).**

## II. LEGAL DIVISION

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**STAFF: DAVE BAINBRIDGE, GENERAL COUNSEL**

### **A. Pending Litigation**

***California State Association of Counties and California School Boards Association v. FPPC***  
County of Los Angeles 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.

On March 29, 2019, the Commission's Motion for Judgment on the Pleadings was granted with leave to amend. The court vacated all hearing dates and set a new trial setting conference. Plaintiffs timely filed a second amended complaint on June 27, 2019.

The Commission filed a demurrer and the hearing occurred on November 22, 2019. In its ruling, the court: (1) sustained the demurrer to the first cause of action without leave to amend; (2) sustained the demurrer with leave to amend on plaintiff CSBA's standing on all cause of action and plaintiff CSAC's standing on all causes of actions challenging Regulation 18901.1; and (3) overruled the remaining grounds for demurrer.

Petitioners filed a third amended complaint, and the Commission filed an answer. The parties submitted pretrial briefs and after hearing on December 4, 2020, the court issued an order denying the writ. Notice of entry of the court's judgment was served on January 12, 2021.

Petitioners filed a timely notice of appeal. Updates on the various appellate filing deadlines will be provided when dates are set.

***Mat Wahlstrom v. California Fair Political Practices Commission and Steven J. Kaufman***  
San Diego County Superior Court, Central Division  
Case No. 37-2020-00030654-CU-WM-CTL

Petitioner filed a petition for writ of mandate on August 31, 2020. The petition seeks to set aside a streamline stipulation, decision and order against Todd Gloria adopted by the Commission in November 2019. The Attorney General is representing the Commission. The Commission filed an answer to the complaint on October 22, 2020.



## B. Outreach and Training

### *Webinars*

- March 2nd, the FPPC hosted a Campaign Filing Officer webinar. Political Reform Consultants Adam Ramirez and Stephen Hernandez presented. 46 people attended.
- March 10th, the FPPC hosted a Candidate/Treasurer webinar. Political Reform Consultants Adam Ramirez and Stephen Hernandez presented. 15 people attended.
- March 16th, the FPPC hosted a SEI Filers webinar requested by the city of Santa Clarita, but open to the public. Political Reform Consultants Katie Trumbly and Stephen Hernandez presented. 34 people attended.
- March 24th, the FPPC hosted a SEI Filing Officer webinar. SSM I Alana Jeydel and Political Reform Consultant Katie Trumbly presented. 43 people attended.

### *Scheduled Webinars*

- April 13th, the FPPC is hosting a Candidate/Treasurer webinar.
- April 21st, the FPPC is hosting a Campaign Filing Officer webinar.
- June 15th, the FPPC is hosting a Candidate/Treasurer webinar.
- June 23rd, the FPPC is hosting a Campaign Filing Officer webinar

### *Video Tutorials*

- Commission video tutorials were accessed a total of 1,377 times in March. Form 700 videos were accessed 1,108 times, the Candidate/Treasurer video was accessed 75 times, and the filing officer videos were accessed 194 times.

## C. Advice

The March 26, 2021, Advice Letter Report is available at <https://fppc.ca.gov/advice/advice-opinion-search/advice-letter-reports/2021-advice-letter-reports/FPPC-advice-letter-report-mar-2021.html>.

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

- **Education Program:** The Education Program responded to 944 requests for technical assistance via phone.

- **Requests for Advice:** The Email Advice and Conflict of Interest Code Program and Legal Division attorneys collectively responded to more than 1,104 email and telephone requests for advice, 117 of which were not responded to within 24 hours.
- **Advice Letters:** The Legal Division received 13 advice letter requests under the Political Reform Act and completed nine.
- **Section 1090 Letters:** The Legal Division received two advice letter request concerning Section 1090 and completed seven. This year to date, we have received 12 advice requests regarding Section 1090.

#### **D. Miscellaneous Decisions**

None to report.

#### **E. Potential Upcoming Regulations**

*May 20<sup>th</sup>, 2021*

- **Permissible Campaign Expenditures.** (New Regulation.) Provide guidance on whether an expenditure of campaign funds has a sufficient political, legislative, or governmental purpose under Article 4 of the Act. Provisions may include specific items previously addressed through the advice or opinion process, and/or generally applicable guidelines. (Adoption.)
- **Disclose Act.** (Regulations 18421.5, 18435.5, 18450.1, and 18450.11.) Various regulatory additions and amendments to interpret and clarify provisions of the Disclose Act including disclosures on advertisements in multiple languages, disclosures on electronic slate mailers, disclosures on various forms of social media, and paid spokesperson disclosure. (Prenotice.)
- **Cal-Access Replacement System (CARS).** (Regulations 18402.1, 18406, 18410, 18422.5, 18465, 18465.1, 18601, 18611, 18616, and 18616.4.) The Secretary of State's new electronic campaign and lobbyist reporting system, CARS, is scheduled to begin operating in February 2021. Numerous minor updates to existing regulations will be required as a result of CARS and its implementing legislation. (Adoption.)

*June 17<sup>th</sup>, 2021*

- **Campaign Ads and Media.** (Regulation 18421.5.) Update existing regulation requiring advertising disclosure for online content paid for by a committee and adopt a new regulation interpreting when a communication made in the style of a media report qualifies as an advertisement under the Act. (Adoption.)

*July 15<sup>th</sup>, 2021*

- **Behested Payment Reporting.** (Regulations 18204 and 18215.3.) Regulatory additions and amendments to improve the efficiency and transparency of behested payment reporting, including providing for reporting of good faith estimates of payments in certain circumstances, and clarifying rules for disclosure of payments made in response to third party fundraising solicitations. (Prenotice.)
- **Permissible Campaign Expenditures.** (New Regulation.) Provide guidance on whether an expenditure of campaign funds has a sufficient political, legislative, or governmental purpose under Article 4 of the Act. Provisions may include specific items previously addressed through the advice or opinion process, and/or generally applicable guidelines. (Adoption.)
- **Disclose Act.** (Regulations 18421.5, 18435.5, 18450.1, and 18450.11.) Various regulatory additions and amendments to interpret and clarify provisions of the Disclose Act including disclosures on advertisements in multiple languages, disclosures on electronic slate mailers, disclosures on various forms of social media, and paid spokesperson disclosure. (Adoption.)

## **F. Conflict of Interest Codes**

### **Adoptions and Amendments**

#### *State Agency Conflict of Interest Codes*

- Seismic Safety Commission

#### *Multi-County Agency Conflict of Interest Codes*

- Northern California Regional Liability Excess Fund
- Summit Public Schools

### **Exemptions**

- None to Report.

### **Extensions**

- None to Report.

### **G. Probable Cause Hearings**

*Please note, a finding of probable cause does not constitute a finding that a violation has occurred. The respondents are presumed to be innocent of any violation of the Act unless a violation is proven in a subsequent proceeding.*

- 1. In the Matter of Paul Davis for City Council 2013, Paul Davis for City Council 2017, and Paul Davis, Case No. 17-486.** On March 25<sup>th</sup>, 2021, after a probable cause conference, probable cause was found to believe Respondents committed the following violation of the Act:

Count 2: The 2017 Committee, Davis, and Teaman failed to timely file a 24-hour late contribution report after receiving a contribution of \$1,000 on June 6, 2017 from Mohamed Seirafi by June 7, 2017, in violation of Government Code Section 84203.

## III. ADMINISTRATION & TECHNOLOGY DIVISION

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STAFF: LORESSA HON, CHIEF OF ADMINISTRATION

### **New Employee Report**

#### **Legal Division**

Daniel Vo, Staff Services Analyst

### **Statement of Economic Interest (Form 700)**

As of April 5, 2021, there were 116 Form 700 non-filers of the 2019/2020 Annual Form 700 filing. The Statement of Economic Interest Unit has made all annual non-filer referrals to the Enforcement Division.