



EXECUTIVE STAFF REPORTS

September 15, 2022 Commission Hearing

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I. ENFORCEMENT DIVISION

STAFF: ANGELA BRERETON, CHIEF

A. Overview

During the period of August 1, 2022 through August 31, 2022 the Enforcement Division received 105 complaints, opened 9 for investigation, and rejected 33. The Enforcement Division received 72 referrals during this time. The Enforcement Division closed a total of 110 cases including:

- 50 warning letters – behested payment violation (1), campaign violations (23), conflict of interests violation (1), lobbying reporting violation (1), and statement of economic interests violations (24);
- 3 no action closure letters: PREP completed – statement of economic interests violations (3)
- 24 no action closure letters alleging – advertisement violations (3), behested payment violation (1), campaign violations (6), conflict of interests violations (2), gift over-the-limit violation (1), statement of economic interests violations (11);
- 19 approved stipulations from the July and August Commission meetings;
- 1 advisory letter – campaign violations (1);
- And 13 committees were administratively terminated.

The Division had 1,488 cases in various stages of resolution at the time of the August Monthly Report and currently has approximately 1,451 cases in various stages of resolution, including the 17 cases before the Commission as listed in the September Agenda.

B. 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 2021, in which the Enforcement Division had a 16% increase in Streamline Penalties compared to 2020 after the Commission updated the Streamline Program regulations with the goal of making the Streamline Program more inclusive. 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	2017	2018	2019	2020	2021
1	Complaints Received	564	1,352	744	1,390	606
2	Referrals Received	1,616	1,529	1,950	1,518	1,751
3	Total Complaint and Referrals Received	2,180	2,881	2,694	2,908	2,357
4	Cases opened	1,480	1,561	1,820	1,155	1,185
5	Cases closed ³	1,477	1,243	1,465	1,526	1,058
6	Cases with penalties ¹	340	235	343	278	269
	a Streamline cases	262	173	263	194	234
	b Mainline cases	66	56	73	77	32
	c Default cases	12	6	7	7	3
7	Total fines imposed	\$1,126,933	\$499,606	\$797,384	\$1,940,107	\$472,248
8	Warning letters issued	505	554	584	777	475
9	Administrative terminations	297	177	104	62	59
10	Cases closed with violations found ²	1,142	966	1,031	1,117	803
1	Advisory letters issued	17	20	9	7	16
12	No action closure letters	318	252	423	402	237

¹ Total for lines 6a, 6b, and 6c.

² Total for lines 6, 8, and 9.

³ 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.

C. Prior Year's Workload – 2022 Quarterly Summary

Jan-22		Apr-22	
Year Opened	Existing Case Workload	Year Opened	Existing Case Workload
2015	1	2015	0
2016	12	2016	10
2017	28	2017	19
2018	195	2018	174
2019	287	2019	268
2020	381	2020	361
2021	561	2021	476

Jul-22		
Year Opened	Existing Case Workload	Difference in Case Workload
2015	0	0
2016	7	-3
2017	12	-7
2018	154	-20
2019	253	-15
2020	335	-26
2021	451	-25

D. 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 the Chief's 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.

The Enforcement Chief used discretion under Regulation 18360.2 to exclude violations in the following streamline cases presented with this report: In the Matter of Ruben Major for Secretary of State 2018; FPPC No. 19/1512 [The total penalty exceeds the amount that would be paid in a Mainline Stipulation.]; In the Matter of Florentino Gonzalez; FPPC No. 21/486 [Lack of

experience or knowledge of the Act's requirements caused multiple violations with minimal public harm that were corrected upon contact.].

Campaign Bank Account

In the Matter of Waymond Fermon for Indio City Council 2018, Waymond Fermon, and Sonya Galvez; FPPC No. 18/202. Staff: Alex Rose, Commission Counsel. Waymond Fermon was a successful candidate for Indio City Council in the November 6, 2018 General Election. Waymond Fermon for Indio City Council 2018 was Fermon's candidate-controlled committee and Sonya Galvez was the treasurer. The Committee, Fermon, and Galvez failed to timely file a pre-election campaign statement, a Candidate Intention Statement, a Statement of Organization Amendment, and six 24-hour contribution reports, in violation of Government Code Section 84103, 84200.5, 84203, and 85201 (9 counts). **Total Penalty: \$2,126 (Tiers One & Two).**

Campaign Late Filer

In the Matter of Ruben Major for Secretary of State 2018, and Ruben Major; FPPC No. 19/1512. Staff: Alex Rose, Commission Counsel. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Ruben Major was an unsuccessful candidate for Secretary of State in the June 5, 2018 Primary Election. Ruben Major for Secretary of State 2018 was Major's candidate-controlled committee. The Committee and Major failed to timely file seven 24-hour contribution reports, in violation of Government Code Section 84203 (7 counts). **Total Penalty: \$3,864 (Tier Two).**

In the Matter of Cardiovascular Health PAC, and Lianna Collinge; FPPC No. 18/1349. Staff: Marissa Nash, Commission Counsel. Cardiovascular Health PAC is a state general purpose committee. Lianna Collinge serves as the treasurer. The Committee and Collinge failed to timely file a pre-election campaign statement electronically and in paper format, in violation of Government Code Sections 84200.5 and 84605 (1 count); failed to timely file three semi-annual campaign statements electronically and in paper format, in violation of Government Code Sections 84200 and 84605 (3 counts); and failed to timely file one semi-annual campaign statement electronically, in violation of Government Code Sections 84200 and 84605 (1 count). **Total Penalty: \$1,729 (Tier One).**

In the Matter of Richard Angel for So. El Monte City Council 2020, and Richard Angel; FPPC No. 21/336. Staff: Angela Brereton, Chief of Enforcement and Tara Stock, Intake Manager. Richard Angel was a successful candidate for South El Monte City Council in the November 3, 2020 General Election. Richard Angel for So. El Monte City Council 2020 was Angel's candidate-controlled committee. The Committee and Angel failed to timely file two pre-election campaign statements, in violation of Government Code Section 84200.5 (2 counts); and failed to timely file three 24-hour contribution reports, in violation of Government Code Section 84203 (3 counts). **Total Penalty: \$1,495 (Tier One).**

In the Matter of Mendocino County Republican Central Committee, and Thomas

Montgomery; FPPC No. 19/1645. Staff: Angela Brereton, Chief of Enforcement and Tara Stock, Intake Manager. Mendocino County Republican Central Committee is a state general purpose committee. Thomas Montgomery is the Committee's treasurer. The Committee and Montgomery failed to timely file six semi-annual campaign statements, in violation of Government Code Section 84200 (6 counts). **Total Penalty: \$1,255 (Tier One).**

In the Matter of Dean Kunicki for VCBOE, District 4 2018, Dean Kinicki, and Janice

Kunicki; FPPC No. 21/100. Staff: Angela Brereton, Chief of Enforcement and Tara Stock, Intake Manager. Dean Kunicki was an unsuccessful candidate for Member of the Ventura County Board of Education in the November 6, 2018 General Election. Dean Kunicki for VCBOE, District 4 2018 was Kunicki's candidate-controlled committee. Janice Kunicki was the Committee's treasurer. The Committee, Dean Kunicki, and Janice Kunicki failed to timely file two semi-annual campaign statements, in violation of Government Code Section 84200 (2 counts). **Total Penalty: \$932 (Tier One).**

In the Matter of Committee to Elect Carlos Zaragoza I C Supervisor, Division 5 2022 and

Carlos Zaragoza; FPPC No. 22/592. Staff: Angela Brereton, Chief of Enforcement and Ginny Brown, Political Reform Consultant. Carlos Zaragoza was an unsuccessful candidate for Imperial County Supervisor in the June 7, 2022 Primary Election. Committee to Elect Carlos Zaragoza I C Supervisor, Division 5 2022 was Zaragoza's candidate-controlled committee and Zaragoza served as the treasurer. The Committee and Zaragoza failed to timely file four 24-hour contribution reports, in violation of Government Code Section 84203 (4 counts). **Total Penalty: \$881 (Tier One).**

In the Matter of Building and Construction Trades Council of Marin Let's All Build

Responsibly, and Michael Allen; FPPC No. 22/326. Staff: Angela Brereton, Chief of Enforcement and Ginny Brown, Political Reform Consultant. Building and Construction Trades Council of Marin Let's All Build Responsibly is a local general purpose committee. Michael Allen is the Committee's treasurer. The Committee and Allen failed to timely file a semi-annual campaign statement, in violation of Government Code Section 84200 (1 count). **Total Penalty: \$580 (Tier Two).**

In the Matter of Berkeley Council of Classified Employees AFT Local 6192 COPE, Estellas

Sisneros; FPPC No. 22/417. Staff: Angela Brereton, Chief of Enforcement and Tara Stock, Intake Manager. The respondents were represented by Richard Rios of Olson Remcho LLP. Berkeley Council of Classified Employees AFT Local 6192 COPE is a state general purpose committee. Estellas Sisneros is the Committee's treasurer. The Committee and Sisneros failed to timely file two semi-annual campaign statements, in violation of Government Code Section 84200 (2 counts). **Total Penalty: \$499 (Tier One).**

Campaign Late Reporter

[In the Matter of Lynn Compton for Supervisor 2022, Lynn Compton, and Trent Benedetti; FPPC No. 22/537.](#) Staff: Chief of Enforcement, Angela Brereton and Tara Stock, Intake Manager. Lynn Compton was an unsuccessful candidate for San Luis Obispo County Supervisor in the June 7, 2022 Primary Election. Lynn Compton for Supervisor 2022 is Compton's candidate-controlled committee. Trent Benedetti is the Committee's treasurer. The Committee, Compton, and Benedetti failed to timely report subvendor expenditures on two pre-election campaign statements, in violation of Government Code Section 84211 (2 counts). **Total Penalty: \$2,691 (Tiers One & Two).**

[In the Matter of Betty Yee for Controller 2018, Betty Yee, and Jane Leiderman; FPPC Case No. 19/989.](#) Staff: Jenna C. Rinehart, Commission Counsel. Betty Yee was a successful incumbent candidate for California Controller in the June 5, 2018 Primary Election and November 6, 2018 General Election. Betty Yee for Controller 2018 was Yee's candidate-controlled committee. Jane Leiderman served as the Committee's treasurer. The Committee, Yee, and Leiderman failed to timely disclose subvendor and credit card vendor information for expenditures totaling \$129,509 across three reporting periods, in violation of Government Code Sections 84211 and 84303 (3 counts). **Total Penalty: \$2,389 (Tier One).**

[In the Matter of Elect Debra Lucero Supervisor District 2 – 2022; Debra Lucero, and Debbie Allen; FPPC No. 22/423.](#) Staff: Angela Brereton, Chief of Enforcement and Ginny Brown, Political Reform Consultant. Debra Lucero was an unsuccessful candidate for Butte County Supervisor in the June 7, 2022 Primary Election. Elect Debra Lucero Supervisor District 2 – 2022 was Lucero's candidate-controlled committee and Debbie Allen served as treasurer. The Committee, Lucero, and Allen failed to timely file seven 24-hour contribution reports, in violation of Government Code Section 84203 (7 counts). **Total Penalty: \$1,801 (Tier One).**

Statement of Economic Interests Late Filer

[In the Matter of Tracy Leathers; FPPC Case No. 17/028.](#) Staff: Jenna C. Rinehart, Commission Counsel. Tracy Leathers, a Principal for Alum Rock Union Elementary School District, failed to timely file 2015, 2016, 2017, 2019, 2020, and 2021 Annual Statements of Economic Interests, in violation of Government Code Section 87300 (6 counts). **Total Penalty: \$3,600 (Tier One).**

[In the Matter of Melissa Melendez; FPPC Case No. 19/533.](#) Staff: Neal Bucknell, Senior Commission Counsel and Ann Flaherty, Special Investigator. Melissa Melendez, a former member of the California State Assembly, District 67, is represented by Ashlee Titus of Bell, McAndrews & Hiltachk, LLP. On their 2016-2019 Annual Statements of Economic Interests and their Candidate Statement of Economic Interests for the June 5, 2018 Primary Election, Melendez failed to report certain business interests on Schedule A-2 and they under-reported income received from one business entity, in violation of Government Code Sections 87201 and 87203 (7 counts). **Total Penalty: \$700 (Tier One).**

Statement of Economic Interests Late Reporter

In the Matter of Florentino Gonzales; FPPC Case No. 21/486. Staff: Bridgette Castillo, Senior Commission Counsel and Ann Flaherty, Special Investigator. Florentino Gonzales is a former Building Engineer Inspector with the Los Angeles County Department of Public Works. Gonzales failed to timely disclose a source of income on the 2018 Annual Statement of Economic Interests, in violation of Government Code Sections 87300 and 87302 (1 count). **Total Penalty: \$1,000 (Tier Two).**

II. AUDITS AND ASSISTANCE DIVISION

STAFF: SHRDHA SHAH, CHIEF

Audits are conducted per Government Code sections 90000 - 90008 of the Political Reform Act (the Act). The Act requires full disclosure of receipts and expenditures of candidates and committees and disclosure of the finances of lobbyists. The purpose of the audits is to determine the level of compliance of the auditees with the Act. The opinions expressed in the audit report reflect the level of compliance with the Act. The FPPC is not responsible for the contents of the candidate's documents. Audit reports are then submitted to the Enforcement Division for further review.

A. Overview

The audit reports prepared by the FPPC summarize findings with respect to the filer's conformity with the disclosure and recordkeeping requirements of the Political Reform Act. Copies of audit reports are always sent to the auditees and those included in the audit report (such as the prior treasurer, current treasurer and/or their representatives). These reports are public documents.

B. Current Period Updates

During the period of August 1, 2022, through August 31, 2022, the Audits and Assistance Division adopted 1 audit report. Currently the team has 29 audits in progress at various stages, including fieldwork, post-fieldwork, and quality review. Details of the audit report adopted during the period are as follows:

- **Anderson for Board of Equalization 2018 (ID#1401423)**

Finding noted:

1. Subvendor payments totaling \$70,786 were not disclosed. The subvendors provided slate mailers. Subvendor information was disclosed for other payments totaling \$91,214.

III. LEGAL DIVISION

STAFF: DAVE BAINBRIDGE, GENERAL COUNSEL

A. Pending Litigation

None.

B. Outreach and Training

Webinars & Workshops

- July 18, Senior Legislative Counsel Lindsey Nakano and Communication Director Jay Wierenga presented an FPPC overview to a delegation of election and government officials from Tunisia. Global Ties Sacramento, associated with the Northern California World Trade Association of Northern California, sponsors and facilitates government and trade delegations from across the world through partnership with the U.S. State Department to promote cultural, economic, and governmental relations with foreign counterparts.
- August 17, the FPPC and San Diego County Registrar of Voters jointly hosted a Candidate/Treasurer webinar. Education and External Affairs Unit Manager, Chloe Hackert, and Political Reform Consultant, Stephen Hernandez, presented. 76 people attended.
- August 24, the FPPC hosted a Behested Payments webinar. Education and External Affairs Unit Manager, Chloe Hackert, presented. 26 people attended.
- August 26, the FPPC presented a Lobbying webinar requested by the County of San Bernardino. Political Reform Consultant, Katie Trumbly, presented. 2 people attended.
- August 29, the FPPC presented a Candidate/Treasurer workshop requested by the City of Santa Monica. Political Reform Consultant, Stephen Hernandez, presented. 16 people attended.
- August 30, the FPPC presented a Statement of Economic Interests Filing Officer workshop requested by the Department of Health Care Services. Political Reform Consultant Katie Trumbly presented. 1 person attended.

Scheduled Webinars & Workshops

- September 13, the FPPC is hosting a Campaign Filing Officer webinar.
- September 22, the FPPC is hosting a Candidate/Treasurer webinar.

Video Tutorials

Commission video tutorials were accessed a total of 1,240 times in August. Form 700 videos were accessed 617 times, the Candidate/Treasurer video was accessed 517 times, and the filing officer videos were accessed 106 times.

C. New and Updated Educational Resources

- Cryptocurrency Fact Sheet: <https://fppc.ca.gov/content/dam/fppc/NS-Documents/TAD/new-laws/Crypto%20Fact%20Sheet%202022.pdf>

D. Political Reform Education Program (PREP)

During the period of June 6, 2022 through August 31, 2022, PREP received 17 referrals for the Statement of Economic Interests course. During this time, 7 learners completed PREP and 10 learners are enrolled but have not yet completed the course.

E. Advice

The August Advice Letter Reports are available on the FPPC website at <https://www.fppc.ca.gov/advice/advice-opinion-search/advice-letter-reports/2022-advice-letter-reports/advice-letter-report-august-2022.html>.

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

- **Education:** The Education unit responded to 1,293 requests for technical assistance via telephone.
- **Requests for Advice:** Political Reform Consultants and Legal Division attorneys collectively responded to 1,251 email requests for advice, 240 of which were not responded to within 24 hours.
- **Advice Letters:** The Legal Division received 8 advice letter requests under the Political Reform Act and completed 6.
- **Section 1090 Letters:** The Legal Division received 3 advice letter request concerning Section 1090 and completed 6. This year to date, we have received 30 advice requests regarding Section 1090.

F. Miscellaneous Decisions

Regulation 18740 provides that an official or candidate is not required to disclose the name of a person under Section 87207 on a Statement of Economic Interests if disclosure would violate California or Federal law. The following exemption was approved in August:

- Alex B. Lemberg, San Francisco Board of Appeals, is not required to disclose certain clients of her law practice due to confidential settlement agreements.

G. Potential Upcoming Regulation Projects

October

- Recall Election - Various new regulations to address ambiguities and gaps in the application of the Act's disclosure provisions in recall elections (adoption).
- Bank account access disclosure - Require disclosure of those authorized to access campaign bank accounts on a statement of organization (adoption).
- Minors – Proposed regulation to prohibit a minor from serving in the role of a campaign committee treasurer or assistant treasurer or serving as a responsible officer or principal officer (adoption).

November

- Prohibited lobbyist activities - New provisions to interpret and make specific prohibitions on lobbyists and lobbying firms contained in 86205 (adoption).
- COLA – Amend various regulations to reflect biennial cost of living adjustments required by statute (adoption).

H. Conflict of Interest Codes

Adoptions and Amendments

State Agencies

- Board of Equalization
- Commission on State Mandates
- Department of Child Support Services
- Office of Administrative Law

Multi-County Agencies

- Dublin San Ramon East Bay Water Authority
- Sacramento Regional County Sanitation District
- Santa Clarita Valley Water Agency
- Turlock Unified School District

Exemptions

None

Extensions

- CA Actuarial Advisory Panel

I. Probable Cause Hearings

Probable cause proceedings are conducted per Government Code section 83115.5. A finding of probable cause does not constitute a finding a violation occurred. Respondents are presumed innocent of any violation of the Act unless a violation is proven in a subsequent proceeding.

1. In the Matter of O'side Locals Support Recall of Esther Sanchez and Dennis A. Sisneros, Case No. 20/1145. On August 30, 2022, probable cause was found, on the papers, to believe Respondents committed the following violations of the Act:

Count 1: The Committee and Sisneros failed to timely file a quarterly campaign statement for the reporting period of January 1, 2020 to March 31, 2020, by the April 30, 2020 due date, in violation of Government Code Section 84202.3.

Count 2: The Committee and Sisneros failed to timely file a semi-annual campaign statement for the reporting period of April 1, 2020 to June 30, 2020, by the July 31, 2020 due date, in violation of Government Code Section 84200.

Count 3: The Committee and Sisneros failed to timely file a quarterly campaign statement for the reporting period of July 1, 2020 to September 30, 2020, by the November 2, 2020 due date, in violation of Government Code Section 84202.3.

Count 4: The Committee and Sisneros failed to timely file a semi-annual campaign statement for the reporting period of October 1, 2020 to December 31, 2020, by the February 1, 2021 due date, in violation of Government Code Section 84200.

Count 5: Between January 1, 2020 and December 31, 2020, the Committee and Sisneros failed to maintain detailed campaign records for contributions received totaling at least \$7,084 and for expenditures made totaling at least \$6,964, in violation of Government Code Section 84104 and Regulation 18401.

Count 6: During the reporting period of January 1, 2020 to March 31, 2020, the Committee and Sisneros made cash expenditures of \$100 or more totaling \$3,460, in violation of Government Code Section 84300.

Count 7: During the reporting period of October 1, 2020 to December 31, 2020, the Committee and Sisneros accepted cash contributions of \$100 or more totaling \$700, in violation of Government Code Section 84300.

IV. ADMINISTRATION & TECHNOLOGY DIVISION

STAFF: LORESSA HON, CHIEF

A. New Employee Report

Audits & Assistance Division

Nickolas Flynn, Staff Services Management Auditor

Enforcement Division

Jonathan Rivera, Commission Counsel

Chance Felkins, Commission Counsel

Artin Berjikly, Senior Commission Counsel

Legal Division

Valerie Nuding, Commission Counsel

B. Statement of Economic Interest (Form 700)

As of September 1, 2022, 296 persons who were required under their state or local agency conflict of interest code to file a 2021/2022 Annual Form 700 had not timely done so.