



# EXECUTIVE STAFF REPORTS

---

## *September 19, 2024, Commission Hearing*

EXECUTIVE STAFF REPORTS .....	1
I. ENFORCEMENT DIVISION .....	2
A. Overview .....	2
B. Annual Statistics .....	3
C. 2022-2023 Quarterly Caseload Summary.....	4
D. Presentations.....	4
E. Unexecuted Streamline Stipulations .....	4
II. AUDIT DIVISION .....	8
A. Overview .....	8
B. Current Period Updates.....	8
III. LEGAL DIVISION .....	9
A. Pending Litigation .....	9
B. Outreach and Training .....	9
C. New and Updated Educational Resources .....	9
D. Political Reform Education Program (PREP): .....	9
E. Advice .....	10
F. Miscellaneous Decisions .....	10
G. Upcoming Regulation Projects.....	10
H. Conflict of Interest Codes.....	11
I. Probable Cause Proceedings .....	11
IV. ADMINISTRATION & TECHNOLOGY DIVISION .....	12
A. New Employee Report.....	12
B. Hiring Process.....	12
C. Statement of Economic Interest (SEI, Form 700).....	12
D. Collection/Revenue .....	13

# I. ENFORCEMENT DIVISION

---

STAFF: JAMES M. LINDSAY, CHIEF OF ENFORCEMENT

## A. Overview

During the period of August 1, 2024, through August 31, 2024, the Enforcement Division received the following complaints and referrals:

	Sworn	Non-Sworn	Anonymous	Referrals
Number Received	47	15	46	119

The number of complaints and referrals received by the Enforcement Division in August was similar to previous months in 2024.

For the month of August, more time to respond beyond the 14-day statutory period was needed for approximately 11 sworn complaints. Generally, additional time to respond was utilized in order to give respondents more time to respond to inquiries when it was requested.

Additionally, for the months of August, the Enforcement Division opened 131 cases, rejected 193 complaints and referrals, and closed a total of 127 cases including:

- 68 warning letters – advertisement violations (3), behested payment violations (2), campaign violations (8), conflict of interests (1), lobbying reporting (1), and statement of economic interests violations (53);
- 19 no action closure letters: PREP completed – statement of economic interests violations;
- 11 no action closure letters alleging – advertisement violations (1), campaign violations (4), and statement of economic interests violations (6);
- 21 approved stipulations from the August Commission meeting;
- 5 committees were administratively terminated;
- 2 cases referred to another agency;
- 1 case closed as a duplicate.

The Division had a total of 879 cases in various stages of resolution at the time of the August Monthly Report and currently has approximately 883 cases in various stages of resolution, including the 12 streamline cases, 1 mainline case, and 3 default cases before the Commission as listed in the September Agenda. Net case openings since the last monthly report totaled 4.

## B. Annual Statistics

The following is a chart that details the annual statistics for enforcement complaints, referrals and cases over the past five years. The statistics show a marked increase in complaints during election years while referrals have generally increased gradually over time.

	Year	2019	2020	2021	2022	2023
1	Complaints Received	744	1,390	606	1,379	653
2	Referrals Received	1,950	1,518	1,751	1,724	1,971
3	Total Complaint and Referrals Received	2,694	2,908	2,357	3,103	2,624
4	Cases opened	1,820	1,155	1,185	990	831
5	Cases closed <sup>3</sup>	1,465	1,526	1,058	1,075	1,295
6	Cases with penalties <sup>1</sup>	343	278	269	161	98
	a Streamline cases	263	194	234	142	55
	b Mainline cases	73	77	32	14	11
	c Default cases	7	7	3	5	1
7	Total fines imposed	\$797,384	\$1,940,107	\$472,248	\$617,548	\$376,531
8	Warning letters issued	584	777	475	681	813
9	Administrative terminations	104	62	59	53	87
10	Cases closed with violations found <sup>2</sup>	1,031	1,117	803	895	998
11	Advisory letters issued	9	7	16	8	15
12	No action closure letters	423	402	237	217	296
	a PREP Completed	--	--	--	39	86

<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.

### C. 2022-2023 Quarterly Caseload Summary

The following is a chart that compares the number of cases from given years at the end of each quarter during 2023. Enforcement has successfully focused on the resolution of older cases.

	September 2023	December 2023	March 2024	June 2024	September 2024	<b>Difference in Existing Caseload Overall</b>
2017	2	1	0	0	0	<b>-2</b>
2018	34	21	12	8	8	<b>-26</b>
2019	69	39	23	22	21	<b>-48</b>
2020	201	153	118	103	84	<b>-117</b>
2021	232	167	148	124	105	<b>-127</b>
2022	307	248	213	191	165	<b>-142</b>
2023	295	323	276	260	236	<b>-59</b>

### D. Presentations

None

### E. 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.

### Behested Payments

**In the Matter of Rob Bonta; FPPC No. 21/738.** Staff: Theresa Gilbertson, Senior Commission Counsel. Bonta was represented by Amber Maltbie of Nossaman, LLP. Bonta, in his capacity as a member of the Assembly, failed to timely file four behested payment reports, in violation of Government Code Section 84224 (4 counts). Three of these counts are eligible for a warning letter and are included in the streamline stipulation as a \$0 penalty. **Total Penalty: \$200 (Tier One).**

## Campaign Bank Account

**In the Matter of Robert Fox for Long Beach City Council 2020; Robert Fox. FPPC No. 20/913.** Staff: Laura Columbel, Commission Counsel and George Aradi, Special Investigator. Robert Fox was an unsuccessful candidate for Long Beach City Council in the November 2, 2020 General Election. Robert Fox for Long Beach City Council 2020 was Fox's candidate-controlled committee. The Committee and Fox failed to process \$25,343 through the campaign bank account over one reporting period, in violation of Government Code Section 85201 (1 count) and failed to maintain adequate records and documentation to fully substantiate the campaign reporting, in violation of Government Code Section 84104 (1 count). **Total Penalty: \$2,107 (Tier Two).**

## Advertisements

**In the Matter of Ling Kong for Milpitas School Board 2020, Ling Kong, and Liyun Sun; FPPC No. 20/339.** Staff: Laura Columbel, Commission Counsel and Roone Peterson, Special Investigator. Ling Kong was an unsuccessful candidate for Milpitas School Board in the March 3, 2020 Primary Election. Ling Kong for Milpitas School Board 2020 was Kong's candidate-controlled committee. Liyun Sun served as the Committee's treasurer. The Committee and Sun failed to include the proper advertisement disclosures on two text messages and one email, in violation of Government Code Section 84504.3 (3 counts). **Total Penalty: \$622 (Tier One).**

## Campaign Late Filer

**In the Matter of El Cajon Police Officers' Association, Travis Howard, and Jared Baxter; FPPC No. 22/771.** Staff: Jaleena Evans, Commission Counsel. The El Cajon Police Officers' Association is a local general purpose committee. Travis Howard previously served as the Committee's treasurer, and Jared Baxter currently serves as the Committee's treasurer. The Committee, Howard, and Baxter failed to timely file two pre-election campaign statements, in violation of Government Code Section 84200.5 (2 counts); two 24-Hour Reports, in violation of Government Code Section 84203 (2 counts); and four semiannual campaign statements, in violation of Government Code Sections 84200 (4 counts). Certain violations are eligible for a Warning Letter and are included in the streamline stipulation as a \$0 penalty. Chief Discretion was used in this matter. **Total Penalty: \$3,324 (Tiers One & Two).**

**In the Matter of WIT – Whatever it Takes for Student Achievement Banning Teachers Association, Emilio Murillo, and Robert Walden; FPPC No. 19/1672.** Staff: Theresa Gilbertson, Senior Commission Counsel, and Special Investigator Alethea Perez. WIT - Whatever it Takes for Student Achievement Banning Teachers Association is a local general purpose committee that was supportive of multiple candidates in local school district elections during the November 5, 2019, and November 8, 2022 General Elections. Emilio Murillo and Robert Walden served as treasurer and assistant treasurer respectively. The Committee, Murillo, and Walden failed to timely file at least six 24-Hour Reports, in violation of Government Code Section 84203 (6 counts); four pre-election campaign statements, in violation of Government Code Section 84200.5 (4 counts); and seven semi-annual campaign statements, in violation of Government Code Section 84200.5 (7 counts). The Committee, Murillo, and Walden failed to

disclose activity to report certain expenditures made in support of candidates on the ballot, in violation of Government Code Section 84211 (4 counts.) The Committee, Murillo, and Walden produced at least six advertisements that did not include the name of the Committee as it was registered on the Statement of Organization filed with the Secretary of State, and failed to include the proper advertisement disclosures on at least two of these advertisements, in violation of Government Code Section 84502 (6 counts). Certain violations, including six semi-annual late filer violations, one pre-election non-reporting violation, and four advertisement violations are eligible for a Warning Letter and are included in the streamline stipulation as a \$0 penalty. Chief Discretion was used in this matter. **Total Penalty: \$3,233 (Tier One).**

**[In the Matter of Protect Portola Valley Schools-Yes on P and Tracy Hogan; FPPC No. 20/103.](#)** Staff: Marissa Corona, Senior Commission Counsel and Jay Gehres, Special Investigator. Protect Portola Valley Schools-Yes on P is a primarily formed ballot measure committee formed to support Measure P on the San Mateo County ballot in the March 3, 2020 Primary Election. Tracy Hogan is the treasurer and principal officer of the Committee. The Committee and Hogan failed to timely file two pre-election campaign statements, in violation of Government Code Section 84200.5 (2 counts), one semi-annual campaign statement, in violation of Government Code Section 84200 (1 count), two 24-Hour Reports, in violation of Government Code Section 84203 (2 counts), and failed to maintain adequate records, in violation of Government Code Section 84104 (1 count). Chief Discretion was used in this matter. **Total Penalty: \$1,821 (Tier One).**

**[In the Matter of Flewelling & Moody Inc.; FPPC No. 20/373.](#)** Staff Jonathan Rivera, Commission Council. Flewelling & Moody, a major donor committee for the calendar year 2020, failed to timely file one major donor campaign statement, in violation of Government Code Section 84200(b) (1 count) and three 24-Hour Reports, in violation of Government Code Section and 84203 (3 counts). **Total Penalty: \$1,000 (Tier One).**

**[In the Matter of Jamela Smith-Folds for School Board 2020, Jamela Smith-Folds, and Cameron Folds; FPPC No. 24/738.](#)** Staff: Jaleena Evans, Commission Counsel. Jamela Smith-Folds was a successful candidate for the Area 1 Trustee for West Contra Costa Unified School District Board in the November 3, 2020 General Election. Jamela Smith-Folds for School Board 2020 is Jamela Smith-Folds' local candidate-controlled committee. Cameron Folds is the Committee's treasurer. The Committee and Folds failed to timely file four semi-annual campaign statements in violation of Government Code Section 84200 (4 counts). Chief Discretion was used in this matter. **Total Penalty: \$800 (Tier One).**

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

**[In the Matter of Kandi Thompson; FPPC No. 22/686.](#)** Staff: Laura Columbel, Commission Counsel and Jay Gehres, Special Investigator. Kandi Thompson, a Board Member for Amador County Office of Education and Board of Trustees Clerk for Amador County Unified School District, failed to timely file the 2021 Annual and a Leaving Office Statements of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Total Penalty: \$1,400 (Tiers One & Two).**

**In the Matter of Paul Steele; FPPC No. 24/019.** Staff: Alex Rose, Senior Commission Counsel. Paul Steele, Isleton City Councilmember and Commissioner for the Delta Protection Agency, failed to timely file a 2022 Annual Statement of Economic Interests for both positions and a 2023 Annual Statement of Economic Interests for the City Council, in violation of Government Code Section 87203 (3 counts). Certain violations are eligible for a Warning Letter and are included in the streamline stipulation as a \$0 penalty. **Total Penalty: \$600 (Tier One).**

**In the Matter of Francisco “Franky” Carrillo. FPPC No. 24/633.** Staff: Laura Columbel, Commission Counsel and Ann Flaherty, Special Investigator. Franky Carrillo was a successful candidate for State Assembly, District 52 in the March 5, 2024 Primary Election. Carrillo failed to timely file the Candidate Statement of Economic Interests, in violation of Government Code Section 87201 (1 count). **Total Penalty: \$300 (Tier One).**

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

**In the Matter of Herman Hernandez; FPPC No. 23/270.** Staff: Chance Felkins, Commission Counsel. Respondent was represented by Mike Tucker of Edwards, Stevens & Tucker, LLP. Herman Hernandez, a current Board Member for the Sonoma County Board of Education, failed to disclose income on the 2019, 2020, 2021, 2022, and 2023 Statements of Economic Interests, in violation of Government Code Section 87206 (17 counts). Certain violations are eligible for a Warning Letter and are included in the streamline stipulation as a \$0 penalty. **Total penalty: \$1,600 (Tier One).**

## II. AUDIT DIVISION

---

STAFF: SHRDHA SHAH, CHIEF OF AUDITS

*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, 2024, to August 31, 2024, the Audits and Assistance Division adopted 1 audit report with findings. Currently, the team has 32 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:

#### 1. Dawn Rowe for Supervisor 2020 (ID# 1415222)

- **Finding 1: Monetary Contributions Received**
  - Contributions received from 4 contributors exceeded the contribution limits by \$14,180. The excess contributions were not returned to the donors.
- **Finding 2: Monetary Contributions Received**
  - A \$1,500 Cashier's Check that included "Remitter: R Thad Pracht" was received and deposited on June 5, 2019. Thad Pracht was disclosed as the contributor.



### III. LEGAL DIVISION

---

STAFF: DAVE BAINBRIDGE, GENERAL COUNSEL

#### A. Pending Litigation

None

#### B. Outreach and Training

##### *Webinars & Workshops*

- On August 13, the FPPC presented a Candidate/Treasurer webinar requested by the County of San Diego. Education & External Affairs Unit Manager, Chloe Hackert, and Political Reform Consultant Alexandra Castillo, presented. 53 people attended.
- On August 22, the FPPC presented a General Purpose Committee webinar. Political Reform Consultant, Katie Trumbly, and Education & External Affairs Unit Manager, Chloe Hackert, presented. 38 people attended.
- On August 29, the FPPC presented a How to Complete Forms 460 & 497 webinar. Political Reform Consultant, Stephen Hernandez, and Education & External Affairs Unit Manager, Chloe Hackert presented. 45 people attended.
- On August 29, the FPPC presented a Candidate/Treasurer webinar requested by the City of Santa Monica. Education & External Affairs Unit Manager, Chloe Hackert, presented. 8 people attended.

##### *Scheduled Webinars*

- On September 10, the FPPC is presenting a Campaign Filing Officer webinar.
- On September 17, the FPPC is presenting a Candidate/Treasurer webinar.

*Video Tutorials:* Commission video tutorials were accessed a total of 819 times in August. Form 700 videos were accessed 449 times, the Candidate/Treasurer video was accessed 291 times, and the filing officer videos were accessed 79 times.

#### C. New and Updated Educational Resources

None

#### D. Political Reform Education Program (PREP):

- PREP received 27 referrals for the Statement of Economic Interests Course in August. During this time, 21 learners completed PREP, 2 learners failed to complete PREP, and 48 learners are enrolled but have not yet completed the course.

- PREP received 3 referrals for the Campaign Course for Local Candidates and Candidate-Controlled Committees in August. Four learners are enrolled but have not yet completed the course.

## E. Advice

The [August Advice Letter Report](https://www.fppc.ca.gov/advice/advice-opinion-search/advice-letter-reports/2024-advice-letter-reports.html) is available on the FPPC website at <https://www.fppc.ca.gov/advice/advice-opinion-search/advice-letter-reports/2024-advice-letter-reports.html>.

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

- **Telephone:** The Education unit responded to 877 requests for technical assistance via telephone.
- **Email Advice:** Political Reform Consultants and Legal Division attorneys collectively responded to 1,043 email requests for advice, 360 of which were not responded to within 24 hours and 271 of those were not responded to within 48 hours.
- **PRA Advice Letters:** The Legal Division received 4 advice letter requests under the Political Reform Act and completed 9.
- **Section 1090 Letters:** The Legal Division received 7 advice letter requests concerning Section 1090 and completed 1.

## F. Miscellaneous Decisions

**Appeal of James Young re State Water Resources Control Board Conflict of Interest Code Decision** – James Young, a Water Resources Control Engineer with the State Water Resource Control Board (the Board), petitioned the Board to amend its conflict of interest code to remove his position from the list of designated employees required to file a Statement of Economic Interests. The Board declined to amend its code. Mr. Young appealed the decision under Government Code section 87307 to the FPPC as the code reviewing body for the Board. On August 8, 2024 Executive Director West denied the appeal. The evidence submitted by Mr. Young and the Board established that employees in that position with the Board make or participate in making governmental decisions. Therefore Mr. Young’s position was properly identified as a designated employee under Government Code section 87302.

## G. Upcoming Regulation Projects

### October

**Transfers to interest-bearing accounts** – Amend existing regulation concerning committee bank accounts to explicitly permit general purpose committees and political party committees to transfer “all purpose” funds to an interest-bearing account so long as the funds are transferred back to the “all purpose” account before the committee spends the funds. (Adoption)

## **November**

**COLA** - Amend various regulations to reflect biennial cost of living adjustments required by statute. (Adoption)

**Conflict of Interest – public generally exception** – Amend current regulation to add a specific public generally exception for members of districts primarily responsible for the management of airport, harbor, or similar publicly available infrastructure, if the member has a permit or lease for use of the facilities and the decision will affect all existing permit or lease holders in a similar manner without a unique effect on the board member. (Adoption)

**Carryover and return of contributions** – Amend regulations concerning the carryover and return of campaign contributions by a candidate-controlled committee in response to the passage of SB 948. (Adoption)

## **H. Conflict of Interest Codes**

### **Adoptions and Amendments**

#### *State Agencies*

- California Labor and Workforce Development Agency
- California Residential Mitigation Program
- California Commission on Aging

#### *Multi-County Agencies*

- Livermore-Amador Valley Water Management Agency
- Santa Clarita Valley Water Agency
- Calleguas-Las Virgenes Public Financing Authority
- Public Entity Risk Management Authority

### **Exemptions**

None

### **Extensions**

None

## **I. Probable Cause Proceedings**

Probable cause proceedings are conducted per Government Code section 83115.5. A finding of probable cause exists when the evidence supports a reasonable belief or strong suspicion that a violation occurred, but does not constitute a finding a violation occurred. Respondents are presumed innocent of any violation of the Act until a violation is proven in a subsequent proceeding.

None

## IV. ADMINISTRATION & TECHNOLOGY DIVISION

---

STAFF: JUE WANG, PhD, CHIEF OF ADMINISTRATION

### A. New Employee Report

#### Enforcement Division

Marisa Corona, Senior FPPC Counsel (Promotion)

### B. Hiring Process

#### Enforcement Division

Attorney

Management Services Technician

#### Legal Division

Attorney

Staff Services Analyst

#### Administration Division

Information Technology Associate

Staff Services Manager I

Staff Services Analyst

### C. Statement of Economic Interest (SEI, Form 700)

#### April 2 Filing Status

As of September 3, 2024, 15,631 2023 annual statements, representing approximately 98% of the total, have been received and processed. There are 326 non-filers. The first non-filer letters were sent out in July and the second in August. Starting in September, any remaining non-filers will be referred to Enforcement.

Entity	Total	Filed	Not Filed
Cities A - M	3592	3512	80
Cities N - Z	2680	2598	82
Counties	830	815	15
Keenan	17	17	0
Legislative Staffers	1617	1616	1
Multi-County Agencies	4441	4339	102
State Agencies	2780	2734	46
<b>Total</b>	<b>15957</b>	<b>15631</b>	<b>326</b>
		98%	2%

Among 15,631 statements, 53% were filed through FPPC's E-filing system, 31% were filed through the Local E-Filing system, and 16% were filed on paper.

Entity	Filed	FPPC E-Filing System	Local E-Filing System	Paper Filing
Cities A - M	3512	1198	1492	822
Cities N - Z	2598	670	1478	450
Counties	815	100	520	195
Keenan	17	17	0	0
Legislative Staffers	1616	1584	0	32
Multi-County Agencies	4339	3229	389	721
State Agencies	2734	1508	957	269
<b>Total</b>	<b>15631</b>	<b>8306</b>	<b>4836</b>	<b>2489</b>
		53%	31%	16%

### SEI Unit August Summary

- Referred 12 cases to the Enforcement
- Issued 15 fine letters
- Issued 541 Non-filer letters and 10 Amendment letters
- Processed 61 Form 462
- Responded 1067 emails from [form700@fppc.ca.gov](mailto:form700@fppc.ca.gov)
- Re-certified 5 existing local e-filing systems

### D. Collection/Revenue

August Report of Collection				
Category	Check	Credit Card	FTB Offset	Total
SEI Filing Fee	\$ 1,000	-	-	\$ 1,000
SEI Fine	\$ 200	\$ 2,100	\$ 100	\$ 2,400
PREP	\$ 100	\$ 1,000	-	\$ 1,100
Enforcement Collection	\$ 175	\$ 200	\$ 585.21	\$ 960.21
Enforcement Stipulations	\$ 34,812	\$ 11,661	-	\$ 46,473
<b>Total</b>	<b>\$ 36,287</b>	<b>\$ 14,961</b>	<b>\$685.21</b>	<b>\$ 51,933.21</b>