



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
1102 Q Street • Suite 3050 • Sacramento, CA 95811
(916) 322-5660 • Fax (916) 322-0886

Fourth Quarter Update

Conflict of Interest, Revolving Door, and Statement of Economic Interests

Regulations adopted by the Commission

The following are regulatory changes approved by the Commission during the past quarter concerning conflict of interest, revolving door, or statement of economic interests. To receive updates for all regulations before the Commission, please sign up for our [mailing list here](#).

Amended

[18703](#). Public Generally Exception to Conflict of Interest Prohibition. Effective 01/15/24.

Advice Letters

The following are advice letters issued by the Commission's Legal Division during the past quarter questions about conflicts of interest, revolving door, or statement of economic interests. To receive the monthly report with all advice letters issued, please sign up for our [mailing list here](#).

Conflict of Interest

Russell Betts

[A-24-073](#)

Councilmember is not prohibited from proposing and taking part in decision regarding safety measures for intersection within 500 feet of councilmember's rental property, 1,200 feet from second rental property, and 750 feet from personal residence. Notwithstanding potentially disqualifying interests in his rental business, properties, and sources of income, the public generally exception for limited neighborhood effects applies because the councilmember has established sufficient evidence exists to support the need for action at the intersection as a matter of public safety and the location encompasses more the 50 residences.

Brian E. Washington

[A-24-098](#)

County supervisor, previously employed as chief marketing officer of a bike store and still employed in a part-time website marketing position performing some of the same duties performed as the chief marketing officer, is prohibited from taking part in decisions and working group recommendations limiting the use or sale of e-bikes and requiring helmets/additional safety equipment. Under the nexus test, it is reasonably foreseeable that the decisions will have a material financial effect on the official's interest in the bike store because the decisions would achieve, defeat, aid, or hinder a purpose or goal of the source (to sell e-bikes and safety equipment) and the official receives income and is promised income for marketing these products and thereby achieving sales goals.

Mark Vanni

[I-24-102](#)

An official whose future spouse is an employee of Stanford Health Care (“SHC”) will have a source of income interest in SHC as well as Stanford University. Because of Stanford University’s control over the membership of SHC’s Board, both Stanford University and SHC will be considered the sources of income received from SHC.

Quinn Barrow

[A-24-106](#)

The Act does not prohibit a public official from gathering signatures for the purpose of forming an assessment district while acting in the official’s capacity as a private citizen, even where the district includes the official’s real property. Although the official would likely be prohibited from taking part in governmental decisions relating to the formation of the assessment district, the mere gathering of signatures in one’s private capacity does not constitute taking part in a governmental decision.

Patrick T. Donegan

[A-24-107](#)

Where a state of emergency has been declared in a neighboring jurisdiction based on accelerated land movement also impacting a public official’s jurisdiction and personal property, the public generally exception applies. Under the exception, the official may take part in governmental decisions stemming from the land movement that is the basis of the state of emergency so long as there is no unique effect on the councilmember’s properties.

Erin Weesner-McKinley

[I-24-109](#)

City councilmember, who owns real property located within 500 feet of a city facility that will be a venue for the 2028 Summer Olympics, is generally precluded from taking part in the decisions concerning the aquatic facility as an Olympic venue. Under applicable regulations it is reasonably foreseeable that the financial effect of the decisions will be material unless there is clear and convincing evidence the decision will have no measurable impact on the property because the property is located within 500 feet of the aquatic facility. To the extent the city councilmember is disqualified from the decisions, the councilmember may not contact city staff for the purpose of influencing any decision involving the aquatic facility as an Olympic venue.

Michael J. Garcia

[A-24-117](#)

Three councilmembers are disqualified from taking part in decisions concerning a master plan and environmental impact report transforming a flood control canal into a linear park because it is reasonably foreseeable that the decisions will have a material financial effect on their real property interests, all located within 1000 feet of the canal. However, the “public generally” exception applies to allow one of the councilmembers to take part in those decisions because the decision will have a substantially similar financial effect on at least 15 percent of residential properties as it will on the official’s personal residence.

Michael Garcia

[A-24-123](#)

The Act prohibits three councilmembers, whose properties are within 500 feet of a proposed historic preservation district, from taking part in decisions relating to the creation of the district because the district will impose new design and aesthetic restrictions on all properties located within the plan area, protecting the status quo of the entirety of the neighborhood, and establish review and permitting requirements that make nonconforming alterations difficult at best. Accordingly, there is no clear and convincing evidence that decisions involving the proposed

district would not have any measurable impact on the properties. However, the city may invoke the “legally required participation” exception to form a quorum of councilmembers with respect to the decisions, as specified in Regulation 18705.

Adam Dondro

[I-24-132](#)

The Act generally prohibits an official, whose spouse’s consulting firm subcontracts with a firm attempting to procure agency contracts on behalf of its clients, from taking part in any decision involving either firm if the firm is explicitly involved in the decision, including decisions involving agency contracts. If the official needs additional assistance regarding matters in which either firm is not explicitly involved or Section 1090, the official should seek additional advice identifying the specific decision.

Sarah Carrillo

[A-24-111](#)

County supervisor is disqualified from taking part in decisions concerning amendments to a short-term vacation rental ordinance because it is reasonably foreseeable the financial effect on the supervisor’s rental will be material under the standards in Regulation 18701(a) and Regulation 18702.2(a)(5). In addition, the public generally exception will not apply because the effect of the decisions on his interest in the rental property will be unique compared to the significant segment of the public generally.

Michael Guina

[A-24-121](#)

Where a proposed project site consists of two parcels and the official’s real property is less than 500 feet from the nearest parcel, and between 500 feet and 1,000 feet from the second parcel, the distance between the project site and the official’s property interests for purposes of applying the Act’s conflict of interest provisions is the distance to the nearest parcel. Under applicable regulations, the official is prohibited from taking part in project-related decisions unless there is clear and convincing evidence the project would have no measurable impact on the official’s real property.

Celena H. Chen

[A-24-130](#)

The Act does not prohibit a councilmember from taking part in decisions related to either a residential redevelopment project or a commercial redevelopment project because it is not reasonably foreseeable that decisions concerning either project will have a material effect on his leasehold interest in his apartment. Based on the facts provided, both projects are consistent with existing residential and commercial uses and developments in the immediate area, the local real estate market remains strong, and there are no other indications that the decisions may impact his use and enjoyment of his apartment or its potential rental value.

Revolving Door

Angela Hall

[I-24-127](#)

The Act’s one-year ban does not apply to a former agency employee who was not a designated employee, nor should have been designated in the agency’s conflict of interest code, because the

individual did not make governmental decisions or participate in making governmental decisions without significant intervening substantive review based on the facts provided. Nonetheless, the permanent ban may still prohibit the former employee from participating in, or even assisting any other person in, certain proceedings involving specific parties if the individual previously participated in the proceeding as a state employee.

Christian Bisher [I-24-114](#)

The one-year ban specific to air pollution control districts in Section 87406.1 applies to a former designated employee who worked for an air quality district. The ban generally prohibits the former employee from communicating with the individual's former agency for one year after leaving the agency for the purpose of influencing a regulatory action.

Section 1090

Julie A. Barga and Lori Liu [A-24-090 and A-24-091](#)

Section 1090 does not preclude a city manager representative and fire chief serving on the governing board of a medical services joint powers authority, or fire chiefs from jurisdictions other than the contracting city, from participating in the request for proposals process and awarding of the contract with the private ambulance provider where excess revenue received under the program would be remitted to the participating members. Under Section 1090, the officials have a noninterest in the contract as the contract does not directly implicate the officials' départements. Additionally, the contracts identified would not implicate the Act due to the "government salary" exception.

Natalie A. Duke [A-24-112](#)

A county may enter a "relinquishment agreement" with a state agency to accept responsibility for specified parts of a freeway project involving local roads. Notwithstanding past violation of the Act by county employee, which fell outside of the statute of limitations, the Act does not apply to subsequent agreement so long as the employee does not take part in the decision. While the employee is disqualified under the Act, Section 1090 is not applicable to the agreement because the employee does not have a financial interest in the contract under Section 1090 solely due to a real property interest adjacent to the project.

Jeremy Lee Holm [A-24-100](#)

A water district board may acquire an easement on property owned by a board member's business through a court-supervised condemnation proceeding, as this does not trigger a Section 1090 prohibition. However, the board member is disqualified under the Act and Section 1090 from participating in any decisions related to the board's actions to initiate the condemnation proceeding.

Gary S. Winuk [A-24-103](#)

Section 1090 does not prohibit a district commissioner, whose private company has a consulting contract with a state agency, from taking part in the making of a district contract with the same

agency because the noninterest exception under Section 1091.5(a)(9) applies where the state agency's contract with the district is with a unit that is different than the one involved in contract with the commissioner's company. In addition, it is not reasonably foreseeable that the district's decisions regarding the district contract will have a material effect on the commissioner's interest in his business or the state agency as a source of income.

William S. Smerdon

[A-24-108](#)

A city councilmember, who is also employed by the county, has a noninterest in a tax-sharing agreement that will be entered into as a part of the city's annexation proceedings under Section 1091 because the agreement does not result in a financial gain to the official and does not directly affect the official's department with the county. Accordingly, the city council may enter the agreement with the county, and the councilmember may participate, so long as this interest is disclosed to the city council and noted in its official records. Any such contract would not implicate the Act due to the "government salary" exception.

Julia M. Lew

[A-24-119](#)

Under the rule of necessity, a community services district may purchase the board president's parcel to construct a new water well as part of a larger project. Based on the facts provided, the rule of necessity applies because providing safe drinking water to the community is an essential function of the district, the district is the agency funded and authorized for the project, and the purchase is an actual necessity for the project after all alternatives have been explored by the agencies and consultants involved.

Yolanda M. Summerhill

[A-24-128](#)

A city may enter into a reimbursement agreement with a homeowners association, notwithstanding a councilmember membership in the association. Under the rule of necessity, the agreement is required to fulfill the city's essential duties because the agreement will ensure that the association has a single contractor install irrigation and landscaping in an area adjacent to a city roadway, the responsibility for maintenance is unsettled, the area has required city weed abatement, and the association will assume all ongoing maintenance.

Adam Dondro

[I-24-132](#)

The Act generally prohibits an official, whose spouse's consulting firm subcontracts with a firm attempting to procure agency contracts on behalf of its clients, from taking part in any decision involving either firm if the firm is explicitly involved in the decision, including decisions involving agency contracts. If the official needs additional assistance regarding matters in which either firm is not explicitly involved or Section 1090, the official should seek additional advice identifying the specific decision.

Commission Opinions

None.

Enforcement Matters

The following are summaries of significant enforcement actions approved by the Commission in the past quarter involving violations of the Act's conflicts of interest, revolving door, or statement of economic interests. To receive a monthly report of all enforcement actions, please sign up for our [mailing list here](#).

Conflicts of Interest

[In the Matter of Armando Jaramillo; FPPC No. 19/419](#). Staff: Bridgette Castillo, Senior Commission Counsel and George Aradi, Special Investigator. Armando Jaramillo was a public official as a former Systems Integration Analyst for the Imperial County Office of Education ("ICOE") for purposes of Government Code Section 1090. Jaramillo participated in making six contracts between ICOE and Pixabytes Solutions, Inc., a business owned by Jaramillo, in violation of Government Code Section 1090 (3 counts). **Fine: \$15,000.**

[In the Matter of Yu Meng aka Ben Meng; FPPC No. 20/629](#). Staff: Angela Brereton, Assistant Enforcement Chief, and Alethea Perez, Special Investigator. Meng was represented by Jennie Unger Skelton of Politicom Law LLP. Meng, as Chief Investment Officer for the California Public Employees' Retirement System (CalPERS), made two governmental decisions that had a reasonably foreseeable material financial effect on Meng's financial interest, The Blackstone Group Inc., in violation of Government Code section 87100 (2 counts). **Fine: \$10,000.**

[In the Matter of Lynda Hopkins; FPPC No. 22/207](#). Staff: Jenna C. Rinehart, Senior Commission Counsel, and George Aradi, Special Investigator. Lynda Hopkins, a member of the Sonoma County Board of Supervisors, representing District 5, made a governmental decision that had a reasonably foreseeable material financial effect on a source of income financial interest, in violation of Government Code Section 87100 (1 count). **Fine: \$3,000.**

Statement of Economic Interests Late Filer

[In the Matter of Lisa Schaffner; FPPC No. 23/217](#). Staff: Marissa Corona, Senior Commission Counsel and Kristin Hamilton, Special Investigator. Lisa Schaffner, a Board Member for the Sonoma County Office of Education, failed to timely report sources of income on the 2018, 2019, 2020, and 2021 Annual and Leaving Office Statements of Economic Interest, in violation of Government Code Sections 87300 and 87302, subdivision (b) (5 counts). **Fine: \$1,000 (Tier One).**

[In the Matter of Tracy Leathers; FPPC No. 24/582](#). Staff: James M. Lindsay, Chief of Enforcement and Amber Rodriguez, Staff Services Analyst. Tracy Leathers, a Principal for the Alum Rock Union Elementary School District, failed to timely file the 2022 Annual and Leaving Office Statements of Economic Interests, in violation of Government Code Section 87300 (2 counts). Certain violations are eligible for a Warning Letter and are included in the streamline stipulation as a \$0 penalty. **Fine: \$600 (Tier Two).**

In the Matter of Albert Yu-Min Lin; FPPC No. 24/863. Staff: James M. Lindsay, Chief of Enforcement and Amber Rodriguez, Staff Services Analyst. Albert Yu-Min Lin, a Governing Board Member for High Tech High, failed to timely file the 2023 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Fine: \$200 (Tier One).**

In the Matter of Karen Paz Dominguez; FPPC No. 19/1459. Staff: Cinthya Bernabé, Commission Counsel. Karen Paz Dominguez, Auditor-Controller for the County of Humboldt, failed to timely file an Assuming Office, a 2019 Annual, a 2021 Annual, and a Leaving Office Statement of Economic Interest, in violation of Government Code Section 87300 (4 counts). **Fine: \$4,000.**

In the Matter of Miguel Magallanes; FPPC No. 23/211. Staff: Laura Columbel, Commission Counsel. Miguel Magallanes, Planning Commissioner for the City of Filmore, failed to timely file the 2020, 2021, and 2022 Annual Statements of Economic Interests, in violation of Government Code Sections 87200 and 87203 (3 counts). **Fine: \$12,000.**

In the Matter of Nica Knite; FPPC No. 19/1258. Staff: Vanessa L. Jimmy, Commission Counsel. Nica Knite, a Board Member for the Pine Valley Community Planning Group, failed to timely file the 2018, 2019, 2020, 2021, and 2022 Annual Statements of Economic Interests, in violation of Government Code Section 87300 (5 counts). **Fine: \$3,000 (Tier One).**

Statement of Economic Interests Late Reporter

In the Matter of Marilyn Barke; FPPC No. 23/140. Staff: Marissa Corona, Senior Commission Counsel and Kristin Hamilton, Special Investigator. The respondent was represented by Mark Rosen of the Law Office of Mark S. Rosen. Marilyn Barke, a current Board Member for the Orange County Department of Education, failed to disclose income on the 2018, 2019, 2020, and 2021 Annual Statements of Economic Interests, in violation of Government Code Section 87206 (16 counts). **Fine: \$3,200 (Tier One).**

Legislation

None.