



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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Second 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](#).

None.

Advice Letters

The following are advice letters issued by the Commission's Legal Division during the past quarter concerning 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

M. Christine Davi

[A-24-029](#)

Under the Act, a Neighborhood Improvement Program Committee Member may not take part in governmental decisions regarding projects located less than 500 from his real property where the project may increase the usage of recreational facilities near the real property and there no clear and convincing evidence the projects would have no measurable impact on his property.

Shanna Edwards

[A-24-028](#)

Mayor may take part in a decision involving the development of a parcel that shares a property line with building rented by his, and his spouse's, mutual employer on a month-to-month basis. Based on the facts provided, there is no indication that the decision will have a material financial effect the employer as a source of income and no indication that there is a "nexus" between the mayor or spouse's income and the project.

Heather L. Stroud

[A-24-030](#)

Two city officials, whose residential properties are within 500 feet of the boundaries of an area plan, may take part in an upcoming decision on the plan despite a potential conflict, because the public generally exception applies to their real property interests. However, a third official may not take part in the decisions as the public generally exception does not apply to the official's multiple business-related interests due to the unique effect of the decision on the business and commercial properties.

John W. Lam

[A-24-036](#)

Councilmember who owns real property located within the boundaries of a draft plan area for downtown street accessibility and design improvement is prohibited from taking part in the

decisions concerning the plan. Under applicable regulations, it is reasonably foreseeable that the financial effect of the plan will be material because the property is located within 500 feet of the plan. Further, the facts presented do not establish that a significant segment of real properties within his jurisdiction will be affected in a similar manner, and the public generally exception does not apply.

Dawn Ortiz-Legg

[A-24-048](#)

County supervisor does not have a disqualifying financial interest in decisions regarding a housing project for homeless located approximately 971 feet from her residence. Based on the distance to her parcel, the existing uses of properties near and adjacent to the project site, and the buffering properties, the decisions would not change the development potential, income producing potential, highest and best use, character, or market value of the official's residence.

Keith F. Collins

[A-24-049](#)

Councilmember may take part in governmental decisions relating to a "beautification" development project located further than 1,000 feet from her condominium but less than 1,000 feet from the condominium complex's co-owned common areas. Under the Act, the co-owned common areas do not constitute a real property interest, and based on the facts provided, there is no clear and convincing evidence to rebut the presumption the project-related decisions would not have a material financial effect on the councilmember's condominium.

Ales Tomaier

[I-24-044](#)

The Act generally prohibits a fire chief for a fire protection district from taking part in governmental decisions concerning the development of land where the official's spouse's employer, a source of income to the official, is the landowner and subject of the decisions.

Kristopher J. Kokotaylo

[A-24-046](#)

Two councilmembers have potentially disqualifying conflicts of interest under the Act prohibiting them from participating in the decision concerning the adoption of a ballot measure that would modify the city's business license tax ordinance, where the officials each own businesses subject to the modified fees. However, the public generally exception would apply to allow them to participate in the decision to approve the ballot measure because the current proposal will implicate business tax assessments for all businesses located in the city, and the percentage-based tax rate applicable to the official's interests and approximately 80 percent of all licensed businesses in the city would be substantially similar.

James Lance

[A-24-055](#)

It is reasonably foreseeable that infrastructure and street beautification decisions within a plan area that includes a mayor's commercial real properties will have a material financial effect on the properties. It is also reasonably foreseeable that decisions regarding a proposed trail project, providing public access to 231 miles of trail in three counties with a proposed trailhead and amenities within 300 feet of the mayor's properties, will have a material financial effect on the properties. Similarly, an official with residential real property within 300 feet of a proposed trail project's access point is disqualified from taking part in the trail project decision because it is reasonably foreseeable that decisions regarding the project will have a material financial effect on the property absent additional facts.

Erin Weesner-McKinley [A-24-058](#)

Councilmember, who owns real property located within 500 feet of a city facility that will be considered as a possible venue for the 2028 Summer Olympics, is 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 because the property is located within 500 feet of the aquatic facility. Further, the councilmember may not contact city staff for the purpose of influencing any decision involving the aquatic facility as an Olympic venue.

Brian E. Washington [A-24-072](#)

Under the Act, supervisor may not take part in governmental decisions converting existing commercially zoned properties to residential and expanding small 215-square-foot convenience store to 1901 square feet, where the development is located less than 500 feet from real property in which the supervisor has a financial interest, and there is no clear and convincing evidence the project would have no measurable impact on the property.

[Revolving Door](#)

Melissa Semcer [I-24-007](#)

Former state official, who is now a consultant, may not represent clients in certain proceedings before the official's former state agency under the one-year ban. However, the consultant is not prohibited under the one-year ban from helping the clients so long as the consultant will not be making an appearance or communication before the official's former agency to influence a decision and the proceeding is not subject to the permanent ban. The official is prohibited under the permanent ban from assisting a client, in any way, in a proceeding involving specific parties, including an update of an existing mitigation plan, the consultant previously participated in as a state official.

[Section 1090](#)

Julie McMillan [A-23-171](#)

A town's partial reimbursement to a town councilmember for costs incurred in obtaining a property boundary survey to show a neighbor's permit was incorrectly issued is a contract under Section 1090 and the official is conclusively presumed to be involved in the making of his or her agency's contracts. Thus, the official cannot accept, and the Town cannot provide, the reimbursement under Section 1090 outside of an exception such as the litigation exception in Section 1091(b)(15). Moreover, the rule of necessity does not apply to the facts provided, and the mere threat of litigation by a city official, because the application of the rule of necessity under these circumstances would render the litigation exception meaningless and thwart the public safeguards provided in the exception.

Scott C. Nave [A-24-038](#)

The continuation of two advertisements, which a hospital district has run automatically at set intervals on a regular basis, and at the same rate, under an agreement created prior to a district director acquiring an interest in the newspaper, would not involve the "making" of a contract,

prohibited under Section 1090. Also, under the “rule of necessity,” the district may publish required legal notices regarding unclaimed funds and property in the newspaper because the newspaper is the only “official paper of record” for the area served by the district, a remote and sparsely populated mountainous area, and it is the newspaper most likely to reach those who left property or money with the hospital.

Amy S. Ackerman

[A-24-039](#)

Councilmember and sanitary district board member who participated in the establishment of a district sewer lateral loan program has a prohibitory financial interest under Section 1090 in a loan agreement between the district and the councilmember. However, the noninterest exception under Section 1091.5(a)(3) applies to permit the district to enter in a loan agreement with the councilmember under the loan program. Under the Act, the decision whether to approve the councilmember’s loan application explicitly involves his real property interest, making it reasonably foreseeable that the decision would have a material financial effect on his financial interest and prohibiting him from taking part in the decision. However, he may contact district staff as necessary to apply and provide necessary information for the loan so long as he does so in the same manner available to any other member of the public.

Katie Doerr

[A-24-040](#)

Section 1090 does not prohibit a city from contracting with a contractor to complete an energy services project where the city entered an initial contract with the contractor to assist in determining the scope of a second contract on the project and, under the terms of the initial contract, the contractor was the intended and exclusive provider of energy services for the second contract.

Sonia R. Carvalho

[A-24-041](#)

Section 1090 prohibits a former public officer, who served as program director and helped establish a pilot project (through initial research, meetings, discussions, and drafting RFPs for positions relating to the program and pilot project) from retiring from public service and entering a contract with former public agency to implement the program and pilot project.

James J. Atencio

[A-24-033](#)

Under Section 1090, councilmember is prohibited from participating in contracts between her employer, a 501(c)(3) nonprofit organization, and the city because her employment creates a financial interest in the contracts. However, if the councilmember discloses her interest to the city council, the interest is noted in the council’s official records, and the councilmember abstains from the contracting process in both her governmental and professional capacities, the city may still enter contracts with the company as the councilmember’s interest would qualify as a remote interest under Section 1091(b)(1).

Derek McDonald

[A-24-061](#)

Under Section 1091(b)(13), a sanitation district may contract to provide wastewater to a recycled water joint powers authority (JPA), even where a member of the sanitation district’s board of directors is also an employee of one of the member agencies that formed the JPA and would perform work on behalf of the JPA. However, the interested board member must disclose her interest to the sanitation district, have her interest noted in the district’s official records, and

completely abstain from taking part in the contracting process both in her capacity as a sanitation district board member and as an employee of the JPA-member agency.

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](#).

Conflict of Interest

In the Matter of Anthony Anderson; FPPC No. 21/504. Staff: Alex Rose, Senior Commission Counsel and Ann Flaherty, Special Investigator. The respondent is represented by Patricia Kramer of Neasham & Kramer LLP. Anthony Anderson, as a Battalion Chief for California Department of Forestry and Fire Protection ("CAL FIRE"), participated in governmental decisions regarding CAL FIRE's contracting with Ron Paris Construction causing a conflict of interest, in violation of Government Code Sections 87100 and 1090 (2 counts). **Fine: \$10,000.**

Statement of Economic Interests Late Filer

In the Matter of Ismael Herrera; FPPC No. 24/106. Staff: James M. Lindsay, Chief of Enforcement and Amber Rodriguez, Staff Services Analyst. Ismael Herrera, a City Council Member for the City of Kerman, failed to timely file a 2020 Annual, 2021 Annual, and 2022 Annual Statement of Economic Interests, in violation of Government Code Section 87203 (3 counts). **Fine: \$600 (Tier One).**

In the Matter of Brad Griffin; FPPC No. 23/758. Staff: Jaleena Evans, Commission Counsel. Brad Griffin, a Planning Commissioner for the City of Salinas, failed to timely file a 2022 Annual Statement of Economic Interests, in violation of Government Code Section 87203 (1 Count). **Fine: \$200 (Tier One).**

In the Matter of Joe Green; FPPC No. 24/182. Staff: James M. Lindsay, Chief of Enforcement and Fela Williams, Staff Services Analyst. Joe Green, a City Council Member for the city of Vista, failed to timely file a 2022 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Fine: \$200 (Tier One).**

In the Matter of Ruby Arias; FPPC No. 24/360. Staff: James M. Lindsay, Chief of Enforcement and Amber Rodriguez, Staff Services Analyst. Ruby Arias, an Alternate Board Member for Schools Insurance Group Northern Alliance I, failed to timely file an Assuming Office Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Fine: \$400 (Tier One).**

In the Matter of Brett McLarney; FPPC No. 24/418. Staff: James M. Lindsay, Chief of Enforcement and Fela Williams, Staff Services Analyst. Brett McLarney, a Measure H 2014

Oversight Committee Member with the Santa Clara Unified School District, failed to timely file the 2022 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Fine: \$400 (Tier 1).**

In the Matter of Gary Cooper; FPPC No. 21/841. Staff: James M. Lindsay, Chief of Enforcement, and Taylor Culberson, Staff Services Analyst. Gary Cooper, Board Member of Diamond Springs El Dorado Fire Protection District, failed to timely file the 2020 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Fine: \$200 (Tier One).**

In the Matter of Kellie Burt; FPPC No. 23/775. Staff: James M. Lindsay, Chief of Enforcement and Amber Rodriguez, Staff Services Analyst. Kellie Burt, a Planning Commissioner for the City of Willows, failed to timely file a 2022 Annual Statement of Economic Interests, in violation of Government Code Section 87203 (1 count). **Fine: \$200 (Tier One).**

In the Matter of Frank Damrell; FPPC No. 22/594. Staff: Christopher Burton, Assistant Chief of Enforcement. Frank Damrell, a Board Member with the Delta Stewardship Council, failed to timely file a 2020 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 Count). **Fine: \$200 (Tier One).**

Statement of Economic Interests Late Reporter

In the Matter of Eric Borba; FPPC No. 20/076. Staff: Jenna C. Rinehart, Senior Commission Counsel and George Aradi, Special Investigator. The respondent is represented by Lauren D. Layne of Baker Manock & Jensen, PC. Eric Borba, a Director for the Eastern Tule Groundwater Sustainability Agency, Porterville Irrigation District, and Friant Water Authority, failed to timely disclose certain interests in stocks and real properties on the 2018, 2019, 2020, and 2021 Annual Statements of Economic Interests, in violation of Government Code Section 87206 (54 counts). **Fine: \$5,400 (Tier One).**

Legislation

[AB 1170 \(Valencia\) – Electronic Filing of SEIs \(Form 700s\)](#)

Status: Amended 5/28/24; referred to the Senate Elections Committee and the Senate Judiciary Committee; set for hearing in the Senate Elections Committee on 6/4/24

Short Summary: AB 1170 would (1) require officials whose filing officer is the Commission to file their SEIs (Form 700s) using the Commission’s electronic filing system, (2) require redaction of certain information from SEIs posted online by the Commission, and (3) allow for electronic retention of certain paper reports and statements.

Detailed Summary:

Electronic filing of SEIs: Existing law provides that the Commission is the filing officer for statewide elected officers and candidates and other specified public officials. Generally, these public officials file their SEIs with their agency or another person or entity, who retain a copy of

the statement and then forward the original statement to the Commission. AB 1170 would instead require public officials for whom the Commission is the filing officer to file their SEIs directly with the Commission using the Commission's electronic filing system.

Redaction of certain information: Existing law requires the Commission to redact private information, including signatures, from the data made available on the internet about SEIs filed through the Commission's online filing system. The bill would provide that the information required to be redacted additionally includes the personal residential address and telephone number of the filer.

Electronic retention of reports and statements: Existing law requires filing officers to retain certain reports and statements filed by paper for 2 years in paper format before converting those filings to electronic or other specified formats. The bill would authorize filing officers to retain reports and statements filed by paper in electronic or other specified formats immediately upon receiving those reports or statements.

FPPC Position: Support (Sponsor)

FPPC Costs: Minor and absorbable

AB 2631 (Mike Fong) – Local Ethics Training Program

Status: Passed in the Assembly (70-0)

Short Summary: AB 2631 would require the FPPC to create, maintain, and make available a local agency ethics training course that satisfies certain requirements.

Detailed Summary:

Existing law: Existing law, passed in 2005, requires local agency officials to receive at least two hours of ethics training every two years, which includes training on the Political Reform Act. After passage of the bill adding this requirement, the FPPC voluntarily created a free online local ethics training course that would satisfy these training requirements.

Establishes a permanent program: The bill would codify a requirement that the FPPC, in consultation with the Attorney General, create, maintain, and make available to local agency officials an ethics training course that satisfies these training requirements, thereby making this a permanent program.

FPPC Position: Support (Sponsor)

FPPC Costs: \$234,000 in the first year and \$227,000 annually thereafter for one position in IT and education software

SB 1111 (Min) – Section 1090: Conflicts of Interest in Governmental Contracts: Family Member's Financial Interests

Status: Passed in the Senate (37-0)

Short Summary: SB 1111 would require a public officer to disclose if the public officer's child, parent, or sibling, or the spouse of the child, parent, or sibling, has a financial interest in a government contract made by the officer or by any body or board of which they are a member, if the interest is actually known to the public officer. The body or board must authorize, approve, or ratify the contract in good faith without counting the vote of the public officer with that interest.

Detailed Summary:

Existing law- general rule: Existing law prohibits Members of the Legislature, and state, county, district, judicial district, and city officers or employees from being financially interested in a contract made by them in their official capacity or by any body or board of which they are members, subject to specified exceptions.

Existing law- remote interests: Existing law provides that a public officer shall not be deemed financially interested in contract if the officer only has a remote interest. Existing law identifies certain remote interests, including the interest of a parent in the earnings of his or her minor child for personal services. In order to be deemed not interested in the relevant contract due to a remote interest, a public officer must disclose the interest, and the body or board must authorize, approve, or ratify the contract in good faith without counting the vote of the public officer with the remote interest.

New remote interest for the financial interest of certain family members: The bill would, starting January 1, 2026, add a new remote interest for the financial interests of the public officer's child, parent, or sibling, or the spouse of a child, parent or sibling, if those interests are actually known to the public officer.

FPPC Position: No position

FPPC Costs: ½ position in the Legal Division

SB 1155 (Hurtado) - Postgovernment Employment Restriction for Former Heads of State Administrative Agencies

Status: Passed in the Senate (39-0); referred to the Assembly Elections Committee

Short Summary: SB 1155 would, for a period of one year after leaving office, prohibit an elected state officer or appointed official from lobbying the Legislature or a state administrative agency for compensation.

Detailed Summary:

Existing law; one-year ban: Existing law prohibits certain officials, for one year after leaving state service, from representing any other person by appearing before or communicating with, for compensation, their former agency in an attempt to influence agency decisions that involve the

making of general rules (such as regulations or legislation), or to influence certain proceedings involving a permit, license, contract, or transaction involving the sale or purchase of property or goods.

Existing law; permanent ban: Existing law prohibits former state officials from working on proceedings that they participated in while working for the state.

New one-year ban on lobbying activity: The bill would prohibit the head of an agency, defined to mean an elected state officer or an appointed official who receives a salary based on their appointment, from engaging in any activity, for compensation, for the purpose of influencing legislative or administrative action by the Legislature or any state administrative agency that would require the individual to register as a lobbyist under the PRA.

FPPC Position: No position

FPPC Costs: Minor and absorbable

SB 1156 (Hurtado) - Financial Disclosures for Groundwater Sustainability Agencies

Status: Passed in the Senate (39-0)

Short Summary: The bill would require members of the executive team, the board of directors, and other groundwater management decision makers of groundwater sustainability agencies to file their Statements of Economic Interests directly with the FPPC.

Detailed Summary:

Existing law; financial disclosure: Existing law requires every local government agency to adopt and promulgate a Conflict of Interest Code pursuant to the PRA. Individuals designated in a Conflict of Interest Code must submit annual Statements of Economic Interests (SEI). Additionally, all officials listed in Section 82000 must submit SEIs.

Direct filing with the FPPC: The bill would require members of the executive team, the board of directors, and other groundwater management decision makers of groundwater sustainability agencies to submit their annual economic interests disclosures directly with the FPPC.

FPPC Position: No position

FPPC Costs: \$20,000 - \$40,000 annually for the cost of expanding the filer capacity of the FPPC's electronic filing system

SB 1476 (Blakespear) - State Bar of California

Status: Passed in the Senate (37-0); referred to the Assembly Elections Committee and the Assembly Judiciary Committee; set for hearing in the Assembly Elections Committee on 6/12/24

Coauthor: Senator Umberg

Short Summary: SB 1476 would clarify that the State Bar of California is required to adopt a Conflict of Interest Code and its designated employees are required to submit Statements of Economic Interests.

Detailed Summary:

Existing law: Existing law in the Business and Professions Code provides that state law that restricts or prescribes a mode of procedure for the exercise of powers of state public bodies or state agencies is not applicable to the State Bar, unless the Legislature expressly so declares.

Existing law; PRA: Existing law in the PRA references the State Bar of California in four sections, including one section that provides for who the code reviewing body is for the State Bar. Existing law in the PRA implies, but does not explicitly state, that the State Bar of California must adopt a conflict of interest code and that its designated employees must submit Statements of Economic Interests (SEI).

Existing law; public official: Existing law in the PRA excludes a member of the Board of Governors and designated employees of the State Bar of California from the definition of “public official,” thus excluding these individuals from the prohibition on participating in government decisions in which the public official has a financial interest and related provisions.

Clarifies which provisions apply to the State Bar: The bill would explicitly require the State Bar of California to maintain Conflict of Interest Codes for its board of trustees and designated employees that meet the requirements for Conflict of Interest Codes in the PRA. The bill would authorize the Commission to enforce these provisions.

Additional clarification needed: Additional clarification is needed regarding whether the intent is to subject State Bar officials to all of the conflicts provisions in the PRA, or only the Conflict of Interest Code and SEI provisions.

FPPC Position: No position

FPPC Costs: Minor and absorbable