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8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
9 STATE OF CALIFORNIA

10 In the Matter of:

11 JOHN ANAGNOS,

12 Respondent.
13

FPPC Case No. 17/0847

STIPULATION, DECISION AND ORDER

14 INTRODUCTION

15 John Anagnos (“Anagnos”) is an Alternate Commissioner for the Lodi Winegrape Commission.
16 As an alternate member of the Commission, Anagnos must file a Statement of Economic Interests
17 (“SEI”) annually. Despite this requirement, Anagnos failed to timely file his annual SEI for the year
18 2016, in violation of Section 87300 of the Political Reform Act (the “Act.”)¹
19

20 SUMMARY OF THE LAW

21 **Need for Liberal Construction and Vigorous Enforcement of the Political Reform Act**

22 When enacting the Political Reform Act, the people of California found and declared that
23 previous laws regulating political practices suffered from inadequate enforcement by state and local
24 authorities.² Thus, it was decreed that the Act “should be liberally construed to accomplish its
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26 ¹ The Political Reform Act—sometimes simply referred to as the Act—is contained in Government Code sections
27 81000 through 91014. All statutory references are to this code. The regulations of the Fair Political Practices Commission
are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references
are to this source.

28 ² Section 81001, subdivision (h).

1 purposes.”³ Another purpose of the Act is to provide adequate enforcement mechanisms so that the Act
2 will be “vigorously enforced.”⁴

3 **Duty to File Statements of Economic Interests**

4 An express purpose of the Act is to ensure that the assets and income of public officials that may
5 be materially affected by their official actions be disclosed, so that conflicts of interests may be avoided.⁵
6 In furtherance of this purpose, the Act requires every state agency to adopt and promulgate a conflict of
7 interest code, and any violation of such a code is deemed a violation of the Act.⁶

8 An agency’s conflict of interest code must specifically designate the positions within the agency
9 that are required to file SEIs that disclose reportable investments, business positions, interests in real
10 property, and sources of income.⁷ The persons who are designated in an agency’s conflict of interest code
11 are officers, employees, members, and consultants of the agency that may foreseeably have a material
12 effect on one or more of the person’s economic interests.⁸

13 **SUMMARY OF THE FACTS**

14 Anagnos is an alternate commissioner for the Lodi Winegrape Commission and is a designated
15 official according to the Conflict of Interest Code, effective October 24, 1992. Anagnos assumed office
16 on or around July 1, 2011.

17 Anagnos failed to file a 2016 Annual SEI by the deadline of April 1, 2017. The filing officer sent
18 notices to the Respondent notifying him of his filing obligation on May 19, 2017 and June 27, 2017.
19 After receiving no response, the filing officer referred the matter to the Enforcement Division on August
20 28, 2017. The Enforcement Division called and emailed Anagnos on September 13, 2017. Anagnos filed
21 the outstanding statement for 2016 on October 5, 2017. Anagnos has since timely filed the 2017 Annual
22 SEI.

23 Anagnos was previously referred to the Enforcement Division for failure to timely file a 2014 and
24 2015 Annual SEI. Anagnos filed both statements on March 9, 2017 and paid a \$2,000 penalty in
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26 ³ Section 81003.

27 ⁴ Section 81002, subdivision (f).

28 ⁵ Section 81002, subdivision (c).

⁶ Section 87300.

⁷ Section 87302, subdivision (a).

⁸ Sections 82019, subdivision (a) and 87302.

1 conjunction with a streamline settlement approved by the Commission in April of 2017. On those SEIs
2 and the SEIs for 2016 and 2017, Anagnos reported income from Arbor Vineyards, reporting his position
3 as vineyard manager, and reporting that he earned a salary in an amount between \$10,000 and \$100,000
4 per year.

5 VIOLATION

6 **Count 1: Failure to Timely File Statement of Economic Interests**

7 Anagnos failed to timely file the Annual SEI for 2016 in violation of Section 87300.

8 PROPOSED PENALTY

9 This matter consists of one count. The maximum penalty that may be imposed is \$5,000.⁹

10 In determining the appropriate penalty for a particular violation of the Act, the Commission
11 considers the facts of the case, the public harm involved, and the purposes of the Act. Also, the
12 Commission considers factors such as: (a) the seriousness of the violation; (b) the presence or absence of
13 any intention to conceal, deceive or mislead; (c) whether the violation was deliberate, negligent or
14 inadvertent; (d) whether the violation was isolated or part of a pattern; (e) whether corrective
15 amendments voluntarily were filed to provide full disclosure; and (f) whether the violator has a prior
16 record of violations.¹⁰ Here, Anagnos has prior history with the Commission having failed to timely file
17 two SEIs in the past, however he does not appear he was attempting to mislead or conceal his economic
18 interests..

19 The Commission considers penalties in prior cases with the same or similar violations and
20 comparable facts. *In the Matter of W.V. Graham Matthews, III*, FPPC Case No. 16/194 concerned an
21 official who failed to file his Annual SEI for 2014 and 2015. Matthews had prior history with the
22 Commission, having failed to file a 2012 SEI resulting in a streamline settlement. After being contacted
23 by Enforcement Division, he filed the statements on March 28, 2017. In May of 2017, the Commission
24 imposed a penalty of \$2,000 per violation.

25 After considering the factors listed in Regulation 18361.5, prior similar cases, Anagnos's prior
26 violations, and other relevant facts, a penalty of \$2,000 is recommended.

27
28 ⁹ See Section 83116, subdivision (c).

¹⁰ Regulation 18361.5, subdivision (d).

1
2 **CONCLUSION**

3 Complainant, the Enforcement Division of the Fair Political Practices Commission, and
4 Respondent John Anagnos hereby agree as follows:

5 1. Respondent violated the Act as described in the foregoing pages, which are a true and
6 accurate summary of the facts in this matter.

7 2. This stipulation will be submitted for consideration by the Fair Political Practices
8 Commission at its next regularly scheduled meeting—or as soon thereafter as the matter may be heard.

9 3. This stipulation resolves all factual and legal issues raised in this matter—for the purpose
10 of reaching a final disposition without the necessity of holding an administrative hearing to determine the
11 liability of Respondent pursuant to Section 83116.

12 4. Respondent understand, and hereby knowingly and voluntarily waive, any and all
13 procedural rights set forth in Sections 83115.5, 11503, 11523, and Regulations 18361.1 through 18361.9.
14 This includes, but is not limited to the right to appear personally at any administrative hearing held in this
15 matter, to be represented by an attorney at Respondent’s own expense, to confront and cross-examine all
16 witnesses testifying at the hearing, to subpoena witnesses to testify at the hearing, to have an impartial
17 administrative law judge preside over the hearing as a hearing officer, and to have the matter judicially
18 reviewed.

19 5. Respondent agrees to the issuance of the decision and order set forth below. Also,
20 Respondent agrees to the Commission imposing against them an administrative penalty in the amount of
21 \$2,000. One or more cashier’s checks or money orders totaling said amount—to be paid to the General
22 Fund of the State of California—is/are submitted with this stipulation as full payment of the
23 administrative penalty described above, and same shall be held by the State of California until the
24 Commission issues its decision and order regarding this matter.

25 6. If the Commission refuses to approve this stipulation—then this stipulation shall become
26 null and void, and within fifteen business days after the Commission meeting at which the stipulation is
27 rejected, all payments tendered by Respondent in connection with this stipulation shall be reimbursed to
28 Respondent. If this stipulation is not approved by the Commission, and if a full evidentiary hearing

1 before the Commission becomes necessary, neither any member of the Commission, nor the Executive
2 Director, shall be disqualified because of prior consideration of this Stipulation.

3 7. The parties to this agreement may execute their respective signature pages separately. A
4 copy of any party's executed signature page, including a hardcopy of a signature page transmitted via fax
5 or as a PDF email attachment, is as effective and binding as the original.

6
7 Dated: _____

Galena West, Chief of Enforcement
Fair Political Practices Commission

8
9
10 Dated: _____

John Anagnos

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12 The foregoing stipulation of the party John Anagnos, FPPC Case No. 17/0847, is hereby accepted
13 as the final decision and order of the Fair Political Practices Commission, effective upon execution below
14 by the Chair.

15 IT IS SO ORDERED.

16
17 Dated: _____

Joann Remke, Chair
Fair Political Practices Commission