



NOTICE AND AGENDA Commission Meeting¹

California Fair Political Practices Commission
1102 Q Street, Suite 3800
Sacramento, CA 95811

Thursday, October 19, 2017
10:00 A.M.

Under Government Code section 11123(a), all meetings of a state body are open and public, and all persons are permitted to attend any meeting of a state body, except as otherwise provided in that article. The section further states that the portion of the teleconferenced meeting that is required to be open to the public must be audible to the public at the location specified in the notice of the meeting. The Commission may take action on any item listed on this agenda.

Welcome

Jodi Remke, FPPC Chair

Public Comment

- 1. Public Comment.** This portion of the meeting is reserved for comment on items not on the agenda. Under the Bagley-Keene Act, the Commission cannot act on items raised during public comment, but may respond briefly to statements made or questions posed; request clarification; or refer the item to staff.

¹You can obtain further information about the meeting by contacting the Commission Assistant, 1102 Q Street, Suite 3000, Sacramento, CA, 95811, Tel. (916) 322-5745. Written comments on agenda items should be submitted to the Commission no later than 12:00 p.m. the day before the meeting in order to afford the Commissioners adequate time to fully consider the comments. Email comment letters directly to CommAsst@fppc.ca.gov.

The agenda and related documents are posted on the FPPC website at www.fppc.ca.gov. Materials submitted by the public regarding each agenda item will be made available at the meeting and on the website.

Members of the public may listen to the meeting by phone by calling (877) 411-9748; access code 723284; or watch the meeting via Webinar at [meeting via YouTube](#).

The meeting location is accessible to the disabled. Persons who, due to a disability, need assistance in order to participate in this meeting should, prior to the meeting, contact the Commission Assistant at (916) 322-5745 (voice), CommAsst@fppc.ca.gov (e-mail) and ADACoordinator@fppc.ca.gov. TTY/TDD and Speech-to-Speech users may dial 7-1-1 for the California Relay Service to submit comments on an agenda item or to request special accommodations for persons with disabilities. Please allow three business days between the request and the meeting date.

Approval of Commission Minutes

2. Approval of September 2017 Commission Hearing Minutes.

General Item 3

3. **The Bagley-Keene Open Meeting Act, Presentation by the Office of the Attorney General.** Staff: John Feser, Senior Counsel, Legal Division. Deputies Attorney General Ted Prim and Julia Zuffelato will present an overview of the Act and its major provisions that cover all state boards and commissions, including notice and agenda requirements, public participation, closed session and meetings.

Consent Calendar 4-25

Controlled Committee

4. **In the Matter of Art Chacon, Art Chacon for Water Board 2014, and Californians for Clean Water; FPPC No. 14/1236.** Staff: Senior Commission Counsel Neal Bucknell and Special Investigator George Aradi. Art Chacon is a member of the Central Basin Municipal Water District Board of Directors. In 2014, Art Chacon for Water Board 2014 was his controlled committee. Californians for Clean Water was a general purpose committee. In this case, Chacon, Art Chacon for Water Board 2014, and the Clean Water committee failed to disclose that the Clean Water committee was Chacon's controlled committee, in violation of Government Code Sections 84102, subdivisions (e) and (g); 84211, subdivision (p); 84213, subdivision (a); and California Code of Regulations, title 2, Section 18402, subdivision (c)(1) (1 count). Also, the Clean Water committee sent three mass mailings in opposition to Chacon's opponents without identifying Chacon as controlling the committee, in violation of Government Code Section 84305, subdivision (c) (3 counts). Additionally, Chacon and the Clean Water committee failed to deposit all contributions into and make all expenditures from a single, designated campaign bank account, in violation of Government Code Section 85201 (1 count). **Total Proposed Penalty: \$25,000.**

Personal Use of Campaign Funds

5. **In the Matter of John Lindner and Franklin-McKinley for Our Kids—Yes on Measure J 2010; FPPC No. 16/286.** Staff: Senior Commission Counsel Bridgette Castillo and Special Investigator Ann Flaherty. John Lindner was a successful incumbent candidate for Franklin-McKinley School District Member in the November 8, 2016 General Election. Franklin-McKinley for our Kids—Yes on Measure J 2010 was a ballot measure committee primarily formed to support Measure J, a successful school bond measure, in the November 2, 2010 General Election. Lindner was the Committee's treasurer. The Committee was terminated on or about December 31, 2015. The Committee and Lindner failed to disclose and itemize expenditures of \$100 or more on

campaign statements, in violation of Government Code Section 84211, subdivisions (k) (1 count). In addition, Lindner used campaign funds which conferred a substantial personal benefit to him for purposes not directly related to a political, legislative or governmental purpose, in violation of Government Code Section 89512.5 (3 counts).

Proposed Penalty Against Lindner individually: \$15,000. Proposed Penalty Against the Committee and Lindner: \$3,500. Total Proposed Penalty: \$18,500.

Conflict of Interests

- 6. In the Matter of Kathrin Sears; FPPC No. 17/453.** Staff: Senior Commission Counsel Bridgette Castillo, Special Investigator Marshall Miller and Political Reform Consultant Chloe Hackert. Kathrin Sears is a Marin County Supervisor and the Chair of the MCE Clean Energy Board. In November 2014, Sears signed a contract on behalf of MCE Clean Energy Board with Shell Energy North America for hydroelectric power while she owned stock in Royal Dutch Shell, a parent company to Shell Energy North America, in violation of Government Code Section 87100 (1 count). **Total Proposed Penalty: \$3,000.**

Gifts Over the Limits

- 7. In the Matter of Ronald Davis; FPPC No. 16/19819.** Staff: Commission Counsel Christopher Burton and Special Investigator Jeffrey Kamigaki. Ronald Davis is the warden at San Quentin State Prison. As warden, Davis is required to annually report his interests in real property, investments, business positions, and sources of income including gifts, on an Annual Statement of Economic Interests. Davis failed to timely disclose gifts amounting to \$1,550 in value that he received on his 2015 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count); and accepted gifts in excess of the annual gift limit by \$2,840 in 2015, in violation of Government Code Section 89503, subdivision (c) (1 count). **Total Proposed Penalty: \$4,000.**

Campaign Non-Filing

- 8. In the Matter of Chavez for Soledad City Council 2010 and Alejandro Chavez; FPPC No. 15/1425 (Streamline Settlement).** Staff: Commission Counsel Theresa Gilbertson and Staff Services Analyst Dominika Wojenska. Alejandro Chavez was the successful candidate for Soledad City Council in the November 2, 2010 and the November 4, 2014 General Elections. Chavez for Soledad City Council 2010 was the candidate controlled committee for both elections. The Committee and Chavez failed to timely file eight semiannual campaign statements and two pre-election statements covering the reporting periods of January 1, 2013 through December 31, 2016, in violation of Government Code Sections 84200 (8 counts) and 84200.5 (2 counts). **Total Proposed Penalty: \$4,008.**

- 9. In the Matter of Committee to Elect Debbi Rex and Deborah “Debbi” Rex; FPPC No. 16/328 (Streamline Settlement).** Staff: Commission Counsel Theresa Gilbertson and Staff Services Analyst Dominika Wojenska. Deborah Rex was the successful candidate for Trustee of the San Jacinto Unified School District Board of Trustees in the November 4, 2014 General Election. Committee to Elect Debbi Rex is her candidate controlled committee. The Committee and Rex failed to timely file two pre-election statements and two semiannual statements covering the reporting period of January 1, 2014 through December 31, 2014, in violation of Government Code Sections 84200 (2 counts) and 84200.5 (2 counts). **Total Proposed Penalty: \$3,251.**
- 10. In the Matter of Committee to Improve Gonzales Schools – Yes on N and Rutilia Baltazar; FPPC No. 17/409 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. Committee to Improve Gonzales Schools – Yes on N is a local primarily formed ballot measure committee. Rutilia Baltazar is the Committee’s treasurer. The Committee and Baltazar failed to timely file six semiannual campaign statements for the reporting periods of May 18, 2014 through December 31, 2016, in violation of Government Code Section 84200 (6 counts), and two 24-Hour Reports, in violation of Government Code Section 84203 (2 counts). **Total Proposed Penalty: \$1,696.**
- 11. In the Matter of Elect David Chong LMSVSD Board 2014 and David Chong; FPPC No. 15/273 (Streamline Settlement).** Staff: Commission Counsel Theresa Gilbertson. David Chong was the successful candidate for Board Member of the La Mesa-Spring Valley School District Board of Education in the November 4, 2014 General Election. Elect David Chong LMSVSD Board 2014 is his candidate-controlled committee. The Committee and Chong failed to timely file one pre-election statement and one semiannual statement covering the reporting periods of October 1, 2014 through December 31, 2014, in violation of Government Code Sections 84200 (1 count) and 84200.5 (1 count). **Total Proposed Penalty: \$1,607.**
- 12. In the Matter of Voters for Good Government and Billie Martinez; FPPC No. 16/182.** Staff: Commission Counsel Theresa Gilbertson. Voters for Good Government is a general purpose committee. Billie Martinez is the Committee’s treasurer. The Committee and Martinez failed to disclose information concerning contributions received on a 24-Hour Independent Expenditure Report and failed to file an independent expenditure verification, in violation of Government Code Sections 84204 and 84213, subdivision (b) (1 count). **Total Proposed Penalty: \$1,500.**

13. In the Matter of Armenian National Committee Political Action Committee ANCPAC and Viken Pakradouni; FPPC No. 17/473 (Streamline Settlement). Staff: Senior Commission Counsel Neal Bucknell, Special Investigator Jeffrey Kamigaki, and Intake Manager Tara Stock. Armenian National Committee Political Action Committee ANCPAC is a general purpose committee. Viken Pakradouni is the Committee's treasurer. The Committee and Pakradouni failed to timely file three semiannual campaign statements covering the reporting periods of January 1, 2016 through June 30, 2017, in violation of Government Code Section 84200 (3 counts). **Total Proposed Penalty: \$602.**

14. In the Matter of Friends of Phil Anthony and Philip L. Anthony; FPPC No. 17/594 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. Philip L. Anthony is a member of the Orange County Water District Board of Directors. Friends of Phil Anthony is his candidate-controlled committee. The Committee and Anthony failed to timely file one pre-election campaign statement covering the reporting period of July 1, 2016 through September 24, 2016, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$216.**

Campaign Non-Reporting

15. In the Matter of Family Farmers Working for a Better California with Major Support by Western Growers and Ward Kennedy; FPPC No. 16/0068. Staff: Commission Counsel Michael W. Hamilton and Program Specialist Patricia Ballantyne. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Family Farmers Working for a Better California with Major Support by Western Growers is a general purpose committee. Ward Kennedy is the Committee's treasurer. In 2012, the Committee and Kennedy failed to timely report receiving in-kind contributions on the pre-election campaign statement covering the reporting period of July 1, 2012 through September 30, 2012; and failed to timely report receiving in-kind contributions on the semiannual campaign statement covering the reporting period of October 21, 2012 through December 31, 2012, in violation of Government Code Section 84211 subdivisions (a), (c), and (f) (2 counts). **Total Proposed Penalty: \$5,000.**

16. In the Matter of Todd Spitzer, Spitzer for Supervisor 2016, Spitzer for Central Committee 2016, and Lysa Ray; FPPC No. 17/0019 (Streamline Settlement). Staff: Assistant Chief of Enforcement Dave Bainbridge and Investigator Marshall Miller. Todd Spitzer was a successful candidate for Orange County Supervisor and a successful candidate for County Central Committee 68th Assembly District – Republican Member in the June 7, 2016 Primary Election. Spitzer for Supervisor 2016 and Spitzer for Central Committee 2016 were his candidate-controlled committees. Lysa Ray is the Committees' treasurer. The Supervisor Committee, Spitzer, and Ray failed to timely report expenditures of \$100 or more on one pre-election campaign statement covering the

reporting period of April 24, 2016 through May 21, 2016 and two semiannual campaign statements covering the reporting period of May 22, 2016 through December 31, 2016, in violation of Government Code Section 84211 (3 counts). The Central Committee, Spitzer and Ray failed to timely report expenditures of \$100 or more on two pre-election campaign statements covering the reporting period of January 1, 2016 through May 21, 2016 and one semiannual campaign statement covering the reporting period of July 1, 2016 through December 31, 2016, in violation of Government Code Section 84211 (3 counts). Total Proposed Penalty: \$1,258

17. In the Matter of Taxpayers for George Runner for Board of Equalization 2014, George Runner, and Kelly Lawler; FPPC No. 15/1556 (Streamline Settlement).

Staff: Commission Counsel Theresa Gilbertson and Program Specialist Patricia Ballantyne. George Runner was the successful candidate for Board of Equalization in the November 4, 2014 General Election. Taxpayers for George Runner for Board of Equalization 2014 was his candidate-controlled committee. Kelly Lawler served as the Committee's treasurer. The Committee, Runner, and Lawler failed to report contributions on two semiannual campaign statements covering the reporting period of January 1, 2013 through December 31, 2013, in violation of Government Code Section 84211 (2 counts). **Total Proposed Penalty: \$606.**

18. In the Matter of Pandya for Mayor 2016 and Amit Pandya, FPPC: 16/19811

(Streamline Settlement). Staff: Commission Counsel Theresa Gilbertson. Amit Pandya was an unsuccessful candidate for Mayor of City of Salinas in the November 8, 2016 General Election. Pandya for Mayor 2016 was his candidate-controlled committee. The Committee and Pandya failed to timely report contributions on the pre-election statement covering the reporting period of July 1, 2016 through September 24, 2016, and expenditures on the semiannual campaign statement covering the reporting period of October 23, 2016 through December 31, 2016, in violation of Government Code Section 84211 (2 counts). **Total Proposed Penalty: \$503.**

Statement of Economic Interests Non-Filer

19. In the Matter of Robert S. Jones; FPPC No. 17/520 (Streamline Settlement). Staff:

Chief of Enforcement Galena West and Enforcement Intake Manager Tara Stock. Robert S. Jones, Consultant for City of Monterey, failed to timely file a 2016 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400.**

20. In the Matter of Tom Greenwood; FPPC No. 17/650 (Streamline Settlement). Staff:

Chief of Enforcement Galena West, Intake Manager Tara Stock and Staff Services Analyst Katie Trumbly. Tom Greenwood is serving as President on the Orange Cove

Police Protection District. Greenwood failed to timely file his 2016 Annual Statement of Economic Interests with the Fresno County Clerk, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400.**

21. In the Matter of Greg Thompson; FPPC No. 17/712 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Greg Thompson, as a Planning Commissioner of the County of Merced, failed to timely file a 2016 Annual Statement of Economic Interests, in violation of Government Code Section 87203 (1 count). **Total Proposed Penalty: \$200.**

22. In the Matter of Geoffrey Wheeler; FPPC No. 17/743 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Enforcement Intake Manager Tara Stock. Geoffrey Wheeler, Airport Consultant for City of San Jose, failed to timely file a 2016 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

23. In the Matter of Martin Arredondo; FPPC No. 17/912 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Enforcement Intake Manager Tara Stock. Martin Arredondo, Piru Cemetery District Trustee, failed to timely file an Assuming Office Statement of Economic Interests with the County of Ventura, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200**

24. In the Matter of Todd Trotter; FPPC No. 17/934 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Todd Trotter, a Board Member of the Department of Veterans Affairs, failed to timely file a 2016 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

Statement of Economic Interests Non-Reporter

25. In the Matter of Joseph Knight; FPPC No. 15/1496 (Streamline Settlement). Staff: Commission Counsel Theresa Gilbertson. Joseph Knight, as a Commissioner for the Travel and Tourism Commission, failed to timely disclose his business position and income received from Fox Rent A Car, Inc. on his 2014 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$800.**

General Items 26-32

- 26. Adoption of Amendment to Regulation 18535.** Staff: Sukhi Brar, Senior Counsel, Legal Division. At the Commission's direction, staff proposes to amend Regulation 18535 to comply with the *Rios* Opinion, No. O-17-001, to permit a state candidate to contribute unlimited funds to a recall committee controlled by another state candidate to oppose his or her recall.

Staff Memo Proposed Amendments to Regulation 18535

- 27. Requested Amendments to Regulations 18531.5 & 18535.** Staff: Sukhi Brar, Senior Counsel, Legal Division. A comment letter was received in response to the proposed amendments to Regulation 18535, with a request for three additional amendments. With respect to the request to amend Regulation 18531.5, the proposal is consistent with the *Rios* Opinion, and at the direction of the Commission, it can be noticed for the November meeting. As to the other amendments (i.e., permit candidates to make unlimited contributions to candidate controlled legal defense funds and candidate controlled ballot measure committees), since the amendments are outside the scope of the holding in the *Rios* Opinion, the Commission may consider whether to pursue the proposals further.

Staff Memo Comment Letter - Rios

- 28. Adoption of Amendment to *Rios* Opinion, No. O-17-001.** Staff: Jack Woodside, General Counsel, Legal Division. Commissioner Audero proposes to amend the *Rios* Opinion, No. O-17-001, to respond to the Dissent that was published with the Opinion on September 15, 2017, in accordance with Regulation 18324.

Staff Memo Proposed Amended *Rios* Opinion

- 29. Closed Session. Administrative Adjudication (Gov. Code § 11126(c)(3))**
Consideration of Proposed Decision of Administrative Law Judge, In the Matter of George Alai, FPPC No. 13/1135, OAH No. 2016090791.

ALJ's Proposed Decision, July 19, 2017 Enforcement's Opening Brief Respondent's Brief in Support of Proposed Decision Enforcement's Reply Brief

- 30. Pre-notice Discussion of Proposed Amendments to Regulation 18450.1.** Staff: Emelyn Rodriguez, Senior Counsel, Legal Division. Commission will consider proposed amendments to Regulation 18450.1, which are intended to provide more specific

definitions of “advertisement” under subdivisions (a)(5) for yard signs and (a)(6) for large signs such as billboards.

Staff Memo

Proposed Amendments to Regulation 18450.1

- 31. The FPPC’s Statement of Governance Principles.** Staff: John Feser, Senior Counsel, Legal Division. The FPPC’s Statement of Governance Principles was adopted in January 2001. It is on the agenda for the Commission to consider whether it should be reviewed for possible revision, and if so, to determine the most effective and efficient process for review.

Staff Memo

- 32. Executive Staff Reports.**

Enforcement Division. Galena West, Enforcement Chief
Legal Division. Jack Woodside, General Counsel
External Affairs and Education. Courtney Miller, Manager
Legislative and External Affairs. Phillip Ung, Director