



## NOTICE AND AGENDA Commission Meeting<sup>1</sup>

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

Thursday, March 21, 2024  
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. Members of the public may listen to the meeting by phone by calling (669) 444-9171; meeting ID 9856036268; or watch the meeting via Webinar at [YouTube](#). To participate in real time, visit <http://mediasite.fppc.ca.gov/> or call (669) 444-9171; meeting ID 9856036268.

To view the new procedure to participate by telephone, visit our [public comment page](#).

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](mailto:CommAsst@fppc.ca.gov) (e-mail) and [ADACoordinator@fppc.ca.gov](mailto: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.

The Commission may take action on any item listed on this agenda.

### Welcome

Richard C. Miadich, Chair

### Public Comment

- 1. Public Comment for Items not on Agenda.** During this comment period, any person is invited to speak on any topic that is not listed on this agenda. Action may not be taken on any matter raised during this public comment period until the matter is specifically listed on a future agenda. Those who wish to comment on an item that has been listed on this agenda may comment when that item has been opened for consideration by the Commission and before any action is taken.

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<sup>1</sup>You can obtain further information about the meeting by contacting the Commission Assistant, 1102 Q Street, Suite 3050, 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](mailto:CommAsst@fppc.ca.gov). To participate in real time, visit <http://mediasite.fppc.ca.gov/>.

The agenda and related documents are posted on the FPPC website at [www.fppc.ca.gov](http://www.fppc.ca.gov). Materials submitted by the public regarding each agenda item will be made available on the website.

## Approval of Commission Minutes

### 2. Approval of January 2024 Commission Meeting Minutes.

## Consent Calendar 3-6

Items on the consent calendar will be taken up and voted on as a group. A Commissioner may request that an item be removed from consent, in which case it will be discussed separately in the meeting.

## Behested Payments

- 3. In the Matter of Christopher Holden; FPPC No. 19/429.** Staff: Neal Bucknell, Senior Commission Counsel and Lance Hachigian, Special Investigator. Christopher Holden is represented by Gary Winuk and Stephen Kaufman of the Kaufman Legal Group. Holden failed to timely file Form 803 behested payment reports regarding approximately 94 charitable payments of \$5,000 or more totaling approximately \$1,576,500, in violation of Government Code Section 82015, subdivision (b)(2)(B)(iii), as in effect prior to 2018, and Government Code Section 84224, as in effect after 2017 (16 counts). **Total Proposed Penalty: \$24,000.**

## Misuse of Campaign Funds

- 4. In the Matter of Friends of John McMahon for SB County Sheriff-Coroner 2018, John McMahon, and Marvin Reiter; FPPC No. 19/1800.** Staff: Theresa Gilbertson, Senior Commission Counsel and Lance Hachigian, Special Investigator. This matter arose from an audit performed by the Audit Division of the Fair Political Practices Commission. McMahon was a successful candidate for Sheriff-Coroner in the June 5, 2018 Primary Election. Friends of John McMahon for SB County Sheriff-Coroner 2018 was McMahon's candidate-controlled committee. Marvin Reiter was the treasurer. McMahon retired from office on July 15, 2021, and the remaining committee funds became surplus on October 14, 2021. However, the Committee, McMahon, and Reiter made several expenditures that were not consistent with the permissible uses of surplus funds, in violation of Government Code Section 89519 (1 count). **Total Proposed Penalty: \$3,500.**

## Conflict of Interest

- 5. In the Matter of Shawn Farmer; FPPC No. 20/730.** Staff: Jenna C. Rinehart, Senior Commission Counsel, and George Aradi, Special Investigator. Shawn Farmer, a member of the Galt City Council, made a governmental decision involving real property that had a reasonably foreseeable material financial effect on real properties located within 500 feet, including Farmer's real property financial interest, in violation of Government Code Section 87100 (1 count). **Total Proposed Penalty: \$3,000.**

## Mass Mailing at Public Expense

- 6. In the Matter of Tuolumne Utilities District; FPPC No. 19/781.** Staff: Marissa Corona, Commission Counsel and George Aradi, Special Investigator. The respondents are represented by Jesse W. Barton of Gallery & Barton, APLC. Between January 1, 2019, and February 28, 2019, Tuolumne Utilities District paid for, and distributed a newsletter to 14,250 residents that featured a photograph, with the names below, of elected Board of Director members, in violation of Government Code Sections 89001 and 89002 (1 count). **Total Proposed Penalty: \$2,000.**

## General Items 7-15

- 7. Prenotice Discussion of Proposed Amendments to Regulations 18237 and 18421.2, Cryptocurrency Reporting Requirements.** Staff: Valerie Nuding, Commission Counsel. Staff presents proposed amendments to Regulations 18237 and 18421.2 regarding reporting of cryptocurrency

on statements of economic interests and campaign statements. The proposed amendments are presented for discussion and direction by the Commission and will be presented for adoption at a later meeting.

**Staff Memo**

**Proposed Amendments to Regulation 18237**

**Proposed Amendments to Regulation 18421.2**

8. **Prenotice Discussion of Amendments to Regulation 18227.5.** Staff: Erika M. Boyd, Senior Commission Counsel, Legal Division. The proposed amendments to Regulation 18227.5 would clarify what payments are taken into account when determining a general purpose committee's filing jurisdiction. Staff presents the regulation for pre-notice discussion and direction. It will then be presented for adoption at a subsequent Commission meeting.

**Staff Memo**

**Proposed Amendments to Regulation 18227.5**

9. **Adoption of Proposed Amendments to the Commission's Warning Letter, PREP and Streamline Programs (Regulations 18360.1, 18360.2 and 18360.3)** Staff: Galena West, Executive Director and Christopher B. Burton, Assistant Enforcement Chief. Staff proposes expanding and adjusting the Commission's existing case resolution programs. These changes are in response to the Commission's request to review the program and to add the criteria for qualification into the Political Reform Education Program. The proposed amendments were presented for prenotice discussion at the November 16, 2023 Commission meeting, at the December 14, 2023 Interested Persons' Meeting and are now presented for adoption by the Commission.

**Staff Memo**

**Proposed Amendments to Regulation 18360.1**

**Proposed Amendments to Regulation 18360.2**

**Proposed Amendments to Regulation 18360.3**

10. **Adoption of Proposed Amendment of Regulation 18531.2; Refunding of General Election Contributions after Withdrawal of Candidate, and Amendment of Regulation 18537.1; Carry Over of Contributions.** Staff: Zachary W. Norton, Senior Commission Counsel. Staff presents proposed amended regulations to address two circumstances concerning the return, transfer, or carry-over of campaign contributions when a candidate withdraws or otherwise does not run in the election for which the funds were raised. The proposed amendments were presented for prenotice discussion at the August Commission meeting and are now presented for adoption by the Commission.

**Staff Memo**

**Proposed Option 1: Carry Over without Attribution**

**Proposed Option 2: Transfer with Attribution**

**Proposed Option 3: Return of Contributions**

**Comment letter from Senator Monique Limon and Assembly Member Rick Chavez Zbur, dated October 20, 2023**

11. **2023/2024 Fiscal Year Second Quarter Expenditure Report.** Staff: Jue Wang, Acting Chief of Administration.

**Second Quarter Expenditure Report**

12. **2024/2025 Budget.** Staff: Jue Wang, Acting Chief of Administration.

**Staff Memo**

- 13. Legislative Update.** Staff: Lindsey Nakano, Senior FPPC Legislative Counsel. The Commission will review and discuss potential sponsored and other legislation. The Commission may provide direction to staff regarding the same.

#### **Legislative Update**

**14. Executive Staff Reports.**

Enforcement Division. James M. Lindsay, Chief.

Audits and Assistance Division. Shrdha Shah, Chief.

Legal Division. Dave Bainbridge, General Counsel.

Administration and Technology Division. Jue Wang, Acting Chief.

Executive Director Update. Galena West, Executive Director.

#### **Executive Staff Report**

#### **2023 Annual Report**

**15. Commissioner Comments and Proposed Future Agenda Items.**

Note: Although any Commissioner may identify a topic of interest, the Commission may not substantially discuss or take action on any matter raised during the meeting that is not included on this agenda, except to decide to place the matter on the agenda of a future meeting. (Government Code Sections 11125 & 11125.7(a).)