



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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EXECUTIVE STAFF REPORTS

August 15, 2019 Commission Hearing

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I. ENFORCEMENT DIVISION

STAFF: GALENA WEST, CHIEF OF ENFORCEMENT

I. Overview

During the period of July 1, 2019 through July 31, 2019 the Enforcement Division received 76 complaints, opened 10 for investigation, and rejected 42. The Enforcement Division received 105 late filer referrals during this time. During this time, the Enforcement Division closed a total of 144 cases including:

- 49 warning letters – advertising violations (1), campaign violations (15), statement of economic interests violations (32), and San Bernardino County violations (1);
- 1 advisory letter for a conflict of interest violation;
- 51 no action closure letters alleging - campaign violations (15), statement of economic interests violations (26), advertisement violations (1), and lobbying violations (9);
- 33 approved stipulations at the July Commission meeting; and
- 10 committees were administratively terminated.

The Division had 1530 cases in various stages of resolution at the time of the July Monthly Report and currently has approximately 1495 cases in various stages of resolution, including the 20 cases before the Commission as listed in the August 2019 Agenda.

On May 1, 2015, the Division received from the Secretary of State's office 2,460 \$50 Annual Fee referrals for 2013 fees not paid timely. Of those, 5 remain pending. On October 22, 2015, the Division received the \$50 Annual Fee referrals for 2014, which totaled 1,786. Of those, 11 remain pending. We are receiving 2015, 2016, 2017, and 2018 referrals periodically through the new Electronic Complaint System.

II. Annual Statistics

On the next page, you will find a chart that details the annual statistics for enforcement complaints, referrals and cases. This chart includes the data from 2018, where consistent with other years, 966 cases were closed with violations found. The penalties collected decreased as the emphasis on providing warnings increased. The information in the chart has been gathered from public reports, information from the defunct and inactive database, and data that has been converted into current form, so the numbers are close estimates in some instances.

	Year	2015	2016	2017	2018
1	Complaints Received	609	1,180	564	1,352
2	Referrals Received	596	350	1,616	1,529
3	Total Complaint and Referrals Received	1,205	1,530	2,180	2,881
4	Cases opened	2,273 ¹	1,315	1,480	1,561
5	Cases closed	1,253	1,803	1,477	1,243
6	Cases with resolutions approved by the Commission ²	333	311	340	235
	a Streamline cases approved by Commission	258	234	262	173
	b Mainline cases approved by Commission	69	70	66	56
	c Default cases approved by Commission	6	7	12	6
7	Total fines imposed by the Commission	\$703,821	\$894,257	\$1,126,933	\$499,606
8	Warning letters issued	442	489	505	554
9	Administrative terminations	116	668	297	177
10	Cases closed with violations found ³	891	1,468	1,142	966
11	Advisory letters issued	19	14	17	20
12	No action closure letters	343	321	318	252

¹ In 2015, the Enforcement Division received information regarding 2,460 \$50 Annual Fee non-payers in May and another 1,786 in October of that year. None of these came through the typical “referral” process and had to be evaluated for: whether the committee had been terminated locally or with SOS, whether the committee never qualified, whether the fees were paid prior to the referral, and whether records existed to evaluate the committee, before the information could be opened into a case. Therefore, these do not appear in the Referral line since they did not follow that process.

² Total for lines 6a, 6b, and 6c.

³ Total for lines 6, 8, and 9.

III. Unexecuted Streamline Stipulations

Streamline penalty stipulations are approved by the Chief of Enforcement and reported to the Commission for discussion only before they are executed. The following streamline stipulations are presented for that purpose. After the close of the hearing, the Chief of Enforcement may execute all or any of the streamline penalty stipulations, at her discretion per Regulation 18360.2.

Advertisements and Campaign Late Filer

[In the Matter of Monica Garcia for Senate 2018, Raquel “Monica” Garcia, and Yolanda Miranda; FPPC No. 18/345.](#) Staff: Commission Counsel Megan Van Arsdale and Special Investigator Lance Hachigian. Monica Garcia was an unsuccessful candidate for State Senate in the June 5, 2018 Primary Election. Monica Garcia for Senate 2018 is her candidate-controlled committee. Yolanda Miranda is the Committee’s treasurer. The Committee, Garcia, and Miranda failed to include the proper advertisement disclaimers on two mass mailings distributed by the committee prior to the election, in violation of Government Code Section 84506.5 (2 counts), and failed to properly report the mass mailings on a pre-election and semiannual campaign statement for the reporting periods of April 22, 2018 through May 19, 2018 and May 20, 2018 through June 30, 2018, in violation of Government Code Section 84211 (2 counts). **Total Proposed Penalty: \$683.**

[In the Matter of Visalians for Measure A, sponsored by the Construction Industry and Jody Grove; FPPC No. 19/220.](#) Staff: Chief of Enforcement Galena West and Associate Governmental Program Analyst Dominika Wojenska. Visalians for Measure A, sponsored by the Construction Industry is a local primarily formed committee. Jody Grove is the Committee’s treasurer. The Committee and Grove failed to timely file a 24-Hour Report, in violation of Government Code Section 84203 (1 count), and failed to include the proper advertisement disclaimers on a website paid for by the Committee, in violation of Government Code Section 84502 (1 count). **Total Proposed Penalty: \$360.**

[In the Matter of Watchdog for San Clemente Responsible Govt - A Committee Formed to Oppose Dan Bane for City Council 2018 and Jeri L. Mann; FPPC No. 19/226.](#) Staff: Chief of Enforcement Galena West and Associate Governmental Program Analyst Dominika Wojenska. Watchdog for San Clemente Responsible Govt - A Committee Formed to Oppose Dan Bane for City Council 2018 is a local primarily formed committee. Jeri L. Mann is the Committee’s treasurer. The Committee and Mann failed to include the proper advertisement disclaimers on a mailer distributed by the Committee prior to the November 6, 2018 General Election, in violation of Government Code Sections 84502 and 84504.2 (2 counts). **Total Proposed Penalty: \$302.**

Lobbying

[In the Matter of California Licensed Foresters Association; FPPC No. 16/20034.](#) Staff: Chief of Enforcement Galena West and Associate Governmental Program Analyst Dominika Wojenska. California Licensed Foresters Association, a lobbyist employer, failed to timely file two lobbyist employer reports for the reporting periods of July 1, 2015 through September 30, 2015 and

October 1, 2015 through December 31, 2015, in violation of Government Code Section 86117 (2 counts). **Total Proposed Penalty: \$1,100.**

[In the Matter of Center for Autism and Related Disorders; FPPC No. 19/407.](#) Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Center for Autism and Related Disorders, a lobbyist employer, failed to timely file two lobbyist employer reports for the reporting periods of January 1, 2018 through March 31, 2018 and July 1, 2018 through September 30, 2018, in violation of Government Code Section 86117 (2 counts).

Total Proposed Penalty: \$700.

Campaign Late Filer

[In the Matter of Santos 4 Madera City Council 2018, Santos Garcia, and Violet Grimaldo; FPPC No. 19/0778.](#) Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Santos Garcia was a successful candidate for Madera City Council in the November 6, 2018 General Election. Santos 4 Madera City Council 2018 is his candidate-controlled committee. Violet Grimaldo is the Committee's treasurer. The Committee, Garcia, and Grimaldo failed to timely file a semiannual campaign statement for the reporting period of October 21, 2018 through December 31, 2018, in violation of Government Code Section 84200 (1 count).

Total Proposed Penalty: \$274.

[In the Matter of Nicole Jones for Southwestern College Board 2018, Nicole Jones, and Delano Jones; FPPC No. 19/597.](#) Staff: Chief of Enforcement Galena West and Intake Manager Tara Stock. Nicole Jones was an unsuccessful candidate for Southwestern College Board in the November 6, 2018 General Election. Nicole Jones for Southwestern College Board 2018 is her candidate-controlled committee. Delano Jones is the Committee's treasurer. The Committee, Jones, and Jones failed to timely file a semiannual campaign statement for the reporting period of October 21, 2018 through December 31, 2018, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$235.**

Statement of Economic Interests Late Filer

[In the Matter of Greg Peiratt; FPPC No. 18/854.](#) Staff: Chief of Enforcement Galena West and Intake Manager Tara Stock. Greg Peiratt, a Consultant for the Vista Irrigation District, failed to timely file an Assuming Office and a 2017 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Total Proposed Penalty: \$800.**

[In the Matter of Katherine Hadidi; FPPC No. 16/20064.](#) Staff: Commission Counsel Jenna Rinehart and Intake Manager Tara Stock. Katherine Hadidi, an Alternate Member for the Juvenile Justice Coordinating Council, failed to timely file a 2015 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400.**

[In the Matter of Matthew Turner; FPPC No. 17/1143.](#) Staff: Commission Counsel Theresa Gilbertson and Law Clerk Desirée Frietas. Matthew Turner, a Planning Commissioner for the

City of Holtville, failed to timely file a 2016 Annual Statement of Economic Interests and a Leaving Office Statement of Economic Interests, in violation of Government Code 87300 (2 counts). **Total Proposed Penalty: \$400.**

[In the Matter of Suzanne Trowbridge; FPPC No. 18/1184.](#) Staff: Commission Counsel Jenna Rinehart and Staff Services Analyst Kimberly Rawnsley. Suzanne Trowbridge, a Consultant for Keenan and Associates, and a JPA Manager for Riverside Risk Management Authority and Riverside Schools Insurance Authority, failed to timely file a 2017 Annual Statement of Economic Interests in two different jurisdictions, in violation of Government Code Section 87300 (2 counts). **Total Proposed Penalty: \$400.**

[In the Matter of Keshia Sexton; FPPC No. 18/1085.](#) Staff: Chief of Enforcement Galena West and Staff Services Analyst Cheng Saetern. Keshia Sexton, a Board Member for the Baldwin Hills Conservancy, failed to timely file a 2017 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400**

[In the Matter of Michael Andrioff; FPPC No. 18/681.](#) Staff: Chief of Enforcement Galena West and Staff Services Analyst Cheng Saetern. Michael Andrioff, a Member of the Downtown Advisory Committee for the City of Oceanside, failed to timely file a 2017 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200**

[In the Matter of Samuel Phillips; FPPC No. 19/577.](#) Staff: Chief of Enforcement Galena West and Staff Services Analyst Cheng Saetern. Samuel Phillips, a Consultant for the City of Monterey, failed to timely file a 2017 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200**

Statement of Economic Interests Late Reporter

[In the Matter of Kenneth Todd; FPPC Case No. 17/1135.](#) Staff: Assistant Chief Counsel Angela Brereton and Special Investigator Lance Hachigian. Kenneth Todd, a member of the Redwood Valley County Water District Board of Directors, failed to timely disclose interests in business entities, real property, and sources of income on his 2014, 2016, 2017 and 2018 Annual Statements of Economic Interest, in violation of Government Code Sections 87206, 87207, 87209 and 87300 (10 counts), and failed to timely file a 2015 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$1,200.**

II. LEGAL DIVISION

STAFF:

DAVID BAINBRIDGE, GENERAL COUNSEL

A. Pending Litigation

California State Association of Counties and California School Boards Association v. FPPC
Los Angeles County Superior Court, Central District, Case No. BS174653

On September 11, 2018, petitioners served a first amended petition for writ of mandate and complaint for declaratory relief. Petitioners allege that Regulations 18420.1 and 18901.1 are invalid as a matter of law, that the Commission has exceeded its jurisdiction in adopting these Regulations, and that the Regulations are unenforceable.

The Attorney General's Office is representing the Commission and timely filed an answer to the petition/complaint. On March 4, 2019, the Commission filed a Motion for Judgment on the Pleadings.

On March 29, 2019, the Commission's Motion for Judgment on the Pleadings was granted with leave to amend. The court vacated all hearing dates and set a new trial setting conference.

Plaintiffs timely filed a Second Amended Complaint (SAC) on June 27, 2019. The Commission has filed a demurrer for a hearing on November 22, 2019. The trial setting conference is also set on November 22, 2019.

Howard Jarvis Taxpayers Association, et al. v. Edmund Brown, et al.
Court of Appeal, Third Appellate District, Case No. C086334

On December 12, 2016, the Howard Jarvis Taxpayers Association and retired State Senator and Judge Quentin L. Kopp filed a lawsuit against Governor Brown and the Commission to invalidate a new law that would allow public funds to be used for political campaigning. In September of 2016, the Governor signed Senate Bill 1107 which authorizes the use of public funds to finance campaigns if a jurisdiction adopts a law or ordinance creating a public financing program. Plaintiffs allege the new law improperly eliminates the prohibition against public financing of campaigns, implemented pursuant to Proposition 73 in 1988, because it was done without voter approval. In addition, plaintiffs allege that the new law violates the Political Reform Act because it does not "further the purposes of the Act," an express requirement in the Act for legislative amendment. The Attorney General's Office is representing both Governor Brown and the Commission in this litigation. A hearing was held in Superior Court on August 4, 2017. After taking the matter under submission, the Court issued a Ruling, dated August 23, 2017, "entering a judgment declaring that the amendments made to Government Code section 85300 by Senate Bill No. 1107 are void and have no legal effect; and an injunction restraining Respondents from enforcing the unconstitutional amendments made by Senate Bill No. 1107."

In closed session at its meeting on September 21, 2017, the Commission voted to appeal the Superior Court decision. The Notice of Appeal was filed with the Third District Court of Appeal on January 9, 2018. Appellants' Opening Brief was timely filed on September 21, 2018. Respondents' Brief was timely filed on December 10, 2018. Appellants' Reply Brief was timely filed on March 1, 2019.

The court heard oral argument on July 17, 2019. The parties are awaiting the court's ruling on the appeal.

B. Outreach and Training

- Commission Counsel L. Karen Harrison presented conflict of interest and Section 1090 training in San Luis Obispo County on July 2nd. The presentation was made at the request of Michael Frye, San Luis Obispo County District Attorney, and Roy Hanley, Central Coast Public Agency Attorney. Attendees included city attorneys and city managers from Atascadero, Pismo Beach, and San Luis Obispo area.
- In July, Political Reform Consultants, Alex Castillo and Aly Larson, helped a walk-in customer who wanted information on candidate/treasurer responsibilities.
- Video Tutorials: Commission video tutorials were accessed a total of 445 times in July; Form 700 videos were viewed 223 times, the Candidate/Treasurer video was viewed 133 times, and the filing officer videos were viewed 89 times.
- Filing Schedules: Staff posted filing schedules for the August 27 Special Election for Assembly District 1. Staff also created a filing schedule for a special election in Yolo County.

C. Advice

In July 2019, the Legal Division responded to the following requests for advice:

- **Education Program:** The Education Program responded to 622 requests for technical assistance via phone.
- **Requests for Advice:** Legal Division Political Reform Consultants and attorneys collectively responded to more than 676 e-mail and telephone requests for advice, 27 of which were not responded to within 24 hours.
- **Advice Letters:** The Legal Division received 13 new advice letter requests under the Political Reform Act and completed 5 letters.

- **Section 1090 Letters:** The Legal Division received 6 advice letter requests concerning Section 1090 and completed 6 letters. This year to date, we have received 47 advice requests regarding Section 1090.

D. Miscellaneous Decisions

None to report.

E. Potential Upcoming Regulations

September 19th, 2019

- Disclose Act Related Regulation Package. (Prenotice Discussion.)
- Regulation 18422: Multipurpose Organization Record Keeping. (Adoption.)

October 17th, 2019

- Regulation 18702.4: Conflict of Interest Analysis, Source of Gift Materiality Threshold. (Prenotice Discussion.)
- Regulation 18702.5: Conflict of Interest Analysis, Personal Financial Effect Materiality Threshold. (Prenotice Discussion.)
- Regulation 18419: Sponsored Committee Rules including (1) Time Periods for Analyzing Whether a Committee Qualified as Sponsored, (2) Naming Requirements, and (3) Harmonizing with Section 84222. (Adoption.)

November 21st, 2019

- Disclose Act Related Regulation Package. (Adoption.)

F. Conflict of Interest Codes

Adoptions and Amendments

State Agency Conflict of Interest Codes

- Central Valley Flood Protection Board

Multi-County Agency Conflict of Interest Codes

- Sunol Smart Carpool Joint Powers Authority

Exemptions

None to report.

Extensions

- CA Partnership for the San Joaquin Valley

G. Probable Cause Hearings

Please note, a finding of probable cause does not constitute a finding that a violation has occurred. The respondents are presumed to be innocent of any violation of the Act unless a violation is proven in a subsequent proceeding.

1. ***In the Matter of Albert Robles for Carson City Council 2013 and Albert Robles, FPPC No. 17/1164.*** On July 19, 2019, after hearing, probable cause was found to believe Respondents committed the following violations of the Act:

Count 1: The Committee and Robles failed to timely file a semiannual campaign statement for the reporting period of January 1, 2018 through June 30, 2018, in violation of Section 84200, subdivision (a).

Count 2: The Committee and Robles failed to timely file a semiannual campaign statement for the reporting period of July 1, 2018 through December 31, 2018, in violation of Section 84200, subdivision (a).

Count 3: Robles failed to timely file a semiannual campaign statement for the reporting period of January 1, 2018 through June 30, 2018 in conjunction with his position on the Water Board, in violation of Section 84200, subdivision (a).

The following matters were decided based solely on the papers. The respondents did not request a probable cause hearing.

2. ***In the Matter of Friends of Chris Stampolis, Friends of Chris Stampolis for Santa Clara School Board 2012, and Chris Stampolis, FPPC No. 15/1045.*** On July 16, 2019, probable cause was found to believe Respondents committed the following violations of the Act:

Count 1: The Friends Committee and Chris Stampolis failed to timely file the semi-annual campaign statement due February 1, 2016, in violation of Government Code Section 84200.

Count 2: The Friends Committee and Chris Stampolis failed to timely file the pre-election campaign statement due September 29, 2016, in violation of Government Code Sections 84200.5, subdivision (a), and 84200.8, subdivision (a).

Count 3: The Friends Committee and Chris Stampolis failed to timely file the pre-election campaign statement due October 27, 2016, in violation of Government Code Sections 84200.5, subdivision (a), and 84200.8, subdivision (b).

- Count 4: The Friends Committee and Chris Stampolis failed to timely file the semi-annual campaign statement due January 31, 2017, in violation of Government Code Section 84200.
- Count 5: The Friends Committee and Chris Stampolis failed to timely pay the 2015 annual fee by the January 15, 2015 due date and failed to pay a penalty of \$150 for failing to timely pay the annual fee, in violation of Government Code Section 84101.5, subdivisions (c) and (d).
- Count 6: The Friends Committee and Chris Stampolis failed to timely pay the 2016 annual fee by the January 15, 2016 due date and failed to pay a penalty of \$150 for failing to timely pay the annual fee, in violation of Government Code Section 84101.5, subdivisions (c) and (d).
- Count 7: The Friends Committee and Chris Stampolis failed to timely pay the 2017 annual fee by the January 15, 2017 due date and failed to pay a penalty of \$150 for failing to timely pay the annual fee, in violation of Government Code Section 84101.5, subdivisions (c) and (d).
- Count 8: The Friends Committee and Chris Stampolis failed to timely pay the 2018 annual fee by the January 15, 2018 due date and failed to pay a penalty of \$150 for failing to timely pay the annual fee, in violation of Government Code Section 84101.5, subdivisions (c) and (d).
- Count 9: The Friends Committee and Chris Stampolis failed to timely pay the 2019 annual fee by the January 15, 2019 due date and failed to pay a penalty of \$150 for failing to timely pay the annual fee, in violation of Government Code Section 84101.5, subdivisions (c) and (d).
- Count 10: The 2012 Committee and Chris Stampolis failed to timely file the semi-annual campaign statement due February 2, 2015, in violation of Government Code Section 84200.
- Count 11: The 2012 Committee and Chris Stampolis failed to timely file the semi-annual campaign statement due February 1, 2016, in violation of Government Code Section 84200.
- Count 12: The 2012 Committee and Chris Stampolis failed to timely file the pre-election campaign statement due September 29, 2016, in violation of Government Code Section 84200.5, subdivision (a), and 84200.8, subdivision (a).
- Count 13: The 2012 Committee and Chris Stampolis failed to timely file the pre-election campaign statement due October 27, 2016, in violation of Government Code Section 84200.5, subdivision (a), and 84200.8, subdivision (b).

Count 14: The 2012 Committee and Chris Stampolis failed to timely file the semi-annual campaign statement due January 31, 2017, in violation of Government Code Section 84200.

Count 15: The 2012 Committee and Chris Stampolis failed to timely pay the 2015 annual fee by the January 15, 2015 due date and failed to pay a penalty of \$150 for failing to timely pay the annual fee, in violation of Government Code Section 84101.5, subdivisions (c) and (d).

Count 16: The 2012 Committee and Chris Stampolis failed to timely pay the 2016 annual fee by the January 15, 2016 due date and failed to pay a penalty of \$150 for failing to timely pay the annual fee, in violation of Government Code Section 84101.5, subdivisions (c) and (d).

Count 17: The 2012 Committee and Chris Stampolis failed to timely pay the 2017 annual fee by the January 15, 2017 due date and failed to pay a penalty of \$150 for failing to timely pay the annual fee, in violation of Government Code Section 84101.5, subdivisions (c) and (d).

Count 18: The 2012 Committee and Chris Stampolis failed to timely pay the 2018 annual fee by the January 15, 2018 due date and failed to pay a penalty of \$150 for failing to timely pay the annual fee, in violation of Government Code Section 84101.5, subdivisions (c) and (d).

Count 19: The 2012 Committee and Chris Stampolis failed to timely pay the 2019 annual fee by the January 15, 2019 due date and failed to pay a penalty of \$150 for failing to timely pay the annual fee, in violation of Government Code Section 84101.5, subdivisions (c) and (d).

3. ***In the Matter of Cynthia Aguirre for Orange County Board of Supervisors 2018, Cynthia Aguirre, and Patricia Bermudez, Case No. 18-399.*** On July 31, 2019, probable cause was found to believe, on the papers, that Respondents committed the following violations of the Act:

Count 1: The Committee and Cynthia Aguirre failed to timely file the semi-annual campaign statement for the reporting period of January 1, 2017 through December 31, 2017, due on January 31, 2018, in violation of Government Code Section 84200.

Count 2: The Committee and Cynthia Aguirre failed to timely file the pre-election campaign statement for the reporting period of January 1, 2018 through April 21, 2018, due on April 26, 2018, in violation of Government Code Sections 84200.5, subdivision (a), and 84200.8, subdivision (a).

Count 3: The Committee and Cynthia Aguirre failed to timely file the pre-election campaign statement for the reporting period of April 22, 2018 through May 19, 2018, due May

24, 2018, in violation of Government Code Sections 84200.5, subdivision (a), and 84200.8, subdivision (b).

Count 4: The Committee and Cynthia Aguirre failed to timely file the semi-annual campaign statement for the reporting period of May 20, 2018 through June 30, 2018, due on July 31, 2018, in violation of Government Code Section 84200.

III. ADMINISTRATION & TECHNOLOGY DIVISION

STAFF: LORESSA HON, CHIEF OF ADMINISTRATION

New Employee Report

Administration and Technology Division

Elwyn Yabut, Information Technology Technician
Andrea Carey, Staff Services Analyst (Promotion)
Gary Stringer, Receptionist

Enforcement Division

Luz Bonetti, Supervising Management Auditor (Promotion)