



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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EXECUTIVE STAFF REPORTS

September 17, 2020 Commission Hearing

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I. ENFORCEMENT DIVISION

STAFF: GALENA WEST, CHIEF OF ENFORCEMENT

I. Overview

During the period of August 1, 2020 through August 31, 2020 the Enforcement Division received 115 complaints, opened 17 for investigation, and rejected 50. The Enforcement Division received 120 referrals during this time. The Enforcement Division closed a total of 117 cases including:

- 53 warning letters – campaign violations (15), conflict of interest code violations (1), lobbying violations (4), and statement of economic interests violations (33);
- 37 no action closure letters alleging – advertisement violations (2), campaign violations (2), and statement of economic interests violations (33);
- 25 approved stipulations from the August Commission meeting;
- 1 administrative judgement from the January Commission meeting; and
- 1 committee was administratively terminated.

The Division had 1,385 cases in various stages of resolution at the time of the August Monthly Report and currently has approximately 1,365 cases in various stages of resolution, including the 18 cases before the Commission as listed in the September Agenda.

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 2019, where Enforcement had a highly efficient and effective year, receiving almost 2,700 complaints and referrals and closing 1,031 cases with violations found. 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	2016	2017	2018	2019
1	Complaints Received	1,180	564	1,352	744
2	Referrals Received	350	1,616	1,529	1,950
3	Total Complaint and Referrals Received	1,530	2,180	2,881	2,694
4	Cases opened	1,315	1,480	1,561	1,820
5	Cases closed ³	1,803	1,477	1,243	1,465
6	Cases with resolutions approved by the Commission ¹	311	340	235	343
	a Streamline cases approved by Commission	234	262	173	263
	b Mainline cases approved by Commission	70	66	56	73
	c Default cases approved by Commission	7	12	6	7
7	Total fines imposed by the Commission	\$894,257	\$1,126,933	\$499,606	\$797,384
8	Warning letters issued	489	505	554	584
9	Administrative terminations	668	297	177	104
10	Cases closed with violations found ²	1,468	1,142	966	1,031
11	Advisory letters issued	14	17	20	9
12	No action closure letters	321	318	252	423

¹ Total for lines 6a, 6b, and 6c.

² Total for lines 6, 8, and 9.

³ Total cases closed includes Commission approved cases from the previous year and a Commission approved administrative judgement. It does not include Commission approved cases not yet closed.

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.

Campaign Late Filer

[In the Matter of Brenda Zendejas for Board of Trustee 2018, Brenda Zendejas, and Adolfo Zendejas; FPPC No. 18/923.](#) Staff: Jenna C. Rinehart, Commission Counsel. Brenda Zendejas was an unsuccessful candidate for Alum Rock Union Elementary School District Board in the November 6, 2018 General Election. Brenda Zendejas for Board of Trustee 2018 was her candidate-controlled committee. Adolfo Zendejas was the Committee's treasurer. The Committee, Zendejas, and Zendejas failed to timely file a statement of organization to disclose the date the Committee was qualified, in violation of Government Code Section 84103 (1 count); failed to timely file a pre-election campaign statement, in violation of Government Code Section 84200.5 (1 count); and failed to timely file a semiannual campaign statement, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$606.**

Lobbying

[In the Matter of Palo Alto Networks; FPPC No. 20/470.](#) Staff: Galena West, Chief of Enforcement and Chloe Hackert, Political Reform Consultant. Palo Alto Networks, a lobbyist employer, failed to timely file three lobbyist employer quarterly reports, in violation of Government Code Section 86117 (3 counts). **Total Proposed Penalty: \$1,160.**

[In the Matter of California Industrial Hygiene Council; FPPC No. 18/1494.](#) Staff: Galena West, Chief of Enforcement and Ginny Lambing, Political Reform Consultant. California Industrial Hygiene Council, a lobbyist employer, failed to timely file one lobbyist employer quarterly report, in violation of Government Code Section 86117 (1 count). **Total Proposed Penalty: \$335.**

Statement of Economic Interests Late Filer

[In the Matter of Maryam Hosseinzadeh; FPPC No. 16/19884.](#) Staff: Jenna C. Rinehart, Commission Counsel. Maryam Hosseinzadeh, a former Arts Associate for the Department of Cultural Affairs, 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 Keshia Thomas; FPPC No. 19/808.](#) Staff: Jenna C. Rinehart, Commission Counsel. Keshia Thomas, a Governing Board Member for Fresno Unified School District, failed to timely file an Assuming Office Statement of Economic Interests, in violation of Government Code Section 87202 (1 count). **Total Proposed Penalty: \$400.**

In the Matter of Ognjen Petras; FPPC No. 19/859. Staff: Galena West, Chief of Enforcement and Amber Burnside, Staff Services Analyst. Ognjen Petras, a Physician and Surgeon for California Correctional Health Care Services, failed to timely file an Assuming Office and 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Total Proposed Penalty: \$400.**

In the Matter of Rosalva Villegas; FPPC No. 20/487. Staff: Galena West, Chief of Enforcement and Amber Burnside, Staff Services Analyst. Rosalva Villegas, a Psychologist for California Correctional Health Care Services, failed to timely file an Assuming Office Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

In the Matter of Eddy Hartenstein; FPPC No. 19/1311. Staff: Galena West, Chief of Enforcement and Amber Burnside, Staff Services Analyst. Eddy Hartenstein, Director for Hidden Valley Municipal Water District, failed to timely file a 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

In the Matter of Michael Vacio; FPPC No. 19/893. Staff: Galena West, Chief of Enforcement and Amber Burnside, Staff Services Analyst. Michael Vacio, Director for San Miguel Consolidated Fire Protection District, 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 Doug Cox; FPPC No. 19/1777. Staff: Galena West, Chief of Enforcement and Amber Burnside, Staff Services Analyst. Doug Cox, a Planning Commissioner for the City of Fullerton, failed to timely file an Assuming Office Statement of Economic Interests, in violation of Government Code Section 87202 (1 count). **Total Proposed Penalty: \$200.**

In the Matter of Robert Felker; FPPC No. 19/1411. Staff: Galena West, Chief of Enforcement and Amber Burnside, Staff Services Analyst. Robert Felker, a Planning Commissioner for the City of Kerman, failed to timely file a 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87203 (1 count). **Total Proposed Penalty: \$200.**

In the Matter of Charles William Camp; FPPC No. 19/1506. Staff: Jenna C. Rinehart, Commission Counsel. Charles William Camp, a former Board Member for the California Workforce Development Board, failed to timely file a 2018 Annual/Leaving Office Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed \$200.**

In the Matter of Jennifer Dean; FPPC No. 19/176. Staff: Theresa Gilbertson, Senior Commission Counsel. Jennifer Dean, a Site Supervisor for Pacific View Charter School, 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 Susan Lenz; FPPC No. 19/1308. Staff: Galena West, Chief of Enforcement and Kimberly Rawnsley, Staff Services Analyst. Susan Lenz, an Alternate Commissioner for the Delta Protection Commission, failed to timely file an Assuming Office Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

II. LEGAL DIVISION

STAFF: DAVID BAINBRIDGE, GENERAL COUNSEL

A. Pending Litigation

California State Association of Counties and California School Boards Association v. FPPC
County of Los Angeles 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 filed a demurrer and the hearing occurred on November 22, 2019. In its ruling, the court: (1) sustained the demurrer to the first cause of action without leave to amend; (2) sustained the demurrer with leave to amend on plaintiff CSBA's standing on all cause of action and plaintiff CSAC's standing on all causes of actions challenging Regulation 18901.1; and (3) overruled the remaining grounds for demurrer.

Plaintiffs filed a third amended complaint and the Commission has filed an answer. The trial setting conference was held on June 24, 2020, and the trial was set for November 6, 2020, at 9:30 a.m.

Mat Wahlstrom v. California Fair Political Practices Commission and Steven J. Kaufman
County of San Diego Superior Court, Central Division, Case No. 37-2020-00030654-CU-WM-CTL

Petitioner filed a petition for writ of mandate on August 31, 2020. The petition seeks to set aside a streamline stipulation, decision and order against Todd Gloria adopted by the Commission in November 2019. Staff is evaluating the petition and will timely file an appropriate responsive pleading.

B. Outreach and Training

- August 5th, Staff Services Manager, Alana Jeydel, and Political Reform Consultant, Adam Ramirez, conducted a Candidate/Treasurer webinar for the City of Anaheim. 29 people attended.
- August 11th, Political Reform Consultant, Stephen Hernandez, and Political Reform Consultant, Katie Trumbly, conducted a Candidate/Treasurer webinar for the City of Santa Clara. 45 people attended.
- August 17th, Political Reform Consultant, Adam Ramirez and Political Reform Consultant, Katie Trumbly, conducted a Candidate/Treasurer webinar for the San Diego County Registrar of Voters. 45 people attended.
- August 19th, Staff Services Manager, Alana Jeydel, and Political Reform Consultant, Stephen Hernandez, conducted a Candidate/Treasurer webinar for the City of Santa Monica. 33 people attended.
- August 25th, Political Reform Consultant, Katie Trumbly, conducted a Statement of Economic Interest Filing Officer webinar for the Orange County Public Employee Retirement System. 5 people attended.
- August 27th, two webinars were conducted for the City of Downey. Staff Services Manager, Alana Jeydel, and Political Reform Consultant, Adam Ramirez, conducted a Campaign Filing Officer webinar in the afternoon. 9 people attended. Political Reform Consultant, Stephen Hernandez, and Political Reform Consultant, Katie Trumbly, conducted a Candidate/Treasurer webinar in the evening and 19 people attended.
- Video Tutorials: Commission video tutorials were accessed a total of 1,047 times in August. Form 700 videos were accessed 470 times, the Candidate/Treasurer video was accessed 465 times, and the filing officer videos were accessed 112 times.

Scheduled Webinars

- September 10th, the FPPC is hosting a Candidate/Treasurer webinar.
- October 7th, the FPPC is hosting a Candidate/Treasurer webinar.
- November 17th, the FPPC is hosting a Statement of Economic Interests Filing Officer webinar.
- November 19th, the FPPC is hosting a Statement of Economic Interest Filers webinar.
- December 8th, the FPPC is hosting a Statement of Economic Interest Filers webinar.

- December 10th, the FPPC is hosting a Statement of Economic Interests Filing Officer webinar.
- January 12th, the FPPC is hosting a Statement of Economic Interest Filers webinar.
- January 14th, the FPPC is hosting a Statement of Economic Interests Filing Officer webinar.

C. Advice

The August 2020, Advice Letter Report is available at <http://fppc.ca.gov/content/dam/fppc/NS-Documents/LegalDiv/advice-letter-reports/2020/Advice%20Letter%20Report%20August%202020.pdf>

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

- **Education Program:** The Education Program responded to 1,142 requests for technical assistance via phone.
- **Requests for Advice:** The Email Advice and Conflict of Interest Code Program and Legal Division attorneys collectively responded to more than 1,522 e-mail and telephone requests for advice, 141 of which were not responded to within 24 hours.
- **Advice Letters:** The Legal Division received eight advice letter requests under the Political Reform Act and completed eight.
- **Section 1090 Letters:** The Legal Division received four advice letter requests concerning Section 1090 and completed four. This year to date, we have received 29 advice requests regarding Section 1090.

D. Miscellaneous Decisions

None to report.

E. Potential Upcoming Regulations

October 22, 2020

- Enforcement Proceedings (Regulations 18360, 18361.4, 18361.5, 18361.9, 18404.2): Various changes to Enforcement proceedings and practices including updating and clarifying the process for Enforcement complaints, probable cause proceedings, administrative hearings, adoption of proposed decisions by an administrative law judge, and administrative termination. (Adoption.)

- Streamline and Warning Letter Programs. (Regulations 18360.1, 18360.2, and 18360.3. Proposed expansion and adjustment to the Commission’s Streamline Settlement and Warning Letter Programs in response to the Commission’s request to review the programs after initial implementation over a year ago. (Adoption.)
- Permissible Campaign Expenditures (New regulation): Provide guidance on whether an expenditure of campaign funds has a sufficient political, legislative, or governmental purpose under Article 4 of the Act. Provisions may include specific items previously addressed through the advice or opinion process, and/or generally applicable guidelines. Provisions may also consider a presumption of personal use in instances of cash expenditures of campaign funds without adequate records. (Prenotice Discussion.)

November 19th, 2020

- Statement of Economic Interests (Regulations 18110, 18115, 18735, and 18754): Amend existing regulations regarding the filing of Statements of Economic Interests in light of issues resulting from the significant increase in the use of electronic filing. Also, consider a new regulation governing the filing of a single statement by an official with multiple positions. (Adoption.)
- Cost of Living Adjustment. Biennial cost of living adjustment to Contribution Limits, Voluntary Expenditure Ceilings, and the Gift Limit under Sections 83124, 85316(b)(4), and 89503(f). (Adoption.)

December 17th, 2020

- Permissible Campaign Expenditures (New regulation): Provide guidance on whether an expenditure of campaign funds has a sufficient political, legislative, or governmental purpose under Article 4 of the Act. Provisions may include specific items previously addressed through the advice or opinion process, and/or generally applicable guidelines. Provisions may also consider a presumption of personal use in instances of cash expenditures of campaign funds without adequate records. (Adoption.)

F. Conflict of Interest Codes

Adoptions and Amendments

State Agency Conflict of Interest Codes

- California Collaborative for Educational Excellence.

Multi-County Agency Conflict of Interest Codes

- Central Coast Water Authority
- East Bay Municipal Utility District
- Marin Clean Energy
- Oakdale Irrigation District
- Sacramento-Yolo Port District Commission

Exemptions

- None to report.

Extensions

- None to report.

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.

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

1. ***In the Matter of Delila Gomez, Case No. 2019-00243.*** On August 11, 2020, probable cause was found to believe Respondent committed the following violations of the Act:

Count 1: Gomez failed to timely file an Assuming Office SEI by June 1, 2017, in violation of Government Code section 87202.

Count 2: Gomez failed to timely file a 2017 Annual SEI by April 2, 2018, in violation of Government Code section 87203.

Count 3: Gomez failed to timely file a Leaving Office SEI by June 3, 2018, in violation of Government Code section 87204.

2. ***In the Matter of Nick Rivera, FPPC No. 2019-00283.*** On August 17, 2020, probable cause was found to believe Respondent committed the following violations of the Act:

Count 1: Rivera failed to timely file a 2016 Annual SEI by April 3, 2017, in violation of Government Code section 87203.

Count 2: Rivera failed to timely file a 2017 Annual SEI by April 2, 2018, in violation of Government Code section 87203.

Count 3: Rivera failed to timely file a 2018 Annual/Leaving Office Combined SEI by February 21, 2019, in violation of Government Code section 87204 and Regulation 18723 subdivision (d).

3. ***In the Matter of Henry Pritchard, Case No. 16/20050.*** On August 26, 2020, probable cause was found to believe Respondent committed the following violation of the Act:

Count 1: Pritchard failed to timely file his 2018 annual Statement of Economic Interests (“SEI”) by the April 2, 2019 due date, in violation of Government Code Section 87300.

III. ADMINISTRATION & TECHNOLOGY DIVISION

STAFF: LORESSA HON, CHIEF OF ADMINISTRATION

New Employee Report

Enforcement Division

Jay Gehres, Special Investigator

Denisse Garcia, Staff Services Management Auditor

David Castro, Commission Counsel

Executive Division

Lindsey Nakano, Legislative Counsel