

News from the FPPC



California Fair Political Practices Commission
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For Immediate Release: August 22, 2013

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FPPC Enforcement Decisions: August 22, 2013

The following are enforcement decisions approved by the Fair Political Practices Commission at its regular monthly meeting held on Thursday, August 22, 2013. Decisions are listed by category and include a brief summary of each case and the total amount of any administrative fine or fines in each case.

Additional information on each of the enforcement cases below can be found in the August agenda on the FPPC website at www.fppc.ca.gov. FPPC agendas are distributed and posted on the agency website at least 10 days prior to each monthly meeting.

The web version of the agenda includes links to the stipulations agreed to by the commission and by the individuals and organizations subject to the fines, or the default decisions proposed to the commission. Exhibits in support of the stipulations and proposed default decisions are also available on the website. If you are unable to access the FPPC website, or need further assistance, please call the FPPC communications office at (916) 322-7761.

Influencing Prospective Employment Violations

California law prohibits a public official from making, participating in making, or using his or her official position to influence, any governmental decision directly relating to any person with whom he or she is negotiating, or has any arrangement concerning, prospective employment. The following officials violated this prohibition:

Mark Moses, in his capacity as the Chief Financial Officer of the City of Stockton, made, participated in making, or attempted to influence, two governmental decisions directly related to a person with whom he was negotiating, or had an arrangement concerning, prospective employment. **\$8,000 fine.**

Dwain Sanders served as a Director on the Western Hills Water District Board of Directors from 2005 to 2008. Mr. Sanders failed to timely report on his 2008 Statement of Economic Interests, income he received from his employers, Diablo Grande LP and World International, Inc., who had business before the Western Hills Water District during 2008. In addition, Mr. Sanders, in his capacity as a Director on the Western Hills Water District Board of Directors, voted on a matter directly relating to World International, Inc., with whom he had an arrangement concerning prospective employment at the time of the vote. **\$4,000 fine.**

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Conflict of Interest Violation

California law states that, absent an exception, a public official may not make, participate in making or in any way attempt to use his or her official position to influence a governmental decision in which he or she knows or has reason to know he or she has a financial interest. The following official made a governmental decision in which she had a financial interest:

Guadalupe “Lupe” Ramos Watson, a member of the City of Indio City Council, made a governmental decision in which she had a financial interest, by voting to authorize a lease agreement between the Redevelopment Agency for the City of Indio and KEB Enterprises, LLC, for the lease of the Indio Transportation Center site, which was located within 500 feet of real property in which she held an economic interest of \$2,000 or more. **\$4,000 fine.**

Campaign Reporting Violations

Sharon Runner, Sharon Runner for Senate 2011, Sharon Runner for Senate 2012, and Kelly Lawler, Treasurer. This matter originated as a Franchise Tax Board audit. Sharon Runner, Sharon Runner for Senate 2011, and the committee’s treasurer, Kelly Lawler, impermissibly made contributions in excess of the \$3,900 contribution limit to a committee controlled by a candidate for elective state office. Sharon Runner, Sharon Runner for Senate 2012, and the committee’s treasurer, Kelly Lawler, also impermissibly made contributions in excess of the \$3,900 contribution limit to a committee controlled by a candidate for elective state office. **\$8,000 fine.**

Judith L. Dunlap, Dunlap for Mayor 2010, Dunlap 2009, and Friends to Elect Judy Dunlap.

Judith L. Dunlap was an Inglewood City Councilmember since 1993. She ran for Inglewood City Council in the April 7, 2009 election and in a run-off election August 31, 2010, and won both times. She also ran for Mayor of Inglewood in the June 8, 2010 and the November 2, 2010 elections and was defeated both times. Dunlap for Mayor 2010, Dunlap 2009, and Friends to Elect Judy Dunlap, were the controlled committees of Ms. Dunlap for these elections. Ms. Dunlap served as treasurer of the committees. In this matter, she failed to file preelection and semi-annual campaign statements and failed to maintain records to support the information required to be disclosed on campaign statements. **\$9,500 fine.**

Rancho Bernardo Democratic Club and Pat Jones, Treasurer, failed to file semiannual statements covering the periods July 1, 2011, through December 31, 2011, due January 31, 2012, January 1, 2012, through June 30, 2012, due July 31, 2012, and July 1, 2012, through December 31, 2012, due January 31, 2013. **\$7,500 fine.**

California Taxpayer Protection Committee and Thomas N. Hudson. California Taxpayer Protection Committee, a state general purpose committee, and the committee’s treasurer, Thomas N. Hudson, failed to timely report subvendor information for payments, totaling \$252,635.63, made during the reporting periods ending June 30, September 30, and December 31, 2008. They also failed to report twelve late independent expenditures, totaling \$85,194.85, made to oppose or support local candidates and measures in the June 3 and November 4, 2008, elections, to the local filing officer within 24 hours. **\$5,500 fine.**

Stonewall Democratic Club of Greater Sacramento, William Guy Crouch, and Christopher Welton. Stonewall Democratic Club of Greater Sacramento qualified as a county general purpose committee in 2002, and in 2003 qualified as a state general purpose committee. From July 17, 2006 through July 22, 2008, William Guy Crouch was the committee’s treasurer, and from July 23, 2008 through July 12, 2011, Christopher Welton was the committee’s treasurer. This matter was referred to the Enforcement Division as the result of an FTB audit. In this matter, they failed to maintain the detailed accounts, records, bills, and receipts necessary to prepare campaign statements for reporting periods in calendar year 2008; failed to file a pre-election campaign statement by the October 23, 2008 due date, for the reporting period of October 1 through October 18, 2008; and failed to file a ballot measure contribution report within 10 business days of making a contribution on October 8, 2008, totaling five thousand dollars (\$5,000) or more to support or oppose the qualification or passage of a single state ballot measure. **\$5,000 fine.**

League of Placer County Taxpayers and Michael Musolino. League of Placer County Taxpayers qualified as a primarily formed ballot measure committee that supported the election of two candidates, Bonnie Gore and Carol Garcia, and opposed a third, Phil Ozenick, all of whom appeared on the ballot as Roseville City Council candidates in the November 6, 2012 election. Michael Musolino was the treasurer for the committee at all times relevant. They failed to timely file a second pre-election campaign statement covering the period October 1, 2012, through October 20, 2012, due October 25, 2012 and failed to timely file a late contribution report. **\$4,500 fine.**

William Lee ran for a Director position on the Marina Coast Water District Board in 2010. The Committee to Elect William Lee Marina Coast Water District November 2, 2010 was his campaign committee. Mr. Lee violated the Political Reform Act by using his personal bank account to deposit campaign contributions and make campaign expenditures, and failing to maintain adequate campaign records. **\$4,500 fine.**

Jasvir Sidhu was a successful candidate for the Sierra View Local Health Care District Board of Directors in the election held on November 6, 2012. In this matter, he failed to file pre-election campaign statements covering the periods July 1, 2012, through September 30, 2012, due October 5, 2012 and October 1, 2012, through October 20, 2012, due October 25, 2012. **\$2,000 fine.**

Ventura County Medical Association PAC and Mary Carr, Treasurer, failed to timely file eight consecutive recipient committee campaign disclosure statements from January of 2009, through December of 2012. **\$1,600 fine.**

Bruce Q. Tran and Bruce Tran for Mayor of Westminster 2010. Bruce Q. Tran, an unsuccessful candidate for Mayor of the City of Westminster in the November 2, 2010 election, and his controlled committee, failed to timely file a Form 460 Recipient Committee Campaign Statement covering the period October 17, 2010, through December 31, 2010, due January 31, 2011. **\$1,000 fine.**

Sal Torres, Friends of Sal Torres, and Leslie Torres. Sal Torres, a candidate for re-election to the Daly City Council in the November 6, 2012 election, his candidate controlled committee, Friends of Sal Torres, and Leslie Torres, the committee's treasurer, failed to timely file a semi-annual campaign statement covering the period October 21, 2012, through December 31, 2012, due January 31, 2013. **\$1,000 fine.**

Seven Hills Land and Cattle Company, LLC; Reverage Anselmo. Seven Hills Land & Cattle LLC and its owner Reverage Anselmo of Shingletown failed to timely file a semi-annual campaign statement covering the period January 1, 2012, through June 30, 2012, due July 31, 2012, disclosing contributions totaling \$31,900 and a semi-annual campaign statement for the period July 1, 2012, through December 31, 2012, due January 31, 2013, disclosing contributions totaling \$12,700. **\$800 fine.**

Sutter County Republican Central Committee and Stephen Elliott, Treasurer, failed to timely file three campaign statements covering the periods January 1, 2012, through June 30, 2012, due on July 31, 2012, July 1, 2012, through September 30, 2012, due on October 5, 2012, and October 1, 2012, through December 31, 2012, due January 31, 2013, with the Secretary of State. **\$600 fine.**

Janan Hebert, as a Chowchilla City Council Member and former Mayor, failed to timely file Short Form 470 Officeholder Campaign Statement for the 2011 calendar year. **\$400 fine.**

Maritza R. Molina, as a candidate for the Centinela Valley School Board of Education, failed to timely file the semi-annual statement short form covering January 1, 2012, through December 31, 2012, due July 31, 2012, with the Los Angeles County Registrar-Recorder/County Clerk. **\$200 fine.**

Operative Plasterers and Cement Masons International Association Local 200 PAC failed to timely file Short Form 450 Recipient Committee Campaign Statement covering the 2012 calendar year. **\$200 fine.**

Lobbying Reporting Violations

California law requires lobbying entities to file registration forms and quarterly reports to provide the public with specified information. The following failed to timely file the required forms or failed to include all required information:

Brencourt Advisors, and its Responsible Officer, Brian Collins, failed to timely file two Form 635 Lobbyist Employer Reports covering the periods July 1, 2011, through September 30, 2011, and October 1, 2011, through December 31, 2011, failing to disclose total payments made for lobbying services in the amount of \$125,000. **\$2,000 fine.**

AMN Healthcare, Inc., failed to timely disclose \$91,296.72 in lobbying activity over six reporting periods during the 2011/2012 legislative session. **\$1,200 fine.**

California State Student Association failed to timely disclose \$14,674 in lobbying activity over two reporting periods during the 2011/2012 legislative session. **\$400 fine.**

California Employment Law Council, a California lobbyist employer, and Paul Grossman, California Employment Law Council's General Counsel and Responsible Officer, failed to timely file Form 635 Lobbyist Employer Report covering the period July 1, 2012 through December 31, 2012, failing to disclose total payments made for lobbying services in the amount of \$30,672.12. **\$400 fine.**

William C. Velasquez Institute and Antonio Gonzalez. William C. Velasquez Institute, a California lobbyist employer, and Antonio Gonzalez, the Institute's President and Responsible Officer, failed to timely file Form 635 Lobbyist Employer Report covering the period April 1, 2012, through June 30, 2012, failing to disclose total payments made for lobbying services in the amount of \$6,000. **\$200 fine.**

Statement of Economic Interests Violations – Non-Reporting

California law requires elected officials, certain board members and governmental employees, and consultants employed by governmental entities to complete and file Statements of Economic Interests (SEIs or Form 700s). SEIs serve a dual purpose: they make a filer aware of personal economic interests relative to a governmental decision, and they are an important disclosure document for the public and media. The following individuals failed to timely disclose all economic interests that were required to be disclosed:

Guillermo Marrero, while serving as a Director on the Western Hills Water District Board of Directors, failed to timely disclose income received from World International, Inc. on his Assuming Office Statement of Economic Interests and 2008 Annual Statement of Economic Interests. **\$400 fine.**

Douglas Kearny, while serving as a Director on the Western Hills Water District Board of Directors, failed to timely disclose income received from World International, Inc. on his Assuming Office Statement of Economic Interests and 2009 Annual Statement of Economic Interests. **\$400 fine.**

Carmen Kearny, while serving as a Director on the Western Hills Water District Board of Directors, failed to timely disclose income received from World International, Inc. on her Assuming Office Statement of Economic Interests and 2009 Annual Statement of Economic Interests. **\$400 fine.**

Ruby Beltran, while serving as a Director on the Western Hills Water District Board of Directors, failed to timely disclose income received from World International, Inc. on her Assuming Office Statement of Economic Interests and 2009 Annual Statement of Economic Interests. **\$400 fine.**

Evelyn Reeves, as a member of the Los Angeles County Assessment Appeals Board, failed to timely disclose economic interests in stocks and mutual funds, rental income from two properties in Los Angeles, and income from a company she owned, on her 2011 Annual Statement of Economic Interests covering the period January 1, 2011, through December 31, 2011. **\$200 fine.**

Statements of Economic Interests – Receipt of Gift Over the Limit Violation

California law imposes annual gift limits and requires that gifts received from reportable sources must be disclosed on a Statement of Economic Interests. The following accepted a gift that exceeded the annual gift limit:

Jerome Moss, former Member of the Horse Racing Commission, received a gift exceeding the applicable gift limit for 2011. **\$200 fine.**

Statement of Economic Interests Violations – Non-Filer

California law requires elected officials, certain board members and governmental employees, and consultants employed by governmental entities to complete and file Statements of Economic Interests (SEIs or Form 700s). SEIs serve a dual purpose: they make a filer aware of personal economic interests relative to a governmental decision, and they are an important disclosure document for the public and media. The following individuals failed to timely file an SEI:

Samuel Moore was elected as a Board Member of the Newcastle Elementary School District in November 2008 and again in November 2012, and currently serves as the Board President. As a Board Member of the Newcastle Elementary School District, Mr. Moore was required to file Annual Statements of Economic Interests for calendar years 2009, 2010, and 2011; however, he failed to file a 2009 Annual Statement of Economic Interests by the April 1, 2010 deadline, failed to file a 2010 Annual Statement of Economic Interests by the April 1, 2011 deadline, and failed to file a 2011 Annual Statement of Economic Interests by the April 2, 2012 deadline. **\$6,000 fine.**

Jonathan Leone is a member of the Sausalito City Council. As a member of the Sausalito City Council, Mr. Leone was required to file an Annual Statement of Economic Interests for the 2010 and 2011 calendar year; however, he failed to timely file his Annual Statement of Economic Interests for the period covering January 1, 2010, through December 31, 2010, and January 1, 2011, through December 31, 2011, by April 1, 2011 and April 2, 2012, respectively. **\$10,000 fine.**

Aurelio Salazar Jr., Monterey County Planning Commissioner, failed to timely file his Annual Statement of Economic Interests, covering the 2011 calendar year, due April 2, 2012. **\$200 fine.**

William Jensen, as a member of the City of Hesperia Planning Commission, failed to timely file the 2011 Annual Statement of Economic Interests covering the period January 1, 2011, through December 31, 2011, due April 2, 2012. **\$200 fine.**

Mass Mailing Violations

California law requires that mass mailings include complete disclosure statements with specified information. The following failed to display a complete disclosure statement:

Election Digest-A Project of The Coalition for Literacy and Tracey Pomerance-Poirier. Election Digest-A Project of The Coalition for Literacy is a slate mailer organization. Tracey Pomerance-Poirier formed the organization and directed its activity. They violated the Political Reform Act by failing to print the required wording of the "Notice to Voters" in a color or print which contrasts with the background so as to be easily legible, on slate mailers sent in connection with the November 6, 2012, election. **\$3,000 fine.**

Jerald "Jerry" Hyde qualified as an independent expenditure committee in October 2012. In this matter, Mr. Hyde violated the mass mailing sender identification provisions of the Political Reform Act when he paid for and caused to be sent a mass mailing expressly advocating the defeat of a local school bond measure in the November 6, 2012, election, which failed to display required sender identification. **\$2,000 fine.**

Howard Gustafson unsuccessfully ran for a seat on the Marina Coast Water District in 2010. During the campaign, Mr. Gustafson and two other candidates jointly produced and sent three sets of mass mailers. The mass mailers did not contain required identifying information for Mr. Gustafson, specifically the street address and city of his campaign committee. **\$1,000 fine.**

Major Donor Reporting Violations

A major donor is an individual or entity who makes contributions totaling \$10,000 or more in a calendar year and is required to file campaign reports detailing how much was contributed and to whom. The following failed to file major donor reports as required by law:

Cynthia Giumarra and affiliated entities failed to timely file Form 461 Major Donor Committee Campaign Statements for 2010 through 2012. They also failed to timely file Form 497 Late Contribution Reports covering the periods October 19, 2010, due October 20, 2010, February 29, 2011, due March 1, 2011, and May 23, 2012, due May 24, 2012, with the Secretary of State. **\$3,799 fine.**

Salvadore Giumarra and affiliated entities failed to timely file Form 461 Major Donor Committee Campaign Statements for 2010. **\$400 fine.**

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