

# News from the FPPC



California Fair Political Practices Commission  
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For Immediate Release: September 19, 2013 Contact: Richard Hertz at (916) 322-7761

## FPPC Enforcement Decisions: September 19, 2013

The following are enforcement decisions approved by the Fair Political Practices Commission at its regular monthly meeting held on Thursday, September 19, 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 September agenda on the FPPC website at [www.fppc.ca.gov](http://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.

### Lobbying Firm Registration and Reporting Violation

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

**California Strategies LLC, Jason Kinney, Rusty Areias, and Winston Hickox** violated the Political Reform Act by failing to register as a lobbying firm, failing to file quarterly lobbying firm reports during calendar year 2012, and failing to maintain records to support the information required to be disclosed on lobbying reports. Jason Kinney qualified as a lobbyist but failed to complete and file the Lobbyist Certification Statement and failed to file quarterly lobbyist reports. Rusty Areias qualified as a lobbyist in 2012 but failed to complete and file the Lobbyist Certification Statement and failed to file quarterly lobbyist reports. Winston Hickox qualified as a lobbyist in 2012 but failed to complete and file the Lobbyist Certification Statement, and failed to file quarterly lobbyist reports. **\$40,500 fine (California Strategies LLC - \$10,500; Jason Kinney - \$12,000; Rusty Areias - \$6,000; and Winston Hickox - \$12,000).**

### Conflict of Interest Violations

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 officials made a governmental decision in which they had a financial interest:

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**Chris Canning**, in his capacity as a member of the Calistoga City Council, made governmental decisions in which he knew, or had reason to know, he had a financial interest, by voting on matters that had a reasonably foreseeable financial effect on the Calistoga Chamber of Commerce while he was the executive director of the Calistoga Chamber of Commerce. **\$3,000 fine.**

**James Kopshever**, a member of the City of Chowchilla City Council, made a governmental decision in which he had a financial interest, by voting to award a five-year farm land lease agreement to Fagundes Brothers Dairy, which was a source of income to him. **\$3,000 fine.**

### Campaign Reporting Violations

**Friends of Rosalinda Avitia For Tulare Local Healthcare District Area 2 Director, Rosalinda Avitia, and Robert Montion**, the committee's treasurer, failed to report nine contributions of \$100 or more, totaling \$2,200, received between July 1, 2012, and September 30, 2012, by the October 5, 2012, deadline, and failed to report three contributions of \$100 or more, totaling \$400, received between October 1, 2012, and October 20, 2012, by the October 25, 2012, deadline. **\$3,500 fine.**

**Hector De La Torre, DeLaTorre for Insurance Commissioner 2010, and Jane Leiderman.** This case arose from a Franchise Tax Board audit. Hector De La Torre was an unsuccessful candidate for Insurance Commissioner in the Democratic primary election held on June 8, 2010. DeLaTorre for Insurance Commissioner 2010 was his candidate controlled committee, and Jane Leiderman was the committee treasurer. They failed to report subvendor information for payments totaling approximately \$614,185 on campaign statements filed for the reporting periods ending May 22 and June 30, 2010. **\$2,500 fine.**

**Breans Against Measures T & U, Rehan Chaudry, and Brett Murdock.** Breans Against Measures T & U qualified as a primarily formed ballot measure committee on or about October 1, 2012. At all times relevant to this matter, Rehan Chaudry was the Treasurer of this Committee. At all times relevant, Brett Murdock was a member of the Brea City Council as well as the controlling candidate. Breans Against Measures T & U opposed Measures T, the Brea Accountability Act, and U, the Brea Open Governance Act, on the ballot in the November 6, 2012 election. They failed to disclose that the Committee was controlled, and to include the name of the controlling candidate on its statement of organization. **\$2,000 fine.**

**Yes on 37 for Your Right to Know if Your Food Has Been Genetically Engineered. Supported by Consumer Advocates, Makers of Organic Products and California Farmers** authorized and paid for video advertisements in support of Proposition 37, but the required disclosure statements as to the committee name and donors of \$50,000 or more were not presented in a clear and conspicuous manner. **\$1,500 fine.**

**A Committee in Support of Proposition 34, Sponsored by ACLU of Northern California, and Abdi Soltani**, the committee's treasurer, failed to timely file campaign reports for the semiannual period January 1, 2012, through June 30, 2012, due July 31, 2012, as an electronic filing; the pre-election periods July 1, 2012, through September 30, 2012, due October 5, 2012, and October 1, 2012, through October 20, 2012, due October 25, 2012; and a Late Contribution Report for contributions made on April 27, 2012, due April 28, 2012. **\$800 fine.**

**Family Farmers Working for a Better California, with Major Support by Western Growers Association, and Ward Kennedy**, the committee's treasurer, failed to timely file the Supplemental Independent Expenditure (Form 465) covering the periods October 1, 2012, through October 20, 2012, due October 25, 2012, and October 21, 2012, through December 31, 2012, due January 31, 2013, with the Secretary of State in both paper and electronic format. **\$400 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:

**Broad & Gusman, LLP**, a California lobbying firm, and Barry Broad, Broad & Gusman's Responsible Officer, failed to timely file a Report of Lobbying Firm (Form 625) covering the period July 1, 2012, through September 30, 2012, failing to disclose total payments received for lobbying services in the amount of \$222,908.04. **\$2,500 fine.**

**Property ID Corporation**, a California lobbyist employer, and Morgan McComb, Property ID Corporation's Vice President of Administration and Responsible Officer, failed to timely file a Lobbyist Employer Report (Form 635) covering the periods April 1, 2012, through December 31, 2012, disclosing total payments made for lobbying services in the amount of \$25,950.63. **\$600 fine.**

**Performance Marketing Association**, a California lobbyist employer, failed to timely file a Lobbyist Employer Report (Form 635) covering January 1, 2011, through March 31, 2011, failing to disclose total payments made for lobbying services in the amount of \$24,610.03. **\$200 fine.**

### Mass Mailing Violation

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

**Alan Frank, Alan Frank for City Council 2012, and Jeff Buchanan.** Alan Frank was an unsuccessful candidate for Placentia City Council in the November 6, 2012 election. Alan Frank for City Council 2012 was Mr. Frank's candidate controlled committee, and Jeff Buchanan was the Treasurer of the committee. Prior to the election, they paid for and caused to be sent two mass mailers which failed to identify them as the senders of the mailers. **\$2,500 fine.**

### Major Donor 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:

**Skechers USA, Inc.** failed to timely file Major Donor Reports (Form 461) disclosing 6 contributions made during the periods January 1, 2011, through June 30, 2011, due on July 31, 2011; January 1, 2012, through June 30, 2012, due July 31, 2012; and July 1, 2012, through September 30, 2012, due October 5, 2012, with the City of Moreno Valley. **\$2,400 fine.**

**Signal Hill Petroleum** failed to timely file a Major Donor Committee Campaign Statement (Form 461) for 2012. **\$400 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:

**Jocelyn Woodard** was a Member of the County of Los Angeles Commission on HIV from April 2011 through July 2013. As a Member of the County of Los Angeles Commission on HIV, Woodard was required to file an Annual Statement of Economic Interests for calendar year 2011. In this matter, Woodard failed to file a 2011 Annual Statement of Economic Interests (Form 700) by the April 2, 2012 deadline. **\$4,000 fine.**

**Martin Andreas**, as a Board Member for both the Air Pollution Control District Hearing Board and Big Springs Irrigation District for the County of Siskiyou, failed to timely file the 2012 Annual Statement of Economic Interests (Form 700) covering the period January 1, 2012, through December 31, 2012, due April 1, 2013. **\$200 fine.**

**Holly Johnson Harris**, as a Trustee for the Fine Arts Museum for the City and County of San Francisco, failed to timely file the 2012 Annual Statement of Economic Interests (Form 700) covering the period January 1, 2012, through December 31, 2012, due April 1, 2013. **\$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 disclose all required economic interests:

**Linda Richardson**, over the last four years has served as a director on the Treasure Island Development Authority, a commissioner on the San Francisco Human Rights Commission, and as a member of the Bayview Hunters Point Area Committee of the San Francisco Redevelopment Agency. During this time, Richardson owned and was employed by ADR Continental Group, a public relations firm that has contracted with the City and County of San Francisco on multiple occasions. Ms. Richardson failed to timely disclose her income and interest in ADR Continental Group, as well as her ownership of various stocks, on her Annual Statement of Economic Interests (Form 700) for the years 2009, 2010, and 2011. **\$600 fine.**

**In the Matter of Luis Herrera**, while serving as City Librarian for the San Francisco Public Library, failed to report gifts received from the Friends of the San Francisco Public Library on Annual Statements of Economic Interests (Form 700) for calendar years 2009, 2010, and 2011. **\$600 fine.**

### **Request for Authority to File a Civil Complaint and Enter a Stipulated Judgment**

**In the Matter of Citizens for a Voice in Government, Major Funding by Investment Manager, Brandon Powers, Lysa Ray, and Chris Hansen.** Citizens for a Voice in Government, Major Funding by Investment Manager (the "Committee") received a \$100,000 contribution from Chris Hansen on or about June 21, 2013 and made an \$80,000 expenditure that same day. Brandon Powers is the principal officer for the Committee and Lysa Ray is the Committee's treasurer. The Committee failed to file a semi-annual campaign statement for the January 1, 2013, through June 30, 2013, reporting period by July 31, 2013. The Committee also failed to file a Statement of Organization within 10 days of becoming a committee. Chris Hansen, who qualified as a major donor upon making the contribution to the Committee, failed to file a semi-annual campaign statement for the January 1, 2013, through June 30, 2013, reporting period by July 31, 2013. The parties have agreed to have a civil judgment entered in this case. **\$50,000 fine.**