

FPPC Bulletin



December 2006

Fair Political Practices Commission

Volume 32, No. 4

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Toll-free Advice Line: 1-866-ASK-FPPC

Public officials, local government filing officers, candidates, lobbyists and others with obligations under the Political Reform Act are encouraged to call toll-free for advice on issues including campaign contributions and expenditures, lobbying and conflicts of interest. *FPPC staff members answer thousands of calls for telephone advice each month.*

AB 1234 Training: Frequently Asked Questions and Answers

By John Wallace
FPPC Assistant General Counsel

Educating the public and public officials about the ethics laws in the Political Reform Act is a vital function of the Fair Political Practices Commission.

But in fact, the Act contains just some of the ethics laws and rules governing the conduct of public officials in California. The state's statutes and constitution contain many provisions placing additional ethics standards on specific public officials in specific circumstances.

Two laws seek to ensure that public officials at the state and local level are educated about California's ethics rules:

- ◆ In 1998, the Governor signed Assembly Bill 2179 (codified at Government Code sections 11146 - 11146.4). These sections require **state agencies** to conduct ethics orientations for certain agency officials and employees every two years.
- ◆ On October 7, 2005, the Governor signed Assembly Bill 1234 (Ch. 700, Stats 2005). AB 1234 requires (among other things) that all **local agencies** that provide compensation, salary, or stipend to, or reimburses the expenses of, members of a legislative body must provide ethics training to local agency officials by January 1, 2007, and every two years thereafter.

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**California
Fair Political
Practices Commission**

Commissioners

Liane Randolph, Chair
Philip Blair
Sheridan Downey III
A. Eugene Huguenin, Jr.
Ray Remy

Commission Meetings

Meetings are generally scheduled monthly in the Commission Hearing Room, 428 J Street, 8th Floor, Sacramento. Please contact the Commission or check the FPPC web site, <http://www.fppc.ca.gov>, to confirm meeting dates.

Pursuant to section 11125 of the Bagley-Keene Open Meeting Act, the FPPC is required to give notice of its meetings ten (10) days in advance of the meeting. In order to allow time for inclusion in the meeting agenda and reproduction, all Stipulation, Decision and Order materials must be received by the FPPC no later than three (3) business days prior to the 10-day notice date.

The Commission meeting agenda and supporting documents are available free of charge on the Commission's web site at <http://www.fppc.ca.gov>. Additionally, past and future agendas are posted on the web site.

...AB 1234 Requires Ethics Training

(Continued from page 1)

AB 1234 - Local Officials Ethics Training Requirement

The newest of these ethics training requirements applies to certain local public officials. While similar to the rules for state officials that have been around since 1998, the rules applicable to local officials are different in content, including a requirement that these officials receive training not only in applicable ethics laws but also in ethics principles and agency rules.

The role of the FPPC and the Attorney General's Office in connection with this new local training requirement is expressly set forth in the new legislation and is limited to consulting with local agencies concerning the content of their ethics training course. This limited role with respect to the local ethics training statutes has led to some confusion, and we hope this "frequently asked questions article" will help both publicize and clarify the new training requirement.

General Questions:

1. How can a local official comply with the training requirements of AB 1234?

There are numerous training options that may include training conducted by an agency's legal counsel, commercial organizations, or nonprofits so long as the instructors are properly qualified as required in the guidelines promulgated by the FPPC and the Attorney General. In addition, interested parties have collaborated to create an on-line training program that will allow local officials to satisfy the requirements of AB 1234 on a cost-free basis. The training may be accessed at either of the following links on the FPPC's website:

<http://localethics.fppc.ca.gov>

<http://www.localethics.fppc.ca.gov>

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The FPPC *Bulletin* is published by the Fair Political Practices Commission

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...AB 1234 Requires New Local Ethics Training

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2. Can local officials and the public get advice from the FPPC and the Attorney General regarding the requirements of AB 1234?

While the FPPC can advise persons with respect to their duties under the Act, including whether they are “public officials” under the Act, the legislation provides only that the course content be developed in consultation with the FPPC and the Attorney General’s Office. Thus, you should consult with your agency attorney regarding other aspects of AB 1234.

3. Is there a resource that local officials and the public can consult to acquire information about AB 1234’s requirements?

The Institute for Local Government has a web site that contains helpful information concerning all of AB 1234’s requirements, including a specific portion devoted to frequently asked questions. It can be found at:

<http://www.ca-ilg.org/ab1234compliance>.

Additionally, you can consult the California Special Districts Association.

4. Are members of school boards required to satisfy the ethics training requirement?

As noted above, the role of the FPPC is limited with respect to AB 1234. The FPPC does not advise with respect to the scope of the statutes, although we note the California School Boards Association is advising their members that they are not subject to AB 1234. (See:

<http://www.csba.org/csn/csnStoryTemplate.cfm?id=435>.)

5. Does a completion certificate for ethics training for “state officials” fulfill the local ethics training requirement?

Completion of the ethics training course for “state officials” does not fulfill the requirements of AB 1234 for local ethics training. Although

similar in many respects, there are a number of significant differences in required course content between the state and local ethics courses as reflected by the courses available on the Commission’s web site.



6. If an official loses the completion certificate, can the agency create a new certificate to signify completion?

That is a matter for the training provider in question. It is generally the AB 1234 training provider that issues the certificates. Some providers use sign-in sheets that allow the provider to verify actual attendance in the event of a lost certificate. Some providers charge a replacement fee to militate against the extra costs of responding to questions about lost certificates, checking the sign-in sheets, and then issuing a personalized certificate.

7. Can the agency require that its officials attend a group presentation of the ethics training? In the alternative, can the agency require that its officials take their training on a designated computer? Can officials be required to complete a sign-in sheet when they commence and end their training?

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...AB 1234 Requires New Local Ethics Training

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These are all matters left to the agency in question. Agencies are required to offer the course and retain documents verifying course attendance. The agency should take the necessary steps to comply with these requirements. The steps listed above are but some of the procedures that agencies can employ to bring about this result. The law requires that each agency retain, for a period of five years, a record that documents the official's "attendance" at a qualified training course for each two-year period.

Questions About the On-Line Training

1. I took the training but my certificate did not print. How can I demonstrate that I took the training? Do I have to retake the training?

Unfortunately, the web server does not allow for tracking of the persons that took the training. Thus, there is no way to reproduce individual certificates. In the future, other versions of the training (such as PDF or Microsoft Word) will be posted and may allow easier access to the certificate in cases where there are technical problems.

2. Do I need any special programs or settings on my computer in order to use the on-line training?

Obviously, you will need internet access and a web browser. The course is best viewed at 1024 x 768 resolution on your monitor. Printing the certificate at the end of the course requires Adobe Acrobat. There is a link on the first page of the training (in contrast to the "start" page) to download the Acrobat Reader from Adobe Systems, Inc.

3. I disagree with an answer that the training offered, is there a way I can suggest a better answer for future versions of the training?

Free, online AB1234 training may be accessed at either of the following links:

<http://localethics.fppc.ca.gov>

<http://www.localethics.fppc.ca.gov>

The first page of the training also provides an e-mail address to send comments, suggestions and questions: ab1234@fppc.ca.gov.

While it is impossible to guarantee a response to every e-mail, the team that developed the training will review each e-mail comment in developing future versions and will respond to individual e-mails where possible.

4. How can I learn even more about ethics as a public official, even more than I learned in the on-line training?

The first page of the training also provides a link to additional educational resources that may be consulted. We strongly encourage all public officials to at least look at the list of available resources in case any may be needed by the official in the future. These resources are offered by public agencies such as the FPPC, the Attorney General, and private entities such as the Institute for Local Government.

5. I have a specific question about a decision that is pending before me in my official capacity, and whether I have a conflict of interest in the decision.

The local agency training covers a wide range of ethics laws, some of which are under the jurisdiction of the FPPC. The best recourse where you have a specific question is to consult your agency counsel who will be better able to determine whether consultation with a state agency such as the FPPC is necessary. The FPPC provides oral and written advice, but only on the provisions of the Political Reform Act.

Attention State Agencies: It's Time to Review Your Conflict-of-Interest Code

By Trish Mayer
FPPC Political Reform Consultant

FPPC Technical Assistance Division staff members are gearing up to review conflict-of-interest code amendments for state agencies.

Government Code section 87306 requires each state agency to review its conflict-of-interest code biennially to determine if it is accurate or if the code must be amended. Each state agency will be required to notify the FPPC by March 1, 2007, that its conflict-of-interest code is up to date and accurate.

Any state agency that determines its code needs updating is required to propose amendments, schedule a public notice period so that affected staff may comment, and submit the amendments to the FPPC. The most common amendments to a code include: adding new positions; deleting positions that no longer exist, and renaming positions due to agency reorganization.

The law requires state agencies to submit the amendments to the FPPC within 90 days of filing the biennial notice. The FPPC will mail the biennial notice to agency contact persons in January.

Each agency should also review the disclosure category portion of its code to ensure that the categories are tailored to the duties and responsibilities of each position. It is important to remember that two court cases (*City of Carmel-by-the*

State Agency Conflict-of-Interest Code Review Seminars

Wednesday, February 7, 10:00 a.m. - noon
Thursday, February 15, 10:00 a.m. - noon
Wednesday, February 21, 1:00 p.m. until 3:00 p.m.

All seminars will be held at the FPPC. We are located at 428 J St., 8th floor, Sacramento, CA. Reservations are required. Please call 916-322-5660 or toll-free 1-866-275-3772.

Sea v. Young and *County of Nevada v. MacMillen*) have declared that a proper conflict-of-interest code strikes a balance between the need for impartial decision making and an official's privacy interests. A code is properly drafted when it requires officials to report only those interests that may give rise to a conflict. In an effort to make the job of code reviewing easier, agencies are encouraged to use the model disclosure categories adopted by the FPPC as a resource.

The FPPC website (www.fppc.ca.gov) posts the disclosure categories and also provides additional information that may be helpful. In addition, FPPC staff members are always available to assist as questions arise. Just call **1-866-ASK-FPPC**. To further help state agencies with the code amendment process, the Technical Assistance staff is conducting three, two-hour workshops on the subject. (See above.) In addition to a step-by-step session on how to determine who should be included in your code, there will also be a discussion on the notice and filing process.

(b) Notwithstanding subdivision (a), every state agency shall submit to the code reviewing body a biennial report identifying changes in its code, including, but not limited to, all new positions designated pursuant to subdivision (a) of Section 87302, changes in the list of reportable sources of income, and relevant changes in the duties assigned to existing positions. These reports shall be submitted no later than March 1 of each odd-numbered year.

— from section of 87306 of the Political Reform Act

Contribution and Gift Limits Adjusted

By Mike Naple, FPPC Executive Fellow
and
By Joan Giannetta, FPPC Regulations
Coordinator

At its November meeting, the Fair Political Practices Commission approved cost-of-living adjustments for state candidate contribution limits, voluntary expenditure limits, and public official gift limits.

The Political Reform Act requires the Commission to adjust the limits every two years, reflecting changes in the Consumer Price Index. The new adjustments take effect on January 1, 2007.

The per person contribution limit for legislative candidates increases from \$3,300 to \$3,600 per election. The per person contribution limit for gubernatorial candidates increases from \$22,300 to \$24,100 per election, and the per person contribution limit for other statewide candidates increases from \$5,600 to \$6,000 per election.

Please see the following page of this FPPC Bulletin for charts detailing the changes.

Contribution limits for state candidates were established by Proposition 34, passed by California voters in 2000.

Also on January 1, 2007, the gift limit for state and local public officials increases from \$360 to \$390.

The gift limit adjustment does not affect California's \$10 lobbyist gift limit. Under this limit, elected state officials (including members of the legislature) and legislative employees may not accept a gift, or gifts, totaling more than \$10 in a calendar month from any individual who is registered as a lobbyist under state law or from any lobbying firm. The \$10 limit also applies to gifts received by officials and employees of state agencies if their agency is listed on the registration statement of the lobbyist's employer or firm.

Fair Political Practices Commission Meeting Schedule

The Fair Political Practices Commission currently plans to meet on the following dates during the first half of 2007. Additional 2007 dates will be scheduled later:

Friday, January 12
Thursday, February 8
Thursday, March 8
Thursday, April 12

Thursday, May 10
Thursday, June 14
Thursday, July 12

Meetings generally begin at 9:45 a.m. in the FPPC's 8th floor hearing room at 428 J Street, Sacramento. But please check the FPPC website regularly as dates and times can change. The direct link to our agenda page is: <http://www.fppc.ca.gov/index.html?id=329>

Charts Outlining New Gift and Contribution Limits

Gift Limit (effective January 1, 2007)

\$390

Per-election Limits on Contributions to State Candidates (For elections held on or after January 1, 2007)

Contributor	Legislature	Statewide Except Governor	Governor
Person	\$3,600	\$6,000	\$24,100
Small Contributor Committee	\$7,200	\$12,100	\$24,100
Party	No limit	No limit	No limit

Calendar Year Limits on Contributions to Other Committees (For elections held on or after January 1, 2007)

Contributor	Committee (Not Political Party) that Contributes to State Candidates	Political Party for State Candidates	Committee/Political Party Not for State Candidates
Person	\$6,000	\$30,200	No limit

Voluntary Expenditure Limits for Candidates for Elective State Offices (For elections held on or after January 1, 2007)

	Assembly	Senate	Governor	Other Statewide	Board of Equalization
Primary	\$483,000	\$ 724,000	\$ 7,243,000	\$4,828,000	\$1,207,000
General	\$845,000	\$1,086,000	\$12,071,000	\$7,243,000	\$1,811,000

FPPC Receives Valuable Feedback From Popular Candidate and Treasurer Seminars

By Ashley Clarke, FPPC Student Assistant
and
Trish Mayer, FPPC Political Reform Consultant

Political reform consultants from the Fair Political Practices Commission's Technical Assistance Division had a very busy summer, conducting 15 candidate-treasurer seminars across much of the state. The workshops, attended by over 600 local candidates and treasurers from Sacramento to Simi Valley, provided an overview of campaign finance laws and the process used to report campaign activity. At the conclusion of each seminar, participants were surveyed to evaluate the presentation and to offer general information about their campaigns. This feedback gives FPPC staff a more complete perspective on the issues confronting those who attend these sessions.

Survey results focused on three distinct areas: campaign funding expectations, campaign techniques and strategies, and overall satisfaction with the seminars.

In the first area, attendees were asked to estimate their projected campaign budget. Over half indicated that they expected to raise or spend between \$1,000 and \$10,000. A much smaller group, only five percent, expected their budgets to expand over the \$50,000 mark. Those predicting that they would raise over \$10,000 were more open to keeping their campaign committees open post-victory, while over 90 percent surveyed reported using volunteer treasurers. Only eight percent of attendees said that they paid their treasurers a salary.

In the area of campaign techniques and strategy, survey responses indicated a strong commitment to traditional methods of campaigning, coupled with a substantial interest in the use of new technologies. Candidates intended to use phone banks, slate mailers, raffles, and television and radio advertisements to communicate the bulk of their message. The most frequently chosen method however, was mass mailing; cited by 82 percent of those surveyed. Not far behind the perennial favorite was its electronic cousin: e-mail communication.

Compared to a 2002 FPPC survey, this shows an increased popularity in the use of e-mail to further one's campaign. Other top-ranked campaign techniques included the use of website advertisements and home or office fundraisers. This further underscores the trend of melding both traditional and more technological-advanced strategies, in order to run a successful campaign.

Having a Fundraiser?

Report donated items as **non-monetary** contributions

Report **fair market value:**
the amount it would cost
any member of the public
to purchase the item



Despite differences in specific responses, the surveys indicated near-unanimous satisfaction with the seminar presentations. Ninety-five percent of all attendees responded that they were "very satisfied" with the seminar. Five percent felt "satisfied" with the information provided. Such high approval ratings would suggest that seminars are the preferred choice for obtaining this basic and pertinent information for candidates and treasurers. Two percent of those completing surveys expressed dissatisfaction with the advice available on the FPPC's website, and just one percent said they were dissatisfied with the FPPC's telephone advice service. On the whole, attendees had many positive things to say about the FPPC seminars.

The Clerks' Corner



Our Annual Statement of Economic Interests Filing Season Is Here!

By FPPC Technical Assistance Division Staff

Filing officers and filing officials: As a new year begins, so, too, begins a new filing season for Form 700s, the annual statements of economic interests (SEIs).

Due March 1, 2007:

For statements filed by the following, make a copy of the statement for your records, send one copy to the Secretary of State, and send the original to the Fair Political Practices Commission within five days of the deadline or receipt of a statement filed late:

- ◆ Governor
- ◆ Lieutenant Governor
- ◆ Attorney General
- ◆ Insurance Commissioner
- ◆ Controller
- ◆ Secretary of State
- ◆ Treasurer
- ◆ Superintendent of Public Instruction
- ◆ Members of the state Assembly
- ◆ Members of the state Senate
- ◆ Members of the state Board of Equalization

For statements filed by the following, keep a copy and send the original to the FPPC within five days of the deadline or receipt of a statement filed late:

- ◆ Judges and Court Commissioners
- ◆ Members of the Public Utilities Commission

- ◆ Members of the Energy Resources Conservation and Development Commission
- ◆ Members of the California Coastal Commission
- ◆ Elected members of the board of administration of the California Public Employees Retirement System

Due April 2, 2007:

(April 1 is a Sunday, so the deadline is extended)

- ◆ County Supervisor
- ◆ District Attorney
- ◆ County Counsel
- ◆ County Treasurer
- ◆ County Chief Administrative Officer
- ◆ County Planning Commissioner
- ◆ Member of City Council
- ◆ Mayor
- ◆ City Manager
- ◆ City Attorney
- ◆ City Treasurer
- ◆ City Chief Administrative Officer
- ◆ City Planning Commissioner
- ◆ County and City Public Officials Who Manage Public Investments must also file by April 2; however, SEIs from these filers are not forwarded to FPPC

Designated Employees Covered Under an Agency's Conflict-of-Interest Code

To determine which employees, including consultants, must file statements of economic interests, refer to your agency's conflict-of-interest code. The code should list positions

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within your agency for which employees must complete SEIs. The conflict-of-interest code should also set out employees' filing obligations and the date that annual SEIs are due. If your agency adopted the model code pursuant to regulation 18730 as your conflict-of-interest code, your filing deadline is April 1.

When you give a designated employee a Form 700 to complete, you must also provide the employee's disclosure category (from your agency's conflict-of-interest code). The code, not the form, determines what that employee must report and where to file. The majority of designated employee statements are not sent to the FPPC but rather maintained at the agency.

(See important 2007 dates to remember on pages 11 and 12 of this issue!)

Need Assistance with the Form 700?

Great news! We will come to your office – free of charge – and provide one-on-one training regarding your filing officer duties pertaining to the Statements of Economic Interests (Form 700s). We will review and discuss all of your requirements, including the procedures for:

- Notifying filers of their filing obligations
- Following up with non-filers
- Referring non-filers and other matters to Enforcement
- Creating and maintaining a log
- Reviewing the forms and requesting amendments
- Assessing and/or waiving late fines
- Providing public access to the forms

To schedule an onsite visit, contact our Technical Assistance Division at 1-866-275-3772.



Statement of Economic Interests Workshops for Filing Officers

Each year public officials must complete a new Statement of Economic Interests, Form 700. If it's your job to process these forms for your agency, the FPPC has a free training class for you. Pick the workshop that fits your agency. The class covers a thorough discussion of your responsibilities.

SEI Filing Officer Workshops Sacramento 428 Street, 8th Floor Commission Hearing Room

City/County agencies:

Thursday, February 22
10 a.m.-12 noon

Wednesday, February 28
1 p.m. – 3 p.m.

Wednesday, March 14
10 a.m. – 12 noon

State agencies

Thursday, March 15
10 a. m. – 12 noon

Wednesday, March 21
1 p.m. – 3 p.m.

Multi-county agencies

Tuesday, March 6
1 p.m. – 3 p.m.

Other city/county workshops will be held at various locations outside of Sacramento. Refer to the FPPC website for up-to-date information. Reservations are required.



Important 2007 Dates to Remember for Statements of Economic Interests and Conflict-of-Interest Codes



January 2007

Form 700 Available

The FPPC provides email notification to agencies when the 2006/2007 Form 700 becomes available. The form was approved at the Commission's December 2006 meeting, and should be available on our website in early January 2007. Hard copies will be mailed only upon request. The Gift, Honoraria, Travel and Loan Fact Sheets have recently been updated and are available on our website. The new gift limit of \$390 is in effect beginning January 1, 2007 through December 31, 2008.

The FPPC will host seminars on amending a state conflict-of-interest code. See page 5 of this issue for the dates and locations.

February 2007

Seminars

The FPPC will also hold workshops for state and local filing officers that will cover statement of economic interests filing officer duties including how to review statements and to ensure that statements are filed timely. See page 10 and the FPPC website for dates and locations.

March 1, 2007

Form 700 Filing Deadline

See page 9 for the list of officials required to file by March 1.

Pre-Notification for Annual Form 700 Filers

Filing officers should notify filers of their filing obligation no later than March 1, 2007, if the annual Form 700 is due by April 2, 2007.

State Agency Biennial Reports Deadline

Each state agency must submit a biennial report to the FPPC.

April 2, 2007

Form 700 Filing Deadline

See page 9 for the list of officials required to file by April 1. Since April 1 is a Sunday, statements are due on Monday, April 2.

May 2, 2007

State and Local Agencies with 50 or Fewer Form 700 Filers

It is recommended that written non-filer notices be sent within 30 days to employees who have not filed an annual Form 700 by April 1.

June 4, 2007

State and Local Agencies with 50 or Fewer Form 700 Filers

It is recommended that a "second notice" non-filer letter be sent within 30 days of the first non-filer notice to employees who have not filed an annual Form 700.

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...Important 2007 Dates to Remember for Statements of Economic Interests and Conflict-of-Interest Codes



(Continued from page 11)

- | | |
|--------------------------|--|
| July 2, 2007 | State and Local Agencies with 50 or Fewer Form 700 Filers
Filing officers refer non-filers who received first and second non-filer notices to the FPPC. See FPPC website for referral notice. |
| August 2, 2007 | State and Local Agencies with More Than 50 Form 700 Filers
It is recommended that written non-filer notices be sent within 120 days to employees who have not filed an annual Form 700. |
| October 2, 2007 | State and Local Agencies with More Than 50 Form 700 Filers
It is recommended that a "second notice" non-filer letter be sent within 60 days to employees who have not filed an annual Form 700. |
| November 17, 2007 | State and Local Agencies with More Than 50 Form 700 Filers
Filing officers refer non-filers who received first and second non-filer notices to the FPPC. See FPPC website for referral notice. |
| Ongoing | Assuming and Leaving Office Statements <ul style="list-style-type: none">◆ Continue to monitor and notify filers who assume or leave office of the Form 700 filing requirements.◆ Forward assuming and leaving office statements for filers listed on Page 9 within five days of a filing deadline.◆ Notify the FPPC if you are not successful in obtaining a statement for these filers. |

Clerks:

The FPPC's toll-free advice line is also for you.

Call: 1-866-ASK-FPPC (1-866-275-3772)



Enforcement Summaries

November Commission Meeting

Campaign Reporting Violations- Proposed Default Decision and Order

In the Matter of Maribel De La Torre and Families for Maribel De La Torre, FPPC No. 02/408. Staff: Commission Counsel Margaret Figeroid. Respondent Maribel De La Torre was a successful candidate for the San Fernando City Council in the 2001 and 2005 elections, and Respondent Families for Maribel De La Torre was her controlled committee. A proposed default decision and order alleged that respondents failed to timely file semi-annual campaign statements in violation of Government Code section 84200, subdivision (a) (6 counts); failed to disclose required contributor information, in violation of Government Code section 84211, subdivision (f) (2 counts); failed to disclose required expenditure information, in violation of Government Code section 84211, subdivision (k) (1 count); and failed to file a statement of intention to be a candidate, in violation of Government Code section 85200 (1 count). The commission voted to send the matter to a hearing before an administrative law judge.

Campaign Reporting Violations And Contribution Limit Violations

In the Matter of Mark Leno, Leno 2004, and James Nickoff; FPPC No. 05/662. Staff: Commission Counsel Galena West and Investigator Antonio Becerra. Respondent Mark Leno is a member of the California State Assembly. Respondent Leno 2004 was Respondent Mark Leno's controlled committee, and Respondent James Nickoff served as its treasurer. In this matter, Respondents failed to timely disclose late contributions in a late contribution report, in violation of section 84203, subdivision (a) of the Government Code (3 counts), and accepted a contribution in excess of the \$3,200 contribution

limit in connection with the March 2, 2004, State Assembly general election, in violation of section 85301, subdivision (a) of the Government Code (1 count). \$6,000 fine.

Late Contribution Reporting Violations

In the Matter of Southern Wine & Spirits of California, Inc., FPPC No. 05/145. Staff: Senior Commission Counsel Melodee A. Mathay. Respondent Southern Wine & Spirits of California, Inc., a California corporation located in Union City, was the largest wine and spirits distributor in California. In 2004, Respondent qualified as a major donor committee. During the late contribution reporting period prior to the March 2, 2004 primary election, Respondent made late contributions totaling \$82,000, but failed to timely file late contribution reports in paper format, in violation of Government Code section 84203, subdivision (a) (4 counts), and failed to timely file a late contribution report electronically, in violation of Government Code section 84605, subdivision (a) (1 count). \$20,000 fine.

Major Donor Reporting Violations

In the Matter of James Tong and Charter Properties, FPPC No. 06/615. Staff: Chief of Enforcement William L. Williams, Jr., and Political Reform Consultant Jeanette Turvill. Respondents James Tong and Charter Properties qualified as a major donor committee in the first six months of 2002 and 2004, and in the second six months of 2005. Respondent failed to file eight semi-annual campaign statements for those periods of time, in violation of Government Code section 84200, subdivision (b) (5 counts) and section 84605, subdivision (a) (3 counts). \$26,000 fine.

Major Donor – Streamlined Program

Failure to Timely File Major Donor Campaign Statements. Staff: Chief Investigator Sue Straine and Political Reform Consultant Mary Ann Kvasager. The following persons and entities have entered into a stipulation for failing to file major donor campaign statements that were

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due during calendar years 2002, 2003, 2004, 2005, and 2006 in violation of Government Code Section 84200:

- ◆ **In the Matter of Anshen + Allen Architects Los Angeles, Inc., FPPC No. 06-0560.** Anshen + Allen Architects Los Angeles, Inc., located in Los Angeles, failed to timely file a semi-annual campaign statement disclosing contributions totaling \$43,500 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Valley Radiology Consultants Medical Group Inc., FPPC No. 06-0563.** Valley Radiology Consultants Medical Group Inc. of Escondido failed to timely file a semi-annual campaign statement disclosing contributions totaling \$50,000 in 2004 (1 count). \$900 fine.
- ◆ **In the Matter of Anesthesia Consultants of California Medical Group, Inc., FPPC No. 06-0565** Anesthesia Consultants of California Medical Group, Inc., of Escondido failed to timely file a semi-annual campaign statement disclosing contributions totaling \$50,000 in 2004 (1 count). \$900 fine.
- ◆ **In the Matter of C. Michael Alder, FPPC No. 06-0609.** C. Michael Alder of Encino failed to timely file semi-annual campaign statements disclosing contributions totaling \$22,450 in 2004 and \$11,374 in 2005 (4 counts). \$1,870.74 fine.
- ◆ **In the Matter of Wendy's of the Pacific, Inc., FPPC No. 06-0693.** Wendy's of the Pacific, Inc., located in Modesto, failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Geweke Automotive Group, Inc., FPPC No. 06-0820.** Geweke Automotive Group, Inc. of Lodi failed to timely file a semi-annual campaign statement disclosing contributions totaling \$25,800 in 2003 (1 count). \$400 fine.

- ◆ **In the Matter of Houghton Mifflin Company, FPPC No. 06-0822.** Houghton Mifflin Company of Boston, Massachusetts failed to timely file semi-annual campaign statements disclosing contributions totaling \$55,000 in 2002, \$30,000 in 2003, \$30,000 in 2004 and \$30,000 in 2006 (5 counts). \$2,000 fine.

Late Contribution – Streamlined Program

Failure to Timely File Late Contribution Reports – Proactive Program. Staff: Chief Investigator Sue Straine and Political Reform Consultant Mary Ann Kvasager. The following entity has entered into a stipulation for failure to file a late contribution report in 2004 in violation of Government Code Section 84203:

In the Matter of Singler-Ernster, Inc. dba Round Table Pizza, FPPC No. 06-0628. Singler-Ernster, Inc. dba Round Table Pizza of Sebastopol failed to timely disclose a late contribution totaling \$10,000 (1 count). \$1,500 fine.

Statements of Economic Interest Reporting Violations

In the Matter of Abraham Magana, FPPC No. 06/573. Staff: Political Reform Consultant Jeanette Turvill. Abraham Magana, City of Salinas Planning Commissioner, failed to timely file a 2005 annual statement of economic interests in violation of Government Code section 87203 (1 count). \$100 fine.

October Commission Meeting

Campaign Money Laundering Violations

In the Matter of Allen Chan, FPPC No. 04/019. Staff: Senior Commission Counsel Melodee A. Mathay and Investigator III Sandra Buckner. Respondent Allen Chan, a licensed chiropractor and the co-owner of a restaurant in San Diego, was the true source of nine campaign contribu-

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tions, totaling \$2,250, made to the campaign committee of Chula Vista City Council candidate Dan Hom on September 26, 2003. The contributions were made in the names of employees of Respondent Chan, or their relatives, in violation of Government Code section 84301 (9 counts). \$36,000 fine.

Mass Mailing Violation

In the Matter of Chino Valley Unified School District, FPPC No. 06/461. Staff: Commission Counsel Tom Dyer. Respondent Chino Valley Unified School District violated the Political Reform Act by sending a mass mailing, dated June 1, 2006, at public expense to residents, which was signed by five elected Board of Education members, in violation of Government Code section 89001 (1 count). \$3,500 fine.

Campaign Reporting and Campaign Recordkeeping Violations

In the Matter of Planned Parenthood Advocates Mar Monte, and Ann Harrington, FPPC No. 06/081. Staff: Senior Commission Counsel Melodee A. Mathay and Investigator Catherine Gallardo. Respondent Planned Parenthood Advocates Mar Monte ("Planned Parenthood") was a state general purpose recipient committee located in Sacramento, and Respondent Ann Harrington was the committee's treasurer. During the audit reporting period from January 1, 2001 through December 31, 2002, Respondents failed to properly maintain campaign records, in violation of Government Code section 84104 (1 count), and failed to properly report expenditures on campaign statements that were filed, in violation of Government Code section 84211, subdivision (k), (2 counts). \$7,500 fine.

In the Matter of Armando Rea, California Citizens for Good Government, and Sylvia Herron, FPPC No. 02/426. Staff: Commission Counsel Amanda Saxton and Investigator III Sandra Buckner. Respondent Armando Rea was a Lynwood City Councilman who unsuccessfully ran for re-election in 2001. Respon-

dent California Citizens for Good Government was his controlled committee, and Respondent Sylvia Herron served as treasurer. Respondents failed to file a pre-election campaign statement, in violation of Government Code section 84200.5, subdivision (c) (2 counts), and failed to disclose three late contributions in properly filed late contribution reports, in violation of Government Code section 84203, subdivisions (a) and (b) (1 count). \$9,500 fine.

In the Matter of Jeffrey E. Stone and Committee to Elect Jeff Stone —66th Assembly District, FPPC No. 02/1065. Staff: Commission Counsel Tom Dyer. Respondent Stone was an unsuccessful candidate for the California State Assembly, 66th District in the March 7, 2000 primary election. Respondent Committee was a controlled committee of Respondent Stone. Respondents failed to maintain detailed accounts, records, bills and receipts that were necessary to prepare an odd-year pre-election campaign statement for the reporting period July 1, 1999 through September 30, 1999, filed on or about October 12, 1999, in violation of section 84104 (1 count). \$2,000 fine.

In the Matter of California State Employees Association Membership Action Committee, sponsored by California State Employees Association; Barbara Glass; and Christy Christensen, FPPC No. 05/305. Staff: Commission Counsel Margaret E. Figeroid and Investigator Elaine Olmos-Flores. Respondent California State Employees Association Membership Action Committee, sponsored by California State Employees Association, is a state general purpose committee. Respondent Barbara Glass and Respondent Christy Christensen served as its treasurers. In this matter, Respondents Committee and Barbara Glass violated the Political Reform Act by failing to properly itemize a contribution of \$100 or more made to an elected officer, in violation of section 84211, subdivision (k) (5) of the Government Code (1 count), and by failing to timely disclose contributions received, in violation of section 84211, subdivisions (a), (c), and (f) of the Government Code (1 count). Respondents Committee and Christy Christen-

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sen violated the Political Reform Act by failing to timely file late contribution reports, in violation of section 84203 of the Government Code (4 counts), and failing to timely disclose accrued expenses, in violation of section 84211, subdivisions (i) and (k) of the Government Code (1 count). \$19,500 fine.

Major Donor Reporting Violations

In the Matter of Barwest, LLC, FPPC No. 05/548. Staff: Chief of Enforcement Bill Williams and Political Reform Consultant Wayne Imberi. Respondent Barwest, LLC qualified as a major donor committee in the second six months of 2004. Respondent failed to file to timely disclose a late contribution in a late contribution report, in violation of section 84203, subdivision (a) of the Government Code (1 count); and failed to timely file a semi-annual campaign statement, in violation of section 84200, subdivision (b) of the Government Code (1 count). \$6,500 fine.

Major Donor – Streamlined Program

Failure to Timely File Major Donor Campaign Statements. Staff: Chief Investigator Sue Straine and Political Reform Consultant Mary Ann Kvasager. The following persons and entities have entered into a stipulation for failing to file major donor campaign statements that were due during calendar years 2004 and 2005, in violation of Government Code Section 84200:

- ◆ **In the Matter of Didar Singh Bains, FPPC No. 06-0422.** Didar Singh Bains of Yuba City failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000.00 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Womar, Inc., FPPC No. 06-0537.** Womar, Inc. of Pleasanton failed to timely file semi-annual campaign statements disclosing contributions totaling \$13,500.00 in 2004 (2 counts). \$1,600 fine.
- ◆ **In the Matter of Singler-Ernster, Inc. dba Round Table Pizza, FPPC No. 06-0556.** Singler-Ernster, Inc. dba Round Table Pizza of Sebastopol failed to timely file a semi-annual campaign statement disclosing contributions totaling \$31,000.00 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Lawrence S. Bond, Bond Companies, FPPC No. 06-0610.** Lawrence S. Bond, Bond Companies of Santa Monica failed to timely file semi-annual campaign statements disclosing contributions totaling \$24,800.00 in 2004 and \$24,100.00 in 2005 (3 counts). \$1,391 fine.
- ◆ **In the Matter of Dry Creek Rancheria, FPPC No. 06-0611.** Dry Creek Rancheria of Geyserville failed to timely file a semi-annual campaign statement disclosing contributions totaling \$100,000.00 in 2004 (1 count). \$1,800 fine.
- ◆ **In the Matter of Prime Time International, LLC, FPPC No. 06-0612.** Prime Time International, LLC of Coachella failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000.00 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Michael Smith, FPPC No. 06-0613.** Michael Smith of Los Angeles failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000.00 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Peter Sperling, FPPC No. 06-0614.** Peter Sperling of Phoenix, Arizona failed to timely file a semi-annual campaign statement disclosing contributions totaling \$20,000.00 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Citrus Motors Ontario, Inc., FPPC No. 06-0623.** Citrus Motors Ontario, Inc. of Ontario failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000.00 in 2004 (1 count). \$800 fine.

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- ◆ **In the Matter of Provident Credit Union, FPPC No. 06-0624.** Provident Credit Union of Redwood City failed to timely file semi-annual campaign statements disclosing contributions totaling \$17,900.00 in 2004 and \$17,200.00 in 2005 (4 counts). \$1,600 fine.
- ◆ **In the Matter of Sbarro, Inc., FPPC No. 06-0625.** Sbarro, Inc. of Melville, Nevada failed to timely file a semi-annual campaign statement disclosing contributions totaling \$20,000.00 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Lazard Asset Management LLC, FPPC No. 06-0626.** Lazard Asset Management LLC of New York, New York failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000.00 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Ledesma & Meyer Construction Co., Inc., FPPC No. 06-0630.** Ledesma & Meyer Construction Co., Inc. of Rancho Cucamonga failed to timely file semi-annual campaign statements disclosing contributions totaling \$23,200.00 in 2004 (2 counts). \$1,600 fine.
- ◆ **In the Matter of Indian Hill Management, Inc., FPPC No. 06-0647.** Indian Hill Management, Inc. of Upland failed to timely file a semi-annual campaign statement disclosing contributions totaling \$17,500.00 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Physicians' Choice, FPPC No. 06-0648.** Physicians' Choice of Woodland Hills failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000.00 in 2004 (1 count). \$800 fine.

Statements of Economic Interest Violations

In the Matter of Ronald J. Martin, FPPC No. 05/682. Staff: Political Reform Consultant Jeanette Turvill. Ronald J. Martin, Consultant to

Keenan & Associates, (contract claims administrator to a variety of public agencies) failed to timely file a 2004 annual statement of economic interests in violation of Government Code section 87300 (1 count). \$100 fine.

In the Matter of Marc Shishido, FPPC No. 06/483. Staff: Political Reform Consultant Jeanette Turvill. Marc Shishido, a member of the City of Tracy Planning Commission, failed to timely file a 2005 annual statement of economic interests in violation of Government Code section 87203 (1 count). \$100 fine.

In the Matter of Gregory Kirkpatrick, FPPC No. 06/484. Staff: Political Reform Consultant Jeanette Turvill. Gregory Kirkpatrick, the Vice-Mayor of the City of Visalia, failed to timely file a 2005 annual statement of economic interests in violation of Government Code section 87203 (1 count). \$100 fine.

In the Matter of Shannon Lawrence, FPPC No. 06/201. Staff: Political Reform Consultant Wayne Imberi. Shannon Lawrence, a member of the City of Gardena Planning Commission, failed to timely file an assuming office statement of economic interests in violation of Government Code section 87202 (1 count). \$100 fine.

In the Matter of Elizabeth Kiley, FPPC No. 06/040. Staff: Political Reform Consultant Wayne Imberi. Elizabeth Kiley, a consultant to the City of Westminster, failed to timely file an assuming office statement of economic interests in violation of 87300 (1 count). \$100 fine.

Administrative Law Judge Proposed Decision

James F. Battin, Jr., Friends of Jim Battin, Taxfighters for Jim Battin, Ravelle Lyn Greene, and James W. Trimble., FPPC No. 04/314. Staff: Enforcement Division Chief William L. Williams, Jr. and Accounting Specialist Luz Bonetti. Respondent James F. Battin, Jr., is currently a member of the State Senate, having served in that capacity since 2001. In this matter, it was alleged that between April 2, 2001 and

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November 2, 2004, Respondent James F. Battin failed to file a statement of intention to become a candidate, in violation of section 85200 of the Government Code (1 count), and that the various Respondents committed 58 additional counts of violating the campaign disclosure and contribution limits provisions of the Act, all resulting from the failure to timely file a statement of intention to become a candidate. The Administrative Law Judge issued a proposed decision dismissing the accusation. The Enforcement Division did not submit an opening brief and did not take a position on the adoption of the proposed decision. Respondents submitted a letter recommending that the Commission adopt the proposed decision. The Commission held public discussion and then considered the matter in closed session. The Commission returned to public session to announce that it had adopted the proposed decision of the administrative law judge in its entirety, thereby dismissing the accusation.

September Commission Meeting

Conflict of Interest

In the Matter of Norman Eckenrode, FPPC No. 04/258. Staff: Commission Counsel Tom Dyer and Chief Investigator Sue Straine. City of Placentia councilmember Norman Eckenrode, while serving as an appointed member of the Orange County Sanitation District, accepted a contribution of more than \$250 from a party to proceedings involving the award of contracts within three months following the date final decisions were rendered in those proceedings, in violation of Government Code section 84308, subdivision (b) (2 counts). \$6,500 fine.

Campaign Reporting and Campaign Contribution Violations

In the Matter of New Democrat Network and Simon Rosenberg, FPPC No. 05/665. Staff: Commission Counsel Amanda Saxton and Investigator Elaine Olmos-Flores. Respondent

New Democrat Network was a state general purpose committee located in Washington, D.C. and Respondent Simon Rosenberg served as its treasurer. Respondents failed to timely disclose a late contribution in a late contribution report, in violation of section 84203, subdivisions (a) and (b) of the Government Code (1 count); and failed to timely file a semi-annual campaign statement, in violation of section 84200, subdivision (a) of the Government Code (1 count). \$3,000 fine.

In the Matter of Voters for Honesty and Integrity in Politics and Ricardo A. Torres II, FPPC No. 06/342. Staff: Commission Counsel Amanda Saxton and Accounting Specialist Luzmaria Bonetti. Respondent Voters for Honesty and Integrity in Politics was a state general purpose recipient committee and Respondent Ricardo A. Torres II served as its treasurer. Respondents failed to properly disclose required contributor information in a late independent expenditure report, in violation of section 84204, subdivision (b) of the Government Code (1 count). \$1,500 fine.

In the Matter of Ollie M. McCaulley, Friends to Elect Ollie McCaulley, and Mark S. Pierce, FPPC No. 04/488. Staff: Senior Commission Counsel Melodee A. Mathay and Accounting Specialist Bob Perna. Respondent Ollie McCaulley was an unsuccessful Republican candidate for the 36th Assembly District seat in the March 5, 2002 state primary election. Respondent Friends to Elect Ollie McCaulley (the "Committee") was Respondent McCaulley's controlled committee, and Respondent Mark S. Pierce was the treasurer of Respondent Committee at all relevant times. During the audit period from January 1, 2001 through June 30, 2002, Respondents failed to properly maintain campaign records, in violation of Government Code section 84104, (1 count), and accepted contributions and loans in the form of cashier's checks, in violation of Government Code section 84300, subdivision (c) (1 count). \$5,000 fine.

In the Matter of George Runner, Friends of George Runner, and Rita Burluson, FPPC No. 05/775. Staff: Commission Counsel Margaret E. Figeroid and Investigator III Leon Nurse-Williams. Respondent George Runner was a member of the

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State Assembly. Respondent Friends of George Runner was Respondent George Runner's controlled committee, and Respondent Rita Burleson served as its treasurer. In this matter, Respondents made contributions to candidates for elective office from surplus campaign funds, in violation of section 89519 of the Government Code (1 count). \$2,500 fine.

Campaign Voluntary Expenditure Limit Violations

In the Matter of Mervyn Dymally, Friends of Dymally, and Ida E. Yarbrough; FPPC No. 02/829. Staff: Commission Counsel Margaret E. Figeroid and Investigator Rodolfo Garza. Respondent Mervyn Dymally was a member of the State Assembly. Respondent Friends of Dymally was Respondent Mervyn Dymally's controlled committee, and Respondent Ida E. Yarbrough served as its treasurer. In this matter, Respondents made campaign expenditures in excess of the voluntary expenditure limits, in violation of section 85400, subdivision (a)(1) of the Government Code (1 count). \$3,800 fine.

Major Donor Reporting Violations

In the Matter of David Gold, FPPC No. 06/259. Staff: Chief of Enforcement John Appelbaum and Political Reform Consultant Jeanette Turvill. Respondent David Gold qualified as a major donor committee in the first six months of 2004. Respondent failed to file a semi-annual campaign statement, in violation of Government Code section 84200, subdivision (b) (1 count) and section 84605, subdivision (a) (1 count). \$2,500 fine.

In the Matter of Race Investments, LLC, Robin P. Arkley II, Cherie P. Arkley, and Security National Servicing Corporation, a major donor committee, FPPC 06/024. Staff: Commission Counsel Kourtney Vaccaro and Political Reform Consultant Mary Ann Kvasager. Respondent major donor committee Race Investments, LLC, Robin P. Arkley II, Cherie P. Arkley, and Security National Servicing Corpo-

ration failed to: disclose late contributions by the due date in violation of section 84203, subdivisions (a) and (b) (2 counts); failed to file paper semi-annual campaign statements by the due dates, in violation of section 84200, subdivision (b) of the Government Code (4 counts); failed to file online or electronic semi-annual campaign statements by the due dates in violation of section 84605, subdivision (a) of the Government Code (3 counts); failed to disclose an affiliated entity and a contribution made thereby, in violation of section 84211, subdivisions (k) and (t) and regulation 18428, subdivision (b) (1 count); and failed to disclose contributions, in violation of section 84211, subdivision (k) (1 count). \$38,500 fine.

In the Matter of State Farm Insurance Companies, FPPC No. 06/398. Staff: Chief of Enforcement John Appelbaum and Political Reform Consultant Jeanette Turvill. Respondent State Farm Insurance Companies qualified as a major donor committee in the first six months of 2005. Respondent failed to file a semi-annual campaign statement, electronically, in violation of Government Code section 84605, subdivision (a) (1 count). \$2,500 fine.

Major Donor – Streamlined Program

Failure to Timely File Major Donor Campaign Statements. Chief Investigator Sue Straine and Political Reform Consultant Mary Ann Kvasager. The following entities have entered into stipulations for failing to file major donor campaign statements that were due during calendar years 2002, 2003, 2004 and 2005, in violation of Government Code Section 84200:

- ◆ **In the Matter of Kirschenman Enterprises, Inc., FPPC No. 06/174.** Kirschenman Enterprises, Inc. of Edison failed to timely file a semi-annual campaign statement disclosing contributions totaling \$1,000 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Meehleis Modular Buildings, Inc., FPPC No. 06/175.** Meehleis

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Modular Buildings, Inc. of Lodi failed to timely file a semi-annual campaign statement disclosing contributions totaling \$14,906.17 in 2004 (1 count). \$400 fine.

- ◆ **In the Matter of Steven F. Chapman, FPPC No. 06/285.** Steven F. Chapman of Santa Monica failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Charter Communications, FPPC No. 06/286.** Charter Communications of Reno, Nevada failed to timely file semi-annual campaign statements disclosing contributions totaling \$11,750 in 2004 and \$17,000 in 2005 (2 counts). \$800 fine.
- ◆ **In the Matter of Epsten Grinnell & Howell, APC, FPPC No. 06/289.** Epsten Grinnell & Howell, APC of San Diego failed to timely file a semi-annual campaign statement disclosing contributions totaling \$8,000 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Ted Jones Ford, Inc., dba Ken Grody Ford, FPPC No. 06/300.** Ted Jones Ford, Inc., dba Ken Grody Ford of Buena Park failed to timely file semi-annual campaign statements disclosing contributions totaling \$16,250 in 2004 (2 counts). \$800 fine.
- ◆ **In the Matter of M & N Foods, LLC, FPPC No. 06/302.** M & N Foods, LLC of San Marcos failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Prakash Jay M.D., Inc., FPPC No. 06/305.** Prakash Jay M.D., Inc. of Santa Ana failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.

- ◆ **In the Matter of Skilled Healthcare, LLC, FPPC No. 06/309.** Skilled Healthcare of Foothill Ranch failed to timely file semi-annual campaign statements disclosing contributions totaling \$15,400 in 2004 and \$16,100 in 2005 (3 counts). \$1,361 fine.
- ◆ **In the Matter of Valley Harvesting & Packing, Inc. & Affiliated Entities Including Fresh Harvest, Inc., FPPC No. 06/347.** Valley Harvesting & Packing, Inc. & Affiliated Entities Including Fresh Harvest, Inc. of Heber failed to timely file a semi-annual campaign statement disclosing contributions totaling \$6,000 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Microsoft Corporation, FPPC No. 06/364.** Microsoft Corporation of Redmond, Washington failed to timely file a semi-annual campaign statement disclosing contributions totaling \$54,000 in 2004 (1 count). \$940 fine.
- ◆ **In the Matter of TC Construction Company, Inc., FPPC No. 06/367.** TC Construction Company, Inc. of Santee failed to timely file a semi-annual campaign statement disclosing contributions totaling \$2,500 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Lehr Brothers, Inc., FPPC No. 06/368.** Lehr Brothers, Inc. of Edison failed to timely file a semi-annual campaign statement disclosing contributions totaling \$5,250 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Winning Directions, FPPC No. 06/369.** Winning Directions of South San Francisco failed to timely file a semi-annual campaign statement disclosing contributions totaling \$16,150 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Z-A Management, FPPC No. 06/417.** Z-A Management of Beverly Hills failed to timely file a semi-annual campaign statement disclosing contributions totaling \$20,000 in 2004 (1 count). \$800 fine.

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- ◆ **In the Matter of Bernard Karcher Investments, Inc., FPPC No. 06/423.** Bernard Karcher Investments, Inc. of Corona failed to timely file a semi-annual campaign statement disclosing contributions totaling \$4,500 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of BRE Properties, Inc., FPPC No. 06/424.** BRE Properties of San Francisco failed to timely file semi-annual campaign statements disclosing contributions totaling \$15,000 in 2004 and \$37,500 in 2005 (3 counts.). \$1,600 fine.
- ◆ **In the Matter of Brehm Communities, FPPC No. 06/425.** Brehm Communities of Carlsbad failed to timely file semi-annual campaign statements disclosing contributions totaling \$38,449 in 2004 (2 counts). \$1,600 fine.
- ◆ **In the Matter of Care Ambulance Service, Inc., FPPC No. 06/426.** Care Ambulance Service, Inc. of Orange failed to timely file semi-annual campaign statements disclosing contributions totaling \$46,446 in 2004 and \$10,546 in 2005 (3 counts). \$2,969.92 fine.
- ◆ **In the Matter of Checkers Drive-In Restaurants, Inc., FPPC No. 06/427.** Checkers Drive-In Restaurants, Inc. of Tampa, Florida failed to timely file a semi-annual campaign statement disclosing contributions totaling \$25,000 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of CLK, Inc., FPPC No. 06/428.** CLK, Inc. of Palm Desert failed to timely file a semi-annual campaign statement disclosing contributions totaling \$5,400 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of W. James Edwards III, FPPC No. 06/429.** W. James Edwards III of Newport Beach failed to timely file semi-annual campaign statements disclosing contributions totaling \$15,000 in 2004 and \$25,000 in 2005 (2 counts). \$1,200 fine.
- ◆ **In the Matter of Emergency Groups' Office, FPPC No. 06/430.** Emergency Groups' Office of Arcadia failed to timely file semi-annual campaign statements disclosing contributions totaling \$15,000 in 2003 and \$15,250 in 2004 (2 counts). \$1,200 fine.
- ◆ **In the Matter of Emergency Physicians Medical Group, FPPC No. 06/431.** Emergency Physicians Medical Group of Roseville failed to timely file a semi-annual campaign statement disclosing contributions totaling \$63,000 in 2004 (1 count). \$1,030 fine.
- ◆ **In the Matter of Ronald J. Grueskin, FPPC No. 06/432.** Ronald J. Grueskin of Palm Desert failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of HG Pizza Restaurants, Inc., FPPC No. 06/433.** HG Pizza Restaurants, Inc. of Livermore failed to timely file a semi-annual campaign statement disclosing contributions totaling \$16,000 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Huntington Memorial Hospital, FPPC No. 06/434.** Huntington Memorial Hospital of Pasadena failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of ITU Ventures LLC, FPPC No. 06/435.** ITU Ventures LLC of Los Angeles failed to timely file semi-annual campaign statements disclosing contributions totaling \$15,000 in 2004 (2 counts). \$1,600 fine.
- ◆ **In the Matter of John L. Ginger Masonry, Inc., FPPC No. 06/436.** John L. Ginger Masonry, Inc. of Riverside failed to timely file semi-annual campaign statements disclosing contributions totaling \$24,425 in 2004 (2 counts). \$800 fine.

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- ◆ **In the Matter of Landry Restaurant LP Development Account, FPPC No. 06/437.** Landry Restaurant LP Development Account of Houston, Texas failed to timely file a semi-annual campaign statement disclosing contributions totaling \$25,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Chris & Jennifer Lewis, FPPC No. 06/438.** Chris & Jennifer Lewis of Los Angeles failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Lisa L. Maki, FPPC No. 06/439.** Lisa L. Maki of Santa Monica failed to timely file semi-annual campaign statements disclosing contributions totaling \$13,500 in 2004 and \$19,000 in 2005 (3 counts). \$2,000 fine.
- ◆ **In the Matter of Mariner Health Care Management Company, FPPC No. 06/440.** Mariner Health Care Management Company of Atlanta, Georgia failed to timely file a semi-annual campaign statement disclosing contributions totaling \$11,000 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Mariner Post-Acute Network, Santa Monica, CA, FPPC No. 06/441.** Mariner Post-Acute Network, Santa Monica, CA of Atlanta, Georgia failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,600 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Michael Marston, FPPC No. 06/442.** Michael Marston of Santa Barbara failed to timely file semi-annual campaign statements disclosing contributions totaling \$12,500 in 2004 and \$32,500 in 2005 (3 counts). \$1,600 fine.
- ◆ **In the Matter of Medical Staff of Hoag Memorial Hospital Presbyterian, FPPC No. 06/443.** Medical Staff of Hoag Memorial Hospital Presbyterian of Newport Beach failed to timely file a semi-annual campaign statement disclosing contributions totaling \$25,000 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Michael R. Lombardi & Affiliated Entities, FPPC No. 06/444.** Michael R. Lombardi & Affiliated Entities of Los Angeles failed to timely file a semi-annual campaign statement disclosing contributions totaling \$25,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Midland Pacific Building Corporation, FPPC No. 06/445.** Midland Pacific Building Corporation of Atascadero failed to timely file a semi-annual campaign statement disclosing contributions totaling \$15,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Pacifica Del Mar LP, FPPC No. 06/446.** Pacifica Del Mar LP of Del Mar failed to timely file a semi-annual campaign statement disclosing contributions totaling \$20,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of PJHM Architects Southwest, Inc., FPPC No. 06/447.** PJHM Architects Southwest, Inc. of San Clemente failed to timely file a semi-annual campaign statement disclosing contributions totaling \$30,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Plum Healthcare Group, LLC, FPPC No. 06/448.** Plum Healthcare Group, LLC of San Marcos failed to timely file semi-annual campaign statements disclosing contributions totaling \$17,000 in 2004 (2 counts). \$1,600 fine.
- ◆ **In the Matter of RCC, Inc., FPPC No. 06/449.** RCC, Inc. of Corona del Mar failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$800 fine.

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- ◆ **In the Matter of The Brigantine, Inc., FPPC No. 06/450.** The Brigantine, Inc. of San Diego failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Tim Razzari Motors, Inc., Razzari Nissan, Inc., Razzari Dodge, Inc., Razzari Visalia, Inc., FPPC No. 06/451.** Tim Razzari Motors, Inc., Razzari Nissan, Inc., Razzari Dodge, Inc., Razzari Visalia, Inc. of Merced failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2003 (1 count). \$800 fine.
- ◆ **In the Matter of Roman Silberfeld/Robins, Kaplan, Miller & Ciresi, FPPC No. 06/452.** Roman Silberfeld/Robins, Kaplan, Miller & Ciresi of Los Angeles failed to timely file a semi-annual campaign statement disclosing contributions totaling \$15,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Sobrato Development Companies, FPPC No. 06/453.** Sobrato Development Companies of Cupertino failed to timely file semi-annual campaign statements disclosing contributions totaling \$23,500 in 2002, \$10,957 in 2004 and \$16,802 in 2005 (4 counts). \$2,168.02 fine.
- ◆ **In the Matter of Adelpia Communications Corp., FPPC No. 06/522.** Adelpia Communications Corp. of Greenwood Village, Colorado failed to timely file semi-annual campaign statements disclosing contributions totaling \$22,561 in 2004 and \$23,071 in 2005 (4 counts). \$2,400 fine.
- ◆ **In the Matter of Bakersfield Emergency Medical Corporation, FPPC No. 06/523.** Bakersfield Emergency Medical Corporation of Bakersfield failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Danmer, Inc., FPPC No. 06/524.** Danmer, Inc. of Chatsworth failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Behzad Emad, FPPC No. 06/525.** Behzad Emad of Sherman Oaks failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.
- ◆ **In the Matter of Emergency Medicine Management Services of California, Inc., FPPC No. 06/526.** Emergency Medicine Management Services of California, Inc. located in Marina Del Rey failed to timely file semi-annual campaign statements disclosing contributions totaling \$37,494 in 2004 and \$29,162 in 2005 (4 counts). \$2,400 fine.
- ◆ **In the Matter of Yury Furman, FPPC No. 06/527.** Yury Furman of Los Angeles failed to timely file a semi-annual campaign statement disclosing contributions totaling \$18,750 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Guinn Construction, FPPC No. 06/528.** Guinn Construction of Bakersfield failed to timely file semi-annual campaign statements disclosing contributions totaling \$32,499 in 2004 (2 counts). \$1,600 fine.
- ◆ **In the Matter of Hard Work Too, Inc., FPPC No. 06/529.** Hard Work Too, Inc. of San Diego failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$800 fine.
- ◆ **In the Matter of Kaplan Fox & Kilsheimer LLP, FPPC No. 06/530.** Kaplan Fox & Kilsheimer LLP of New York, New York failed to timely file semi-annual campaign statements disclosing contributions totaling \$12,500 in 2004 and \$11,000 in 2005 (2 counts). \$1,200 fine.

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- ◆ **In the Matter of Mercy San Juan Medical Center Medical Staff, FPPC No. 06/531.** Mercy San Juan Medical Center Medical Staff of Carmichael failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$800 fine.
 - ◆ **In the Matter of O'Charley's, Inc., FPPC No. 06/532.** O'Charley's, Inc. of Nashville, Tennessee failed to timely file a semi-annual campaign statement disclosing contributions totaling \$25,000 in 2004 (1 count). \$800 fine.
 - ◆ **In the Matter of Leonard Riggio, FPPC No. 06/533.** Leonard Riggio of New York, New York failed to timely file semi-annual campaign statements disclosing contributions totaling \$10,000 in 2004 and \$12,000 in 2005 (2 counts). \$1,200 fine.
 - ◆ **In the Matter of Karolina Sandoval, FPPC No. 06/534.** Karolina Sandoval of Chicago, Illinois failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$800 fine.
 - ◆ **In the Matter of Southern California Food Services Corp/Coastline Food Services Corp., Affiliated Entities, FPPC No. 06/535.** Southern California Food Services Corp/Coastline Food Services Corp., Affiliated Entities of Knoxville, Tennessee failed to timely file a semi-annual campaign statement disclosing contributions totaling \$27,000 in 2004 (1 count). \$800 fine.
 - ◆ **In the Matter of Superior Nissan of: Carson, Mission Hills, Puente Hills & Rancho Santa Margarita, FPPC No. 06/536.** Superior Nissan of: Carson, Mission Hills, Puente Hills & Rancho Santa Margarita located in Newport Beach failed to timely file a semi-annual campaign statement disclosing contributions totaling \$20,000 in 2004 (1 count). \$800 fine.
 - ◆ **In the Matter of Orange Coast Title Company, FPPC No. 06/555.** Orange Coast Title Company of Santa Ana failed to timely file semi-annual campaign statements disclosing contributions totaling \$33,600 in 2004 (2 counts). \$1,600 fine.
 - ◆ **In the Matter of Marie Callender Pie Shops, Inc., FPPC No. 06/557.** Marie Callender Pie Shops, Inc. of Aliso Viejo failed to timely file a semi-annual campaign statement disclosing contributions totaling \$20,000 in 2004 (1 count). \$800 fine.
 - ◆ **In the Matter of Judith H. Koch, FPPC No. 06/586.** Judith H. Koch of Mountain View failed to timely file semi-annual campaign statements disclosing contributions totaling \$46,200 in 2004 and \$88,700 in 2005 (3 counts). \$1,970 fine.
 - ◆ **In the Matter of John G. Sinadinis, FPPC No. 06/599.** John G. Sinadinis of Sacramento failed to timely file a semi-annual campaign statement disclosing contributions totaling \$20,000 in 2003 (1 count). \$400 fine.
- Late Contribution – Streamlined Program**
- Failure to Timely File Late Contribution Reports – Proactive Program.** Chief Investigator Sue Straine and Political Reform Consultant Mary Ann Kvasager. The following person has entered into a stipulation for failure to file a late contribution report in 2004 in violation of Government Code Section 84203:
- ◆ **In the Matter of Judith H. Koch, FPPC No. 06/587.** Judith H. Koch of Mountain View failed to timely disclose a late contribution totaling \$25,000 (1 count). \$3,500 fine.



Legislative Update

The following information on legislation is condensed from the legislative report prepared for the October 24, 2006, Commission meeting. For the complete report, please see the meeting agenda on our website at:

<http://www.fppc.ca.gov/index.html?id=329>

Current updates on bills can be found on the FPPC's website at :

<http://www.fppc.ca.gov/index.html?id=365>

The following bills related to the Political Reform Act or the Fair Political Practices Commission have been approved by the Legislature, signed by the Governor, and chaptered into law by the Secretary of State. Unless otherwise indicated, the provisions of these chaptered bills will take effect on January 1, 2007.

AB 1759 (Umberg)
Chapter 438, Statutes of 2006
Campaign Expenditure Disclosures

This bill requires committees that receive contributions totaling over \$1000 in a calendar year to electronically disclose contributions or independent expenditures totaling \$5,000 or more to support or oppose the qualification or passage of a single state ballot measure. The disclosure must be made within 10 business days of making the contribution or independent expenditure. The bill specifies that disclosure is not required of primarily formed ballot state measure committees for expenditures made consistent with the purpose for which the committee was formed.

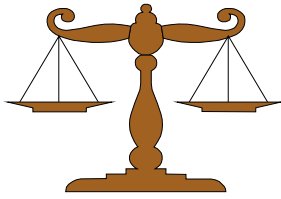
AB 2275 (Umberg)
Chapter 439, Statutes of 2006
Political Reform Act of 1974: Telephone Advocacy

This bill requires candidates, committees, and slate mailer organizations that use campaign funds to make 500 or more phone calls in support or opposition of candidates or ballot measures to disclose during the phone call the name of the organization that authorized or paid for the call. This provision does not apply to calls that are personally made by the candidate, campaign manager, or volunteers. The bill requires organizations to keep a script of the call or a copy of the recorded phone call for a period of time per Gov. Code section 84104. The bill also prohibits committees from contracting with phone bank vendors who do not disclose the information required by this provision.

SB 145 (Murray)
Chapter 624, Statutes of 2006
Political Reform Act of 1974: Contributions for Office Holder Expenses

This bill authorizes an elected state officer to accept contributions for the purpose of paying expenses associated with holding office or for any other purpose authorized by the Political Reform Act of 1974, subject to certain limitations. Contributions for this purpose may only be received after the date of the election to the office presently held by the officer. The bill limits the amount of these contributions that may be made in a calendar year, and it limits the aggregate amount of contributions that the officer may receive in a calendar year. If a candidate who received officeholder account contributions runs for another office before the end of his or her term, then the contributions received for officeholder purposes will be attributed to the officer's next campaign. If those contributions exceed contribution limits for the office sought, then the excess must be returned pursuant to requirements determined by the Commission. This bill became effective immediately on September 29, 2006.

SB 1579 (Committee)
 This Commission-sponsored bill deletes an obsolete cross-reference found in Section 89513. Section 89513 referenced "paragraph (7) of subdivision (j) of Section 84211," which no longer exists as a result of amendments to Section 84211



Litigation Report

Here is a report on pending litigation prepared for the Commission's December 14, 2006, meeting:

California ProLife Council, Inc. v. Karen Getman et al.

This action challenged the Act's reporting requirements for express ballot measure advocacy. In October 2000 the Federal District Court for the Eastern District of California dismissed certain counts and later granted the FPPC's motion for summary judgment on the remaining counts. Plaintiff appealed, and the Ninth Circuit Court of Appeal affirmed that the challenged statutes and regulations were not unconstitutionally vague, and that California may regulate ballot measure advocacy upon demonstrating a sufficient state interest in so doing. However, the Ninth Circuit remanded the matter back to the district court to determine whether California could in fact establish an interest sufficient to support its committee disclosure rules, and that its disclosure rules are properly tailored to that interest. On February 22, 2005, the court granted defendants' motion for summary judgment on these questions. Plaintiff again appealed. The parties, and amici who have filed two briefs supporting defendants, have now completed the appellate briefing, and the parties are awaiting a hearing date.

FPPC v. Agua Caliente Band of Cahuilla Indians, et al.

The FPPC alleges in this action that the Agua Caliente Band of Cahuilla Indians contributed more than \$7.5 million to California candidates and ballot measure campaigns between January 1 and December 31, 1998, but did not timely file major donor reports disclosing those contributions, and likewise failed to disclose

more than \$1 million in late contributions made between July 1, 1998 and June 30, 2002. The FPPC later amended the complaint to add a cause of action alleging that the tribe failed to disclose a \$125,000 contribution to the Proposition 51 campaign on the November 5, 2002 ballot. Defendants responded to the lawsuit by filing a motion to quash service, alleging that they could not be civilly prosecuted because of tribal sovereign immunity. On February 27, 2003, the Honorable Loren McMaster of the Sacramento County Superior Court ruled in the FPPC's favor. Defendants filed a petition for writ of mandate in the Third District Court of Appeal, challenging the decision of the trial court. The petition was summarily denied on April 24, 2003, whereupon defendants filed a petition for review in the California Supreme Court. On July 23, 2003, the Supreme Court granted review and transferred the case back to the Court of Appeal. On March 3, 2004, the Court of Appeal affirmed the Superior Court's decision, concluding that "the constitutional right of the State to preserve its republican form of government trumps the common law doctrine of tribal immunity." On April 13, 2004, defendants filed a Petition for Review in the California Supreme Court. On June 23, 2004, the Supreme Court granted the Petition for Review. Briefing was completed on April 1, 2005, and the Supreme Court heard oral argument on October 4, 2006. The Court's opinion is expected within ninety days of the hearing.

FPPC v. Santa Rosa Indian Community of the Santa Rosa Rancheria

In this action the FPPC alleges that the Santa Rosa Indian Community of the Santa Rosa Rancheria failed to file major donor semi-annual campaign statements in the years 1998, 1999, and 2001, involving more than \$500,000 in political contributions to statewide candidates and propositions, and that defendants failed to disclose more than \$350,000 in late contributions made in October 1998. The complaint was originally filed on July 31, 2002, and was amended on October 7, 2002. On January 17, 2003, defendants filed a motion to quash service, based on its claim of tribal sovereign immunity. On May 13,

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...Litigation Report

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2003, the Honorable Joe S. Gray of the Sacramento County Superior Court entered an order in favor of defendants. On July 14, 2003, the FPPC appealed this decision to the Third District Court of Appeal, where the matter was scheduled for oral argument. The Attorney General filed an amicus brief in support of the FPPC's position. The court heard oral argument on October 19, 2004, and on October 27, 2004, issued a decision in favor of the Commission overturning the trial court's granting of defendant's motion to quash. The tribe filed a petition for review with California Supreme Court which was granted on January 12, 2005. However, any action on the case has been deferred pending the outcome of the Agua Caliente case.

Citizens to Save California, et al. v. FPPC

On February 8, 2005, Citizens to Save California and Assembly Member Keith Richman filed a complaint for injunctive and declaratory relief in Sacramento Superior Court challenging the Commission's adoption of regulation 18530.9 in June 2004, which imposed on candidate-controlled ballot measure committees the contribution limit applied to the controlling candidate. Plaintiffs claim that the regulation violates the First Amendment, and that the Commission lacked statutory authority to adopt the regulation. Another group of plaintiffs led by Governor Schwarzenegger intervened in the action, and the court granted plaintiffs' motion for preliminary injunction, barring FPPC enforcement of regulation 18530.9 pending final disposition of the lawsuit. The Commission appealed, noting that the Superior Court's injunction was stayed while the appeal was pending. On April 25, the Superior Court determined that its injunction remained in effect, and a writ petition challenging this finding in the Court of Appeal was denied. Ruling next on the Commission's demurrer to the complaints, on May 26 Judge Chang indicated that further proceedings in the Superior Court were stayed pending resolution of the Commission's appeal of the preliminary in-

junction. The Third District Court of Appeal heard oral argument on November 17, 2006. On December 8, 2006, the Third District Court of Appeal affirmed the order granting preliminary injunction.

FPPC v. Chad M. Condit, et al.

On January 10, 2006, the FPPC filed suit in Sacramento County Superior Court against Chad Condit, Cadee Condit, and the Justice PAC. The lawsuit seeks civil penalties against Chad Condit and the Justice PAC for violation of the Act's personal use provisions and its prohibition on cash expenditures, and civil penalties against Cadee Condit for violation of the personal use provisions. Discovery is now underway and a trial setting conference will take place in December.

**FPPC
Toll-free Advice Line:**

**1-866-ASK-FPPC
(1-866-275-3772)**

FPPC Advice Summaries

Formal written advice provided pursuant to Government Code section 83114 subdivision (b) does not constitute an opinion of the Commission issued pursuant to Government Code section 83114 subdivision (a) nor a declaration of policy by the Commission. Formal written advice is the application of the law to a particular set of facts provided by the requestor. While this advice may provide guidance to others, the immunity provided by Government Code section 83114 subdivision (b) is limited to the requestor and to the specific facts contained in the formal written advice. (Cal. Code Regs., tit. 2, §18329, subd. (b)(7).)

Informal assistance may be provided to persons whose duties under the Act are in question. (Cal. Code Regs., tit. 2, §18329, subd. (c).) In general, informal assistance, rather than formal written advice is provided when the requestor has questions concerning his or her duties, but no specific government decision is pending. (See Cal. Code Regs., tit. 2, §18329, subd. (b)(8)(D).)

Formal advice is identified by the file number beginning with an "A," while informal assistance is identified by the letter "I." Letters are summarized by subject matter and month issued.

Conflicts of Interest

David Swerdlin
City of San Juan Capistrano
Dated: July 24, 2006
File Number I-06-100

A mayor who, as part of his outside employment, prepared a pro forma report to a state commission on behalf of one developer and got a second developer to quickly review it may vote on projects brought to the city council by the second

developer where the two development companies are not related and the review did not involve a financial transaction.

Jerry O'Banion
Merced County
Dated: July 3, 2006
File Number A-06-108

A county supervisor's economic interest in real property is directly involved in a governmental decision to expand a specific urban development plan ("SUDP") despite the fact that boundary of expansion area is 2,400 feet from the supervisor's property. As the entire SUDP and not merely the expansion area is the subject of the decision, the Commission will measure from the boundary of the SUDP to the supervisor's property to determine if the property is directly involved. As the supervisor's property is within 500 feet of the property subject to the decision and the property would receive new or improved public facilities, the supervisor's property is directly involved in the decision under regulation 18704.2(a)(1) and (6). The financial effect of such a decision is presumed to be material and the supervisor may not participate in the decision unless he can prove the presumption has been rebutted.

Ray Luna
City of Santa Paula
Dated: July 11, 2006
File Number I-06-112

A city council member who is a real estate agent sought advice regarding whether he may participate in decisions concerning the development of an apartment project to be built on a lot of land which includes within its boundaries, an existing building from which he conducts a real estate business. The official was advised that he will have a conflict of interest if it is reasonably foreseeable that the decision will have a material financial effect on his various economic interests.

Michael Reiter
City of Redlands
Dated: July 20, 2006
File Number I-06-117

There is no waiting period under the Act which a

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public official must observe between making a governmental decision to approve a project and then providing paid services to the person whose project was approved.

Laurence S. Wiener
City of Beverly Hills
Dated: July 26, 2006
File Number A-06-118

A city attorney sought advice as to whether members of a newly formed committee established to perform a single task with regard to making recommendations about the city's subway are officials subject to the conflict-of-interest provisions of the Act.

Diana E. Rivera
California Integrated Waste Management
Dated: July 7, 2006
File Number I-06-121

The Act does not prohibit a public official from pursuing a private business partnership while concurrently employed as a public official. However, operating a private business while employed as a public official may give rise to conflicts of interest that disqualify the official from governmental decision-making.

John W. Stovall
City of Stockton
Dated: July 19, 2006
File Number A-06-124

A trustee of a reclamation district lives along a slough in the district. The trustee may participate in decisions which concern dredging of a slough because it involves only the maintenance or repair of the slough. However, the official may not participate in decisions involving construction of, or improvements to the slough.

Steven G. Churchwell
City of Benicia
Dated: July 18, 2006
File Number A-06-130

Two council members' economic interests in real property are directly involved in a governmental decision to select a consultant to determine market demand and establish characteris-

tics of future commercial and mixed-use activities within identified development districts. As the council members' properties are within 500 feet of property subject to governmental decision, the financial effect of such a decision is presumed to be material. Despite the fact that the decision will be made through a competitive bidding process, council members may not participate in the decision unless they can prove the presumption of materiality has been rebutted and determine that there will be no other reasonably foreseeable material financial effects on their other economic interests.

Cynthia Murray
Marin County
Dated: July 31, 2006
File Number I-06-135

This letter provides the requestor with the eight-step process to determine if, as a county supervisor, she would have a conflict of interest by having a consulting contract with a local non-profit organization. Since no governmental decision was provided by the requestor, no analysis was performed.

Gift Limits

Howard Weinberg
New Motor Vehicle Board
Dated: July 26, 2006
File Number A-06-090

A state agency is advised that funds paid to the agency to help cover the costs of the agency's annual seminar are not gifts under the Act when the funds are used to cover the cost of the rental facility where the event is held, and for breakfast pastries and coffee, when the event is open to the public at no charge.

Mass Mail

David C. Laredo
City of Pacific Grove
Dated: July 6, 2006
File Number I-06-105

A city attorney sought advice regarding the Act's mass mailing provisions. Specifically, an

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elected official wanted to know if the city Chamber of Commerce newsletter would be subject to the mass mailing restrictions of Government Code section 89001 because the chamber receives a rental waiver and funds from the city for "economic enhancement projects." The requestor is advised that under the facts presented, three of the four criteria set out in regulation 18901(a) are met. A mailing is prohibited if all the factors contained in this regulation are satisfied. Thus, the prohibitions of section 89001 would apply to the chamber mailings if the fourth prong is met—that is, if the mailings are sent at public expense. This would apply if: (1) any of the costs of distribution are paid for with city public funds; or (2) the costs of design, production and printing which exceed \$50 are paid for with city public funds, and the design, production, or printing is done with the intent of sending the item other than as permitted under regulation 18901.

Lori Stone
Riverside County
Dated: July 25, 2006
File Number A-06-127

Payments made or solicited to sponsor a 5K walk/run, a charitable event, will not be considered reportable campaign contributions or gifts to a county supervisor. However, the supervisor must report payments, if any party makes payments, aggregating to \$5,000 or more in a calendar year. Additionally, the mass mailing provisions of the Act do not limit the delivery of a "sponsorship brochure" to potential sponsors of the walk/run, as 200 items or less will be delivered in a calendar month.

Revolving Door

Hanspeter Walter
Department of Water Resources
Dated: July 26, 2006
File Number I-06-078

A former state employee is advised that an environmental impact report on which he worked is considered a proceeding for purposes of the permanent ban because it involved specific par-

ties and he made recommendations that involved the use of confidential information. With respect to the one-year ban the employee is advised that the provisions would apply to him even if he was not a "designated employee" while he worked at his former agency, if his position involved making or participating in the making of decisions that had a reasonably foreseeable material effect on any financial interest.

Shandy Dittman
Department of Housing and Community Development
Dated: July 6, 2006
File Number I-06-109

A designated employee of a state agency may, after retirement, work as a paid consultant preparing loan applications to be considered by the former agency employer. She would, however, be prohibited from making compensated appearances before her former employer during the first twelve months following separation from state service.

