

NOTICE AND AGENDA Commission Meeting¹

California Fair Political Practices Commission 428 J Street, Suite 800 Sacramento, CA 95814

Thursday, April 17, 2014 10:00 A.M.

According to (Gov. Code Section 11123) (a) all meetings of a state body shall be open and public and all persons shall be permitted to attend any meeting of a state body except as otherwise provided in this article. The Section further states that the portion of the teleconferenced meeting that is required to be open to the public shall be audible to the public at the location specified in the notice of the meeting.

WELCOME

Sean Eskovitz, FPPC Vice Chair

PUBLIC COMMENT

1. Public Comment.

This portion of the meeting is reserved for comment on items not on the agenda. Under the Bagley-Keene Act, the Commission cannot act on items raised during public comment, but may respond briefly to statements made or questions posed; request clarification; or refer the item to staff.

PROPOSED CONSENT CALENDAR ITEMS 2 – 39

2. Approval of February 2014 Commission Meeting Minutes.

¹You can obtain further information about the meeting by contacting the Commission Assistant, 428 J Street, Suite 620, Sacramento, CA, 95814, Tel. (916) 322-5745. Written comments on agenda items should be submitted to the Commission no later than 12:00 p.m. the day before the meeting in order to afford the Commissioners adequate time to fully consider the comments. The fax number for comment letters is (916) 322-6440.

The agenda and related documents are posted on the FPPC website at <u>www.fppc.ca.gov</u>. Materials submitted by the public regarding each agenda item will be made available at the meeting and on the website.

Members of the public may listen to the meeting by phone by calling (888) 751-0624; access code 723284; or watch the meeting via Webinar at meeting via YouTube.

The meeting location is accessible to the disabled. Persons who, due to a disability, need assistance in order to participate in this meeting should, prior to the meeting, contact the Commission Assistant at (916) 322-5745 (voice), (916) 322-6440 (facsimile) or in writing. TTY/TDD and Speech-to-Speech users may dial 7-1-1 for the California Relay Service to submit comments on an agenda item or to request special accommodations for persons with disabilities. Please allow a reasonable period of time between the request and the meeting date.

ENFORCEMENT MATTERS

Campaign Reporting

3. In the Matter of Oceanside Firefighters Association Political Action Committee, Eric Hanson and Timothy Scott; FPPC No. 12/435. Staff: Senior Commission Counsel Angela Brereton and Chief Investigator Sandra Buckner. Respondent, Oceanside Firefighters Association Political Action Committee (Respondent OFFA-PAC) is a sponsored city general purpose committee located in Oceanside, CA. Respondent OFFA-PAC is sponsored by Oceanside Firefighters' Association Local 3736 (OFFA), a labor organization representing fire agencies in Oceanside, CA. Respondent, Eric Hanson, was the Treasurer for Respondent OFFA-PAC from July 27, 2010, through October 24, 2012. Respondent, Timothy Scott, was the treasurer for Respondent OFFA-PAC from October 25, 2012, through present. Respondents violated the Act by failing to itemize and disclose required information regarding cumulative contributions of \$100 or more in the calendar year received from union members, in five consecutive campaign statements, three semiannual and two pre-election, for reporting periods in calendar years 2011 and 2012, in violation of Government Code Section 84211, subdivision (f) (5 counts). Respondents failed to itemize and disclose the required information for contributions totaling \$121,485. This amount is 99.9% of the total contributions reported received in the identified campaign statements, and the relevant reporting periods spanned two years. Additionally, Respondents violated the Act by failing to disclose in a semi-annual campaign statement covering the period July 1 through December 31, 2011, making a \$1,600 contribution to Jim Wood, a candidate for Mayor of Oceanside, in violation of Government Code Section 84211, subdivision (k)(5) (1 count). Total Proposed Penalty: \$12,000.

- 4. In the Matter of Brown for Governor 2010-Sponsored by the San Diego and Imperial Counties Labor Council: El Cambio Empieza El Martes to Support Jerry and Xavier Martinez; FPPC No. 13/087. Staff: Commission Counsel Zachary Norton and Program Specialist Grant Beauchamp. Respondent, Brown for Governor 2010-Sponsored by the San Diego and Imperial Counties Labor Council: El Cambio Empieza El Martes to Support Jerry, was as a primarily formed committee in support of Governor Jerry Brown. The Committee was sponsored by the San Diego and Imperial Counties Labor Council. Respondent, Xavier Martinez, was the Committee's Treasurer. Respondents failed to file a late independent expenditure report by October 19, 2010, disclosing \$126,184 in expenditures made in support of Proposition 25, in violation of Government Code Section 84204, subdivision (a) (1 count), failed to disclose, for the reporting period ending December 31, 2010, required subvendor information for payments totaling approximately \$90,636, in violation of Government Code Section 84211, subdivision (k) and Section 84303 (1 count), and failed to disclose, for the reporting period ending December 31, 2010, on the Summary of Expenditures page of a semi-annual campaign statement, information concerning \$126,184 in independent expenditures made in support of Proposition 25, in violation of Government Code Section 84211, subdivisions (b), (i) and (k) (1 count). Total Proposed Penalty: \$7,500.
- 5. In the Matter of Citizens for a Clean and Honest Local Government and Brian Hews; FPPC No. 13/071. Staff: Commission Counsel Zachary Norton and Special Investigator Annaraine Diaz-Sham. Respondents are Citizens for a Clean and Honest Local Government, an independent expenditure committee, and Brian Hews ("Respondent Hews"), who directed the activity of the committee. Respondent Hews also owns and publishes the *Los Cerritos Community News* and *Norwalk Community News*. Respondents failed to file supplemental independent expenditure reports, covering the periods January 1, 2013, through January 19, 2013, from January 20, 2013, through February 16, 2013, and from February 17, 2013, through June 30, 2013, in violation of Government Code Section 84203.5, (1 count) and failed to display a disclosure statement properly identifying the name of the committee on published advertisements opposing the re-election of Carol Chen and Cheri Kelly, in violation of Government Code Sections 84506 and 84506.5 (1 count). Total Proposed Penalty: \$5,000.

- 6. In the Matter of Kathleen DeRosa and Committee to Elect Kathleen DeRosa for Mayor; FPPC No 12/867. Staff: Senior Commission Counsel Dave Bainbridge and Special Investigator Annaraine Diaz. Respondent, Kathleen DeRosa, was re-elected mayor of Cathedral City in 2012. Respondent, Committee to Elect Kathleen DeRosa for Mayor, was her candidate-controlled committee for that election. Respondents failed to timely disclose expenditures and accrued expenses for mailers, signs, banners, handouts, mailing services, and radio advertising on campaign statements for three statement periods in 2012 in violation of Government Code Section 84211, subdivision (k) (1 count). Total Proposed Penalty: \$2,500.
- 7. In the Matter of Kenneth Dickson for 67th Assembly 2012 and Kenneth Dickson; FPPC No. 14/025. Staff: Commission Counsel Milad Dalju and Program Specialist Soni Mangat. Respondent, Kenneth Dickson, and his candidate-controlled committee, Respondent, Kenneth Dickson for 67th Assembly 2012, failed to timely report contributions of \$5,000 or more received on August 29, 2011 and December 28, 2011, in violation of Government Code Section 85309, subdivision (c) (1 count). Total Proposed Penalty: \$1,000.
- 8. In the Matter of Wellstone Democratic Club of Sacramento and Kerri Asbury; FPPC No. 13/1264. Staff: Political Reform Consultant Teri Rindahl. Respondent, Wellstone Democratic Club of Sacramento and Kerri Asbury, as Treasurer, failed to file four semiannual campaign statements covering the periods of July 1, 2011, through June 30, 2013, and one pre-election campaign statement for the period covering July 1, 2012, through October 20, 2012, due October 25, 2012, in violation of Government Code Sections 84200 and 84200.5 (5 counts). Total Proposed Penalty: \$1,000.
- 9. In the Matter of Hector Manuel Ortiz, Candidate and Treasurer, and Hector Manuel Ortiz City Council 2013; FPPC No. 14/053. Staff: Political Reform Consultant Teri Rindahl. Respondents, Hector Manuel Ortiz, Candidate and Treasurer, and Hector Manuel Ortiz City Council 2013, failed to timely file two campaign statements covering the periods January 1, 2013, through September 21, 2013, due September 26, 2013, and September 22, 2013, through October 19, 2013, due October 24, 2013, with the City of Irwindale in violation of Government Code Section 84200.5 (2 counts). Total Proposed Penalty: \$400.
- 10. In the Matter of Natalie Ybarra, Candidate; Natalie Ybarra for BP City Council 2013; and Diese Benitez; FPPC No. 13/1199. Staff: Political Reform Consultant Teri Rindahl. Respondents, Natalie Ybarra, Natalie Ybarra for BP City Council 2013, and Diese Benitez, as Treasurer, failed to timely file two campaign statements covering the periods January 1, 2013, through September 21, 2013, due September 26, 2013, and September 22, 2013, through October 19, 2013, due October 24, 2013, with the City of Baldwin Park in violation of Government Code Section 84200.5 (2 counts). Total Proposed Penalty: \$400.

- 11. In the Matter of Nevada County Democratic Central Committee and Rosalie Adduci; FPPC No. 14/281. Staff: Political Reform Consultant Adrianne Korchmaros. Respondents, Nevada County Democratic Central Committee and Treasurer, Rosalie Adduci, failed to timely file the pre-election campaign statement covering the period January 1, 2013, through January 26, 2013, due January 31, 2013, in either paper or electronic format, with the Secretary of State in violation of Government Code Sections 84200.5 and 84605 (2 counts). Total Proposed Penalty: \$400.
- In the Matter of Kai Stinchcombe, and Vote for Kai Assembly 2010; FPPC No. 13/1225. Staff: Legal Analyst Tracey Frazier and Law Clerk Robert Nash. Respondents, Vote for Kai – Assembly 2010 and Kai Stinchcombe, failed to timely file the campaign statement covering the period July 1, 2012, through December 31, 2012, due January 31, 2013, in violation of Government Code Section 84200 (1 count). Total Proposed Penalty: \$200.

Conflict of Interest

- 13. In the Matter of Matthew J. Duaime; FPPC No. 12/292. Staff: Commission Counsel IV Galena West and Special Investigator Lee Myers. Respondent, Matthew J. Duaime, while employed as the Fire Marshall and Administrative Fire Captain for the Stockton Fire Department, made, participated in making, or influenced governmental decisions in which he knew or had reason to know he had a financial interest regarding the hiring and payment of salary to himself, his dependent son, and his spouse, in violation of Government Code Section 87100 (1 count). Total Proposed Penalty: \$4,500.
- 14. In the Matter of Christopher Drop; FPPC No. 13/106. Staff: Commission Counsel Milad Dalju and Special Investigator Annaraine Diaz. Respondent, Christopher Drop, in his capacity as the General Manager of the Manila Community Services District, participated in a governmental decision in which he knew he had a financial interest, by presenting and recommending funding of a proposed project whose projected boundaries were within 500 feet of his real property to the Manila Community Services District at the March 19, 2009, May 17, 2012, and June 21, 2012, public board meetings, in violation of Government Code Section 87100 (1 count). Total Proposed Penalty: \$2,500.

Influencing Prospective Employment

15. In the Matter of George Sanen, FPPC No. 13/268. Staff: Commission Counsel Zachary Norton and Special Investigator Ann Flaherty. In this matter, Respondent, George Sanen, a Project Manager at Lawrence Berkeley National Laboratory, participated in making governmental decisions regarding modifications to a \$137,960 contract between the Lawrence Berkeley National Laboratory and M+W Group, USA at a time when he was negotiating, or had an arrangement concerning, prospective future employment with M+W Group, USA, in violation of Government Code Section 87407 (1 count). Total Proposed Penalty: \$3,500.

Lobbyist Arranged Gifts

16. In the Matter of Jeff Miller; FPPC No. 14/255. Staff: Senior Commission Counsel Dave Bainbridge and Special Investigator Simon Russell. Respondent, Jeff Miller was a state Assembly Member from 2008 to 2012. In November 2011, Respondent knowingly received a gift from the San Francisco Forty Niners arranged by lobbying firm Sloat Higgins Jensen & Associates in violation of Government Code Section 86204 (1 count). Total Proposed Penalty: \$1,000.

Mass Mailing

- 17. In the Matter of the City of Temecula and Jeff Comerchero; FPPC No. 13/924. Staff: Senior Commission Counsel Bridgette Castillo and Special Investigator Jeffrey Kamigaki. Respondents are the City of Temecula ("Respondent Temecula"), located in Riverside County, California, and Jeff Comerchero, an elected Temecula City Councilmember and President of Temecula Community Services District ("Respondent Comerchero"). In this matter, on or about July 12, 2012, and June 27, 2013, Respondents Temecula and Comerchero sent two brochures, at public expense, featuring Respondent Comerchero, an elected member of the Temecula City Council, with a message by, signature of and photo of Respondent Comerchero, in violation of Government Code Section 89001 (2 Counts). Total Proposed Penalty: \$4,000.
- 18. In the Matter of Christian Voters For a More Transparent Government In East County and Bonnie Burns Price; FPPC No. 12/799. Staff: Commission Counsel Zachary Norton and Special Investigator Simon Russell. Respondents are Christian Voters For a More Transparent Government In East County, an Independent Expenditure Committee, and its Treasurer, Bonnie Burns Price. On or about October 6, 2012, Respondents paid for and caused to be sent a mailer opposing the reelection of Tony Ambrose, Bob McClellan, and Bill Wells to the El Cajon City Council, which failed to include proper sender identification, in violation of Government Code Section 84305, subdivision (a), (1 count). Total Proposed Penalty: \$2,000.

Slate Mailer

19. In the Matter of Parent Teachers Action Voter Guide, Patrick Furey Jr. and Gary Crummitt; FPPC No. 14/037. Staff: Commission Counsel Adam Silver and Political Reform Consultant Jeanette Turvill. Respondent, Parent Teacher Action Voter Guide is a slate mailer organization. Respondent, Patrick Furey Jr., serves as the organization's principal officer and oversees its slate mailers. Respondent, Gary Crummitt, serves as its Treasurer. Prior to the November 5, 2013 election, Respondents produced and distributed a slate mailer that failed to include the required "Notice to Voters" disclaimer, in violation of Government Code Section 84305.5 subdivision (a) (2). Total Proposed Penalty: \$1,750.

Receipt of Gift Over the Limit

- 20. In the Matter of Steven T. Nichols; FPPC No. 12/976. Staff: Commission Counsel Adam Silver, Special Investigator Annaraine Diaz, and Law Clerk Robert Cosgrove. Respondent, Steven T. Nichols, former Assistant Electric Director for the City of Redding, received eighteen gifts exceeding the reporting threshold of \$50 and failed to report these gifts on his Annual Statements of Economic Interests, in violation of Government Code Sections 87300 and 87302 (1 count). In addition, Respondent accepted gifts that exceeded the applicable gift limit from one source in 2010, 2011, and 2012 in violation of Government Code Section 89503, subdivision (c) (3 counts). Total Proposed Penalty: \$5,500.
- 21. In the Matter of Steven Neal; FPPC Case No. 14/014. Staff: Political Reform Consultant Adrianne Korchmaros. Respondent, Steven Neal, as Council Member for the City of Long Beach, received a gift of tickets for the Long Beach Jazz Festival valued at \$555 from Rainbow Promotions, exceeding the \$420 gift limit applicable in 2012 in violation of Government Code Section 89503 (1 count). Total Proposed Penalty: \$200.

Major Donor Reporting

 In the Matter of Gary Grossman; FPPC No. 14/289. Staff: Political Reform Consultant Adrianne Korchmaros. Respondent, Gary Grossman, failed to timely file a Major Donor Report (Form 461) disclosing three contributions made during the period of January 1, 2013, through December 31, 2013, due January 31, 2014, with the County of San Luis Obispo in violation of Government Code Section 84200 (1 count). Total Proposed Penalty: \$400.

Statement of Economic Interests – Non-Filer

- 23. In the Matter of James McGhee; FPPC No. 12/321 (Default Decision). Staff: Commission Counsel Milad Dalju and Law Clerk Kyle Levy. In this matter, Respondent, James McGhee, a member of the California Board of Psychology until June 1, 2011, failed to file a Leaving Office Statement of Economic Interests within 30 days after leaving office, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$4,000.
- 24. In the Matter of Doris Lasiter; FPPC No. 13/1017. Staff: Political Reform Consultant Teri Rindahl. Respondent, Doris Lasiter, Birmingham Community Charter HS Interim Principal/CEO, failed to timely file her 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, by the April 2, 2013 due date, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$400.
- 25. In the Matter of Robert Hesse; FPPC No. 13/959. Staff: Political Reform Consultant Teri Rindahl. Respondent, Robert Hesse, Security & Investigative Services Bureau PSD Board Member, failed to timely file his 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, by the April 2, 2013 due date, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$200.
- 26. In the Matter of Delmar Greenleaf; FPPC File No. 13/1361. Staff: Political Reform Consultant Jeanette Turvill. Respondent, Delmar Greenleaf, as a Physician for the California Correctional Health Care Services, failed to timely file his 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 1, 2013, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$200.
- 27. In the Matter of Neal P. Ridge; FPPC File No. 13/1379. Staff: Political Reform Consultant Jeanette Turvill. Respondent, Neal P. Ridge, as a Physician for the California Correctional Health Care Services, failed to timely file his 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 1, 2013, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$200.
- 28. In the Matter of Larry A. Dileo; FPPC File No. 13/1350. Staff: Political Reform Consultant Jeanette Turvill. Respondent, Larry A. Dileo, as a Physician for the California Correctional Health Care Services, failed to timely file his 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 1, 2013, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$200.

- 29. In the Matter of Stephen Smith; FPPC No. 13/988. Staff: Political Reform Consultant Teri Rindahl. Respondent, Stephen Smith, ICEF Public Schools Board Member, failed to timely file his 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 2, 2013, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$200.
- 30. In the Matter of Grewen B. Palomero; FPPC File No. 13/1363. Staff: Political Reform Consultant Jeanette Turvill. Respondent, Grewen B. Palomero, as a Physician for the California Correctional Health Care Services, failed to timely file his 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 1, 2013, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$200.
- In the Matter of Thomas McKnight; FPPC File No. 14/124. Staff: Political Reform Consultant Jeanette Turvill. Respondent, Thomas McKnight, as a Planning Commissioner for the County of Trinity, failed to timely file his 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 1, 2013, in violation of Government Code Section 87203 (1 count). Total Proposed Penalty: \$200.
- 32. In the Matter of Bridgid Coulter; FPPC No. 13/1001. Staff: Political Reform Consultant Teri Rindahl. Respondent, Bridgid Coulter, ICEF Public Schools Board Member, failed to timely file her 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 2, 2013, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$200.
- 33. In the Matter of W.V. Graham Matthews; FPPC File No. 14/123. Staff: Political Reform Consultant Jeanette Turvill. Respondent, W.V. Graham Matthews, as a Planning Commissioner for the County of Trinity, failed to timely file his 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 1, 2013, in violation of Government Code Section 87203 (1 count). Total Proposed Penalty: \$200.
- 34. In the Matter of Roberto Reyes; FPPC No. 13/1254. Staff: Political Reform Consultant Teri Rindahl. Respondent, Roberto Reyes, City of Richmond Planning Commissioner, failed to timely file his combined Assuming Office and 2012 Annual Statement of Economic Interests covering the period February 15, 2010, through December 31, 2012, due April 2, 2013, in violation of Government Code Sections 87202 and 87203 (1 count). Total Proposed Penalty: \$200.

- 35. In the Matter of Roselle S. Branch; FPPC File No. 13/1368. Staff: Political Reform Consultant Jeanette Turvill. Respondent, Roselle S. Branch, as a Physician for the California Correctional Health Care Services, failed to timely file her 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 1, 2013, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$200.
- 36. In the Matter of Justin Weissman; FPPC No. 13/993. Staff: Political Reform Consultant Teri Rindahl. Respondent, Justin Weissman, LA Leadership Academy & Primary Board Member, failed to timely file his 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 2, 2013, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$200.
- **37.** In the Matter of Mark T. Baker; FPPC No. 13/1274. Staff: Law Clerk Keith Wade. Respondent, Mark T. Baker, Lakeside Community Planning Group Board Member, failed to timely file his 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 2, 2013, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$200.

Proactive Non-Reporting Gift Cases

- **38.** In the Matter of Luis Villegas; FPPC No. 13/698. Staff: Legal Analyst Tracey Frazier and Law Clerk Robert Nash. In this matter, Respondent, Luis Villegas, as a Trustee of the Santa Barbara Community College District, failed to timely disclose gift(s) of: golf and meals totaling \$230.74 on his 2011 Statement of Economic Interests. All gifts were from E.J. De La Rosa & Co., Inc. and all omissions were in violation of Government Code Section 87207 (1 count). Total Proposed Penalty: \$200.
- 39. In the Matter of Steve Williams; FPPC No. 13/704. Staff: Legal Analyst Tracey Frazier and Law Clerk Robert Nash. In this matter, Respondent, Steve Williams, as the Palmdale City Manager, failed to timely disclose gift(s) of: two meals totaling \$371.59 on his 2009 Statement of Economic Interests. All gifts were from E.J. De La Rosa & Co., Inc. and all omissions were in violation of Government Code Section 87207 (1 count). Total Proposed Penalty: \$200.

GENERAL ITEMS 40 & 41

- 40. In the Matter of Bill Berryhill, Tom Berryhill, Bill Berryhill For Assembly - 2008, Berryhill For Assembly 2008. Stanislaus Republican Central Committee (State Acct.), and San Joaquin County Republican Central Committee/Calif. Republican Victory Fund; FPPC No. 10/828. Staff: Chief of Enforcement Gary Winuk, Senior Commission Counsel Neal Bucknell, Special Investigator Paul Rasey, and Law Clerk Kyle Levy. Respondents, Bill and Tom Berryhill, are brothers. In 2008, Bill Berryhill was a successful non-incumbent candidate for the California State Assembly, 26th District. Respondent, Bill Berryhill for Assembly – 2008, was his candidate controlled committee. At the same time, Tom Berryhill was a successful incumbent candidate for the California State Assembly, 25th District. Respondent, Berryhill for Assembly 2008, was his candidate controlled committee. Respondents, Stanislaus Republican Central Committee (State Acct.) and San Joaquin County Republican Central Committee/Calif. Republican Victory Fund, were political party committees in that they were the Republican county central committees for Stanislaus County and San Joaquin County, respectively. In November 2013, a six-day administrative hearing was held before Administrative Law Judge Jonathan Lew of the Sacramento branch of the Office of Administrative Hearings. Following the hearing, Judge Lew issued a proposed decision in which he found nine violations of the Political Reform Act (two counts of campaign money laundering, two counts of making/accepting over-the-limit campaign contributions, and five counts of false reporting). For these nine violations, Judge Lew's proposed decision imposed an administrative penalty in the amount of \$40,000.
- 41. Repeal Regulation 18704.2 and Amend Regulation 18705.2– Materiality Standard for Real Property Interests. Staff: General Counsel Zackery P. Morazzini and Senior Commission Counsel William J. Lenkeit. Staff proposes that the Commission amend Regulation 18705.2 to set applicability standards and simplify the process of determining when the reasonable foreseeable financial effects of a governmental decision will materially affect an official's real property interest.

EXECUTIVE STAFF REPORTS ITEM 42

Legislative Report. Staff: Senior Commission Counsel and Legislative Coordinator, Sukhi Brar

Litigation Report. Staff: General Counsel, Zackery P. Morazzini

Legal Division Report. Staff: General Counsel, Zackery P. Morazzini

Enforcement Division Report. Staff: Chief of Enforcement, Gary Winuk

Technical Assistance Division Report. Staff: Chief of Technical Assistance Division, Lynda Cassady

CLOSED SESSION ITEM 43

Pending Litigation (Gov. Code § 11126(e)(1)). Deliberation upon:

 Administrative Hearing: In the Matter of Bill Berryhill, Tom Berryhill, Bill Berryhill For Assembly - 2008, Berryhill For Assembly 2008, Stanislaus Republican Central Committee (State Acct.), and San Joaquin County Republican Central Committee/Calif. Republican Victory Fund (FPPC No. 10/828).