

NOTICE AND AGENDA Commission Meeting¹

California Fair Political Practices Commission 1102 Q Street, Suite 3800 Sacramento, CA 95811

> Thursday, January 18, 2018 10:00 A.M.

Under Government Code section 11123(a), all meetings of a state body are open and public, and all persons are permitted to attend any meeting of a state body, except as otherwise provided in that article. The section further states that the portion of the teleconferenced meeting that is required to be open to the public must be audible to the public at the location specified in the notice of the meeting. The Commission may take action on any item listed on this agenda.

Welcome

Jodi Remke, FPPC Chair

Public Comment

1. Public Comment for Items not on Agenda. During this comment period, any person is invited to speak on any topic that is not listed on this agenda. Action may not be taken on any matter raised during this public comment period until the matter is specifically listed on a future agenda. Those who wish to comment on an item that has been listed on this agenda may comment when that item has been opened for consideration by the Commission and before any action is taken.

¹You can obtain further information about the meeting by contacting the Commission Assistant, 1102 Q Street, Suite 3000, Sacramento, CA, 95811, 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. Email comment letters directly to commAsst@fppc.ca.gov.

The agenda and related documents are posted on the FPPC website at www.fppc.ca.gov. 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 (877) 411-9748; access code 723284; or watch the meeting via Webinar at <u>YouTube</u>.

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), commAsst@fppc.ca.gov (e-mail) and ADACoordinator@fppc.ca.gov. 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 three business days between the request and the meeting date.

Approval of Commission Minutes

2. Approval of December 2017 Commission Hearing Minutes.

Consent Calendar 3-22

Campaign Non-Filer

- 3. In the Matter of Williams for AC Transit Board 2014 and Mark Williams; FPPC No. 16/205 (Default Decision). Staff: Commission Counsel Ruth Yang and Staff Services Analyst Dominika Wojenska. Mark Williams was a successful candidate for the Alameda-Contra Costa Transit District Board of Directors in the November 2, 2010 and November 4, 2014 General Elections and is currently holding office. Williams for AC Transit Board 2014 is his candidate-controlled committee. The Committee and Williams failed to timely file ten semiannual campaign statements covering the reporting periods of January 1, 2012 through June 20, 2014 and October 19, 2014 through December 31, 2016, in violation of Government Code Section 84200 (10 counts); and two pre-election campaign statements covering the reporting periods of July 1, 2014 through October 18, 2014, in violation of Government Code Section 84200.7, subdivision (b) (2 counts). Total Proposed Penalty: \$60,000.
- 4. In the Matter of Yes on 34, a Coalition of Justice Orgs. and Lisa Le; FPPC No. 16/084. Staff: Senior Commission Counsel Neal Bucknell and Program Specialist Soni Mangat. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Proposition 34 was an unsuccessful state ballot measure on the November 6, 2012 General Election ballot. Yes on 34, a Coalition of Justice Orgs. was a primarily formed ballot measure committee in support of the proposition. Lisa Le was the Committee's treasurer. The Committee and Le failed to timely file several 24-Hour Reports regarding receipt of nine contributions, in violation of Government Code Section 85309, subdivision (b) (1 count); and failed to timely file five \$5,000 reports regarding receipt of five contributions, in violation of Government Code Section 85309, subdivision (d) (1 count). Total Proposed Penalty: \$7,000.
- 5. In the Matter of Bloom for Assembly 2014, Richard H. Bloom, and David L. Gould; FPPC No. 16/456. Staff: Commission Counsel Theresa Gilbertson and Program Specialist Bob Perna. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Richard H. Bloom was a successful incumbent candidate for Assembly District 50 in the November 4, 2014 General Election. Bloom for Assembly 2014 was his candidate-controlled committee. David L. Gould was the Committee's treasurer. The Committee, Bloom, and Gould failed to timely file eleven 24-Hour Reports in violation of Government Code Sections 84203 and 85309, subdivision (a) (2 counts). Total Proposed Penalty: \$5,000.

- **6.** In the Matter of Apartment Association of Los Angeles PAC and Trevor Grimm; FPPC No. 17/1379 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Apartment Association of Los Angeles PAC is a state general purpose committee. Trevor Grimm was the Committee's treasurer. The Committee and Grimm failed to timely file ten 24-Hour Reports by their respective due dates, in violation of Government Code Section 84203 (10 counts); and failed to timely file one pre-election campaign statement for the reporting period of October 1, 2014 through October 18, 2014, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$2,656.**
- 7. In the Matter of California Apartment Association Independent Expenditure Committee and David Bauer; FPPC No. 17/606. Staff: Commission Counsel Theresa Gilbertson. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. California Apartment Association Independent Expenditure Committee is a state general purpose committee. David Bauer is the Committee's treasurer. The Committee failed to timely file one pre-election statement cover the reporting period of July 1, 2014 through September 30, 2014, in violation of Government Code Sections 84200.5 and 84200.7 (1 count). Total Proposed Penalty: \$2,500.
- 8. In the Matter of Oscar Magana for Maywood City Council 2015 and Oscar Magana; FPPC No. 16/073 (Streamline Settlement). Staff: Senior Commission Counsel Bridgette Castillo, Special Investigator Marshall Miller, and Staff Services Analyst Dominika Wojenska. Oscar Magana was an unsuccessful candidate for Maywood City Council in the November 3, 2015 General Election. Oscar Magana for Maywood City Council 2015 is his candidate-controlled committee. The Committee and Magana failed to timely file two pre-election campaign statements covering the reporting periods of July 1, 2015 through October 17, 2015, in violation of Government Code Section 84200.5 (2 counts); four semiannual campaign statements covering the reporting periods of October 18, 2015 through June 30, 2017, in violation of Government Code Section 84200 (4 counts); and two 24-Hour Reports, in violation of Government Code Section 84203 (2 counts). Total Proposed Penalty: \$1,737.
- 9. In the Matter of Muratsuchi for Assembly 2014, Albert Muratsuchi, and Jane Leiderman; FPPC No. 16/461 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Albert Muratsuchi was an unsuccessful candidate for California Assembly in the November 4, 2014 General Election. Muratsuchi for Assembly 2014 was his candidate-controlled committee. Jane Leiderman was the Committee's treasurer. The Committee, Muratsuchi, and Leiderman failed to timely file two 10-Day Reports by their respective due dates, in violation of Government Code Section 85309 (2 counts); and failed to timely file five 24-Hour Reports by their respective due dates, in violation of Government Code Section 84203 (5 counts). Total Proposed Penalty: \$1,667.

- **10.** In the Matter of Friends of Marciela Cruz for Trustee 2013, Maricela Cruz, and Omar Perez; FPPC No. 16/220 (Streamline Settlement). Staff: Commission Counsel Theresa Gilbertson and Staff Services Analyst Dominika Wojenska. Marciela Cruz was a successful candidate for Board Member on the Alisal Union School District Board in the November 5, 2013 General Election. Friends of Maricela Cruz for Trustee 2013 was her candidate-controlled committee. Omar Perez served as the Committee's treasurer. The Committee, Cruz, and Perez failed to timely file two 24-Hour Reports, in violation of Government Code Section 84203 (2 counts); and one semiannual statement covering the reporting period of October 25, 2013 to December 31, 2013, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$1,324.**
- 11. In the Matter of Liberty Mutual Insurance Company PAC, Melissa Cyr, and Laurence Yahia; FPPC No. 17/1384 (Streamline Settlement). Staff: Chief of Enforcement Galena West Political Reform Consultant Chloe Hackert. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Liberty Mutual Insurance Company PAC is a state general purpose committee. Melissa Cyr and Laurence Yahia are the Committee's treasurers. The Committee, Cyr, and Yahia failed to timely file five 24-Hour Reports by their respective due dates, in violation of Government Code Section 84203 (5 counts). Total Proposed Penalty: \$1,240.
- 12. In the Matter of California Thoroughbred Breeders Association PAC; FPPC No. 17/1357 (Streamline Settlement). Staff: Chief of Enforcement Galena West, Intake Manager Tara Stock, and Program Specialist Grant Beauchamp. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. California Thoroughbred Breeders Association PAC is a state general purpose committee. James Murphy is the Committee's treasurer. The Committee and Murphy failed to timely file one pre-election campaign statement covering March 18, 2014 through May 17, 2014, in violation of Government Code Section 84200.5 (1 count); and three 24-Hour Reports, in violation of Government Code Section 84203 (3 counts). Total Proposed Penalty: \$1,044.
- 13. In the Matter of Committee for Lynn Rodgers-Boone for Mayor 2013 and Lynn Boone; FPPC No. 16/216 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. Lynn Boone was an unsuccessful candidate for Mayor of Compton in the April 16, 2013 and April 18, 2017 Special Elections. Lynn Rodgers-Boone for Mayor 2013 was her candidate-controlled committee. The Committee and Boone failed to timely file two pre-election campaign statements for the reporting periods of January 1, 2017 through April 1, 2017, in violation of Government Code Section 84200.5 (2 counts); and failed to file an amendment to the Committee's statement of organization within 10 days after the Committee changed its treasurer, in violation of Government Code Section 84103 (1 count). Total Proposed Penalty: \$621.

- 14. In the Matter of Ojai First No on Measure D, Michael Haley, and David Byrne; FPPC No. 16/19965 (Streamline Settlement). Staff: Commission Counsel Christopher Burton and Special Investigator Jay Martin. Ojai First No on Measure D was a local primarily-formed committee that opposed an initiative in the City of Ojai. Michael Haley was the Committee's treasurer. David Byrne was the Committee's principal officer. The Committee, Haley, and Byrne failed to timely file one semiannual campaign statement covering the reporting period of June 1, 2016 through June 30, 2016, in violation of Government Code Section 84200 (1 count); and failed to timely file one 24-Hour Report, in violation of Government Code Section 84203 (1 count). Total Proposed Penalty: \$488.
- 15. In the Matter of Solano for School Board 2013, and Paul Solano; FPPC No. 17/1060 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Political Reform Consultant Teri Rindahl. Paul Solano was a successful candidate for Board Member of the Bassett Unified School District in the November 5, 2013 General Election. Solano for School Board 2013 was his candidate-controlled committee. The Committee and Solano failed to timely file one semiannual campaign statement for the reporting period of January 1, 2017 through June 30, 2017, in violation of Government Code Section 84200 (1 count). Total Proposed Penalty: \$230.

Statement of Economic Interests Non-Filer

- **16. In the Matter of Jonathan Slinger; FPPC No. 17/746 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Enforcement Intake Manager Tara Stock. Jonathan Slinger, a Consultant for the City of San Jose, failed to timely file a 2016 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400.**
- 17. In the Matter of Eleonor Griffith; FPPC No. 16/19996 (Streamline Settlement). Staff: Chief of Enforcement Galena West, Intake Manager Tara Stock and Staff Services Analyst Katie Trumbly. Dr. Eleonor Griffith, a Physician/Surgeon with the Department of Correctional Health Care Services with the California Department of Corrections and Rehabilitation, failed to file her Assuming Office Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). Total Proposed Penalty: \$200.
- **18.** In the Matter of Bruce Pope; FPPC No. 17/977 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Bruce Pope, a Board Member of the Small Cities Organized Risk Effort, failed to timely file an Assuming Office Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

- 19. In the Matter of Peter De La Torre; FPPC No. 17/1068 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Peter De La Torre, a Planning Commissioner for the City of Desert Hot Springs, failed to timely file a 2016 Annual Statement of Economic Interests, in violation of Government Code Section 87203 (1 count). Total Proposed Penalty: \$200.
- **20.** In the Matter of Pete Pedersen; FPPC No. 17/1396 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Pete Pedersen, a Planning Commissioner for the City of San Anselmo, failed to timely file an Assuming Office Statement of Economic Interests, in violation of Government Code Section 87202 (1 count). **Total Proposed Penalty: \$200.**

Statement of Economic Interests Non-Reporter

- 21. In the Matter of Marc Mitchell; FPPC No. 16/451 (Streamline Settlement). Staff: Senior Commission Counsel Angela Brereton, Special Investigator Paul Rasey. Marc Mitchell, a Planning Commissioner for the City of Redondo Beach, failed to timely disclose his spouse's income from NSI Corp., dba Pike Properties in his 2012, 2013, 2014, and 2015 Annual Statements of Economic Interests, in violation of Government Code Section 87207 (4 counts). Total Proposed Penalty: \$400.
- 22. In the Matter of William Goddard; FPPC No. 17/1002 (Streamline Settlement). Staff: Senior Commission Counsel Angela Brereton. William Goddard, a Director for the Big Bear Airport District Board, failed to timely disclose investments in and income from Goddard Aircraft Services in his Assuming Office Statement of Economic Interests, in violation of Government Code Sections 87206 and 87207 (1 count). Total Proposed Penalty: \$100.

General Items 23-29

23. Assignment of Hearing to Administrative Law Judge (ALJ): In the Matter of Juan Sandoval Elect for County Superintendent of Schools 2014, Juan Sandoval and Vangie Urias; FPPC No. 14/434. Staff: Executive Director Erin V. Peth, Chief of Enforcement Galena West, and Commission Counsel Michael W. Hamilton. The Executive Director and the Chief of Enforcement are recommending that a hearing be conducted before an ALJ pursuant to Government Code Section 11512, subdivision (a). The ALJ will make a recommendation to the Commission on the findings of fact, law and penalty, if applicable, in the matter. The Commission will then have the opportunity to review the proposed decision and make the final determination on the case. If the Commission agrees with this recommendation, no action is required.

Staff Memo

24. Adoption of Amendment to Regulation 18535. Restrictions on Contributions Between State Candidates. Staff: Zachary Norton, Senior Counsel, Legal Division. At the Commission's direction, staff proposes to amend Regulation 18535 permitting unlimited contributions from a state candidate to another state candidate's legal defense fund or candidate controlled ballot measure committee. This item was on the December 21, 2017 agenda, but it did not receive sufficient votes for formal action as the vote for approval was 2-1.

Staff Memo

Proposed Amendment to Regulation 18535

25. Adoption of Amendments to Regulations 18401, 18420.1, 18432.5, 18440, 18450.4, 18531.10, 18533, 18901.1, to incorporate AB 249. Staff: Sukhi Brar, Senior Counsel, Legal Division. Staff proposes the second phase of regulatory amendments resulting from the implementation of AB 249 (the Disclose Act), which overhauled the Act's advertising disclosure provisions. This proposal will harmonize existing language and remove redundant language. Regulation amendments to incorporate AB 249 included in the first phase were considered and adopted at the December Commission Meeting.

Staff Memo

Amendments to Regulation 18401 Amendments to Regulation 18420.1 Amendments to Regulation 18432.5 Amendments to Regulation 18440 Repeal of Regulation 18450.4 Amendments to Regulation 18531.10 Amendments to Regulation 18533 Amendments to Regulation 18901.1

26. The Bagley-Keene Open Meeting Act, Additional Questions by Commissioners. Staff: John Feser, Senior Counsel, Legal Division. At the October 2017 Commission meeting, Deputies Attorney General Ted Prim and Julia Zuffelato presented an overview of the Bagley-Keene Open Meeting Act. Commissioners Hayward and Audero want to discuss the feasibility of soliciting an Attorney General's opinion to clarify some of the advice provided at the presentation, including communicating between meetings with interested persons on proposed regulations.

Staff Memo

27. Letter Regarding Closure of Eric Lucan Matter, Case 16/284. Staff: Galena West, Chief, Enforcement Division; Brian Lau, Assistant General Counsel, Legal Division. Eric Lucan, a councilmember in the City of Novato, sent correspondence to the Commissioners regarding his request for advice and an enforcement complaint filed against him. Pursuant to the FPPC's regulations and policies, the Legal Division declined to provide advice to Mr. Lucan when the advice involved governmental decisions

affecting property in the same general vicinity of Mr. Lucan's real property interest that triggered the enforcement matter. After the Enforcement Division closed the investigation against him, Mr. Lucan was told that he could seek prospective advice from the Legal Division. Commissioner Audero requested that Mr. Lucan's correspondence be placed on the agenda for discussion and that Mr. Lucan be notified.

Lucan Correspondence dated 11/14/17

28. Executive Staff Reports. (Information Item)

Enforcement Division. Galena West, Enforcement Chief Legal Division. Jack Woodside, General Counsel External Affairs and Education. Courtney Miller, Manager Legistlative and External Affairs. Phillip Ung, Director

29. Proposed Future Agenda Items.

Note: The Commission may not discuss or take action on any matter raised during public comment that is not included on this agenda, except to decide to place the matter on the agenda of a future meeting. (Government Code Sections 11125 & 11125.7(a).)