



(Unapproved and subject to change)
CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION
MINUTES OF HEARING, Public Session
Thursday, March 16, 2017

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. 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.

CALL TO ORDER

Chair Remke called the meeting to order at 1:00 pm on March 16, 2017, at the Fair Political Practices Commission, 428 J Street, Sacramento, CA 95814. Chair Remke and Commissioners Hatch and Hayward were present. Commissioner Casher was present via teleconference.

Welcome

Jodi Remke, FPPC Chair

Public Comment

1. Public Comment.

Chair Remke introduced Commissioners Hatch and Hayward. Chair Remke thanked Commissioners Wasserman and Wynne for their years of service.

Alan Moody submitted a complaint about the Commission's efforts with the Americans with Disabilities Act and accommodations for the hearing impaired.

Chair Remke stated that the Commission provided Mr. Moody the information to the California Relay Service for the hearing impaired.

Approval of Commission Minutes

2. Approval of February 2017 Commission Hearing Minutes.

Commissioner Casher made a motion to approve item 2; Chair Remke seconded.

Ayes: Commissioners Casher, Hatch, Hayward, and Chair Remke.

The motion passed 4 to 0.

Consent Calendar Items 3-39

Item 3 was pulled at the request of Commissioner Hayward.

Items 24 and 31 were pulled at the request of Chair Remke.

Item 26, a default case, was removed from the agenda at the request of Chief of Enforcement Galena West because the parties are discussing possible settlement.

Commissioner Hatch made a motion to approve items 4-23, 25, 27-30, 32-39; Chair Remke seconded the motion.

Ayes: Commissioners Casher, Hatch, Hayward, and Chair Remke.

The motion passed 4 to 0.

Conflict of Interests

- 3. In the Matter of Eric Reed; FPPC No. 15/1174.** Staff: Commission Counsel Toren Lewis. Eric Reed failed to timely disclose his economic interests in over \$2,000 of AT&T stock on his 2014 Annual Statement of Economic Interest, in violation of Government Code Section 87203 (1 count). As a Belmont City Council member, Reed voted on AT&T's appeal of a Planning Commission decision at the February 10, 2015 city council meeting, when he knew or should have known that he had a disqualifying conflict of interest by virtue of his ownership of AT&T stock, in violation of Government Code Section 87100 (1 count). **Total Proposed Penalty: \$4,500.**

Commissioner Hayward asked why the Commission was pursuing the matter if Mr. Reed's vote did not affect the outcome of the vote.

Chief of Enforcement Galena West stated that the law prohibits officials from participating in a matter in which they have a financial interest, and the result of the matter does not have a bearing on the violation.

Commissioner Hatch asked if AT&T asked for a "yes" vote and Mr. Reed voted "no" against his own interests then why is it in violation.

General Counsel Hyla Wagner stated that the Political Reform Act does not distinguish between a vote against one's interest or to further one's interest. The Act prohibits participation either way.

Commissioner Casher made a motion to approve item 3; Chair Remke seconded the motion.

Ayes: Commissioners Casher, and Chair Remke.

Nays: Commissioner Hayward.

Abstentions: Commissioner Hatch.

The motion was neither approved nor rejected based on a 2-1-1 vote. Item 3 will be held for a future meeting.

Campaign Bank Account

- 4. In the Matter of Jose Esteves, Esteves for Mayor 2012, and Arsenio Iloreta; FPPC No. 15/147.** Staff: Assistant Chief of Enforcement Dave Bainbridge and Special Investigator Kelli Gould. Jose Esteves is the former mayor of the City of Milpitas. Esteves for Mayor 2012 was his candidate-controlled committee. Arsenio Iloreta was the Committee's treasurer. The Committee, Esteves, and Iloreta made campaign expenditures from accounts other than the Committee bank account, in violation of Government Code Section 85201, subdivision (e) (1 count) and failed to maintain campaign records, in violation of Government Code Section 84104 and California Code of Regulations, title 2, Section 18401, subdivision (a)(4) (1 count). **Total Proposed Penalty: \$6,000.**

Campaign Non-Filer

- 5. In the Matter of I-Chinese American Political Action Committee and Victor Gau; FPPC No. 15/661 and 16/379 (Default Decision).** Staff: Commission Counsel Amanda Kelly and Staff Services Analyst Dominika Wojenska. I-Chinese American Political Action Committee is a state general purpose committee. Victor Gau is the Committee's treasurer. The Committee and Gau failed to timely file three semiannual campaign statements for the reporting periods of January 1, 2015 through June 30, 2016, in violation of Government Code Section 84200 (3 counts) and failed to pay the 2013, 2014, 2015, and 2016 \$50 Annual Fees to the Secretary of State's Office, in violation of Government Code Section 84101.5 (4 counts). **Total Proposed Penalty: \$24,000.**

Commissioner Hayward asked if Mr. Gau is still within California or even the United States.

Chief West stated that he has an active voicemail box that has his name and identifies him, an email address that Enforcement has used, and personal service occurred at his known address in San Gabriel, CA.

Commissioner Hatch asked what the penalties would be if this weren't a default.

Chief West said that defaults are always a higher penalty because respondent does not come up to date on disclosure and does not admit fault. Defaults are meant to encourage respondents to come into compliance.

Chair Remke asked why the maximum penalty of \$5,000 was not applied to each count since it was a default matter.

Chief West said that this respondent is not currently in office nor were they in a pertinent election so a maximum was not applied.

- 6. In the Matter of Voto Latino Action Fund PAC and Maria Teresa Kumar; FPPC No. 16/338.** Staff: Commission Counsel Amanda Kelly and Special Investigator Paul Rasey. Voto Latino Action Fund PAC was a recipient committee that made independent expenditures and contributions to support and oppose state ballot measures in the November 6, 2012 General Election. Maria Teresa Kumar was the Committee's treasurer. The Committee and Kumar failed to timely file one semiannual campaign statement for the reporting period of October 21, 2012 through December 31, 2012, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$2,500.**
- 7. In the Matter of Steve Barr, Steve Barr for County Supervisor 2016, and Kathy Barr, Treasurer; FPPC No. 16/19791.** Staff: Chief of Enforcement Galena West and Political Reform Consultant Teri Rindahl. Steve Barr was an unsuccessful candidate for Contra Costa County 3rd District Supervisor in the November 8, 2016 General Election. Steve Barr for County Supervisor 2016 is his candidate-controlled committee. Kathy Barr was the Committee's treasurer. The Committee, Barr and Barr received nine contributions totaling \$18,825 during the 90 days before the election and failed to file nine 24-Hour reports, in violation of Government Code Section 84203 (9 counts). **Total Proposed Penalty: \$1,980.**
- 8. In the Matter of Friends of the Santa Cruz Public Libraries in Support of Measure S and Kathryn Canlis; FPPC No. 17/090.** Staff: Commission Counsel Amanda Kelly and Assistant Political Reform Consultant Chloe Hackert. Friends of the Santa Cruz Public Libraries in Support of Measure S is a primarily formed committee supporting Measure S on the June 7, 2016 Primary Election ballot in Santa Clara County. Kathryn Canlis is the Committee's treasurer. The Committee and Canlis failed to timely file two pre-election statements covering the reporting period of January 1, 2016 through May 21, 2016, in violation of Government Code Sections 84200.5, subdivision (a), and 84200.8, subdivisions (a) and (b) (1 count). **Total Proposed Penalty: \$1,500.**

- 9. In the Matter of Xilonin Cruz-Gonzalez for School Board 2013, Xilonin Cruz-Gonzalez, and IxChel Cruz-Gonzalez, Treasurer; FPPC No. 15/210.** Staff: Commission Counsel Amanda Kelly. Xilonin Cruz-Gonzalez is a member of the Azusa Unified School District Board of Trustees. Xilonin Cruz-Gonzalez for School Board 2013 is her candidate-controlled committee and IxChel Cruz-Gonzalez is the Committee's treasurer. The Committee, Xilonin Cruz-Gonzalez, and IxChel Cruz-Gonzalez failed to timely file three semiannual campaign statements covering the reporting periods of July 1, 2014 through December 31, 2015, in violation of Government Code Section 84200 (3 counts). **Total Proposed Penalty: \$1,209.**
- 10. In the Matter of Ortiz for City Council 2013 and Ricardo Ortiz, Treasurer; FPPC No. 15/1479.** Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. Ricardo Ortiz was a successful candidate for Burlingame City Council in the November 5, 2013 General Election. Ortiz for City Council 2013 is his candidate-controlled committee. The Committee and Ortiz failed to timely file three semiannual campaign statements for the reporting periods of July 1, 2014 through December 31, 2015, in violation of Government Code Section 84200 (3 counts) and failed to timely pay the 2013, 2014, and 2015 \$50 Annual Fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (3 counts). **Total Proposed Penalty: \$1,200.**
- 11. In the Matter of Jeff Hewitt for State Senate District 23 2014, Jeffrey F. Hewitt, and David Castaldo, Treasurer; FPPC No. 17/00038.** Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Jeffrey F. Hewitt was an unsuccessful candidate for State Senate in the March 25, 2014 Special Election. Jeff Hewitt for State Senate District 23 2014 is his candidate-controlled committee. David Castaldo is the Committee's treasurer. The Committee, Hewitt, and Castaldo received five contributions totaling \$11,100 during the 90-days before the March 25, 2014 Special Election and failed to file five 24-Hour reports, in violation of Government Code Section 84203 (5 counts). **Total Proposed Penalty: \$1,111.**
- 12. In the Matter of Ayore Riaunda and Ayore Riaunda for Auditor-Controller 2014; FPPC No. 17/00033.** Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Ayore Riaunda was an unsuccessful candidate for Contra Costa County Auditor-Controller in the June 3, 2014 Primary Election. Ayore Riaunda for Auditor-Controller 2014 was his candidate-controlled committee. Ayore and the Committee failed to timely file two 24-Hour reports after receiving loans of \$15,556 within 90 days before the June 3, 2014 Primary Election, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$554.**

- 13. In the Matter of Lavagnino for Supervisor 2014, Steve Lavagnino, and Trent Benedetti; FPPC No. 17/00072.** Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Steve Lavagnino was a successful candidate for Santa Barbara County Supervisor in the November 4, 2014 General Election. Lavagnino for Supervisor 2014 is his candidate-controlled committee. Trent Benedetti is the Committee's treasurer. The Committee, Lavagnino, and Benedetti, received two contributions totaling \$12,500 during the 90 days before the General Election and failed to timely file two 24-Hour reports, in violation of Government Code Section 84203 (2 counts). **Total Proposed Penalty: \$525.**
- 14. In the Matter of Karen Mitchoff, Supervisor Karen Mitchoff 2010 Officeholder Account, and Lisa Chow, Treasurer; FPPC No. 17/00043.** Staff: Chief of Enforcement Galena West and Enforcement Division Intake Manager Adrienne Korchmaros. Karen Mitchoff was a Supervisor in Contra Costa County. Supervisor Karen Mitchoff 2010 Officeholder Account was her officeholder committee. Lisa Chow was the Committee's treasurer. The Committee, Mitchoff, and Chow failed to timely file two pre-election statements covering the reporting periods January 1, 2014 through May 17, 2014, in violation of Government Code Section 84200.5 (2 counts). **Total Proposed Penalty: \$466.**
- 15. In the Matter of Pat Cullins for Supervisor 2016, and Pat Cullins; FPPC No. 16/602.** Staff: Political Reform Consultant Teri Rindahl. Pat Cullins was a supervisorial candidate for the County of Modoc in the June 2016 Primary Election. Pat Cullins for Supervisor 2016 is her candidate-controlled committee. The Committee and Cullins failed to timely file two pre-election campaign statements for the reporting period of January 1, 2016 through May 21, 2016, in violation of Government Code Section 84200.5 (2 counts). **Total Proposed Penalty: \$425.**
- 16. In the Matter of Wilson for City Council 2017, Andrew Wilson, and Jonathan Fuhrman; FPPC No. 17/00051.** Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Andrew Wilson is a candidate for Pasadena City Council in the March 7, 2017 Special Election. Wilson for City Council 2017 is his candidate-controlled committee. Jonathan Fuhrman is the Committee's treasurer. The Committee, Wilson, and Fuhrman received seven contributions totaling \$16,500 during the 90 days before the election and failed to timely file a 24-Hour report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$365.**
- 17. In the Matter of Manuel Saucedo 4 State Assembly 2013, Manuel Saucedo, and Vanessa Wiarco, Treasurer; FPPC No. 16/0032.** Staff: Chief of Enforcement Galena

West and Staff Services Analyst Dominika Wojenska. Manuel Saucedo was an unsuccessful candidate for the State Assembly in the July 23, 2013 Special Election. Manuel Saucedo 4 State Assembly 2013 is his candidate-controlled committee. Wiarco is the Committee's treasurer. The Committee, Saucedo, and Wiarco failed to timely file one pre-election campaign statement for the reporting period of June 9, 2013 through July 6, 2013, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$309.**

18. In the Matter of Integrated Archive Systems, Inc.; FPPC No. 16/771. Staff: Commission Counsel Amanda Kelly and Assistant Political Reform Consultant Chloe Hackert. Integrated Archive Systems, Inc., a major donor committee, failed to timely file a major donor statement for the period of January 1, 2015 through December 31, 2015 with the Secretary of State, in violation of Government Code Section 84200, subdivision (b) (1 count). **Total Proposed Penalty: \$300.**

19. In the Matter of Committee to Re-Elect Scott Troescher – Clovis Unified School Board Area 5 2016, Scott Troescher, and Sandra Farkas; FPPC No. 17/00055. Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Scott Troescher was an unsuccessful candidate for Board Member of Clovis Unified School District in the November 8, 2016 General Election. Committee to Re-Elect Scott Troescher – Clovis Unified School Board Area 5 2016 was his candidate-controlled committee. Sandra Farkas was the Committee's treasurer. The Committee, Troescher, and Farkas failed to timely file one pre-election campaign statement covering the reporting period of July 1, 2016 through September 24, 2016, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$287.**

20. In the Matter of Michael Kobseff, Michael Kobseff for Supervisor 2014, and Kim Jenkins, Treasurer; FPPC No. 17/00040. Staff: Chief of Enforcement Galena West and Enforcement Division Intake Manager Adrienne Korchmaros. Michael Kobseff was a candidate for Siskiyou County Supervisor in the November 4, 2014 General Election. Michael Kobseff for Supervisor 2014 was his candidate-controlled committee. Kim Jenkins was the Committee's treasurer. The Committee, Kobseff, and Jenkins failed to timely file one pre-election campaign statement covering the reporting period January 1, 2014 through May 17, 2014, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$254.**

21. In the Matter of Mary Noel for School Board 2016, Mary Noel, and Hellen Sims, Treasurer; FPPC No. 16/19910. Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Mary Noel was a successful candidate for

Board Member of Oak Grove School District in the November 8, 2016 General Election. Mary Noel for School Board 2016 is her candidate-controlled committee. Hellen Sims is the Committee's Treasurer. The Committee, Noel, and Sims failed to timely file one pre-election campaign statement covering the reporting period of September 25, 2016 through October 22, 2016, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$219.**

22. In the Matter of Kenneth C. Jones and KC Jones for Judge 2014; FPPC No. 17/00037. Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Kenneth C. Jones was an unsuccessful candidate for Superior Court Judge of Orange County in the November 4, 2014 General Election. KC Jones for Judge 2014 is his candidate-controlled committee. The Committee and Jones received contributions totaling \$1,000 during the 90 days before the election and failed to file one 24-Hour report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$210.**

23. In the Matter of Marisela Ruiz; FPPC No. 16/19698. Staff: Chief of Enforcement Galena West and Enforcement Division Intake Manager Adrienne Korchmaros. Marisela Ruiz, as an elected Centinela Valley Union High School Governing Board Member, failed to timely file the Officeholder and Candidate Campaign Statement Short Form (Form 470) with the County of Los Angeles. in violation of Government Code Section 84206 (1 count). **Total Proposed Penalty: \$200.**

Campaign Non-Reporter

24. In the Matter of Allen Wayne Warren, Allen Wayne Warren for City Council 2012, and Jim Lites, Treasurer; FPPC No. 15/372. Staff: Commission Counsel Michael W. Hamilton and Program Specialist Bob Perna. Allen Wayne Warren was a candidate for the Sacramento City Council in the June 5, 2012 Primary Election and November 6, 2012 General Election. Allen Wayne Warren for City Council 2012 was his controlled committee. Jim Lites was the Committee's treasurer. The Committee, Warren, and Lites failed to report occupation and employer information for contributions received during the reporting periods of January 1, 2012 through September 30, 2012, in violation of Government Code Section 84211 (4 counts). **Total Proposed Penalty: \$1,002.**

Commissioner Hatch asked if the matter had already been settled.

Chief West said that Mr. Warren has signed the stipulation, signed the check and removed any opposition to the settlement.

Commissioner Casher made a motion to approve item 24; Chair Remke seconded the motion.

Ayes: Commissioners Casher, Hatch, Hayward, and Chair Remke.
The motion passed 4 to 0.

- 25. In the Matter of Lamorinda Democratic Club and John Hall; FPPC No. 17/00045.** Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Lamorinda Democratic Club is a state general purpose committee. John Hall is the Committee's treasurer. The Committee and Hall failed to itemize expenditures on one semiannual campaign statement for the reporting period of July 1, 2015 through December 31, 2015, in violation of Government Code Section 84211 (1 count). **Total Proposed Penalty: \$246.**

Statement of Economic Interests Non-Filer

- 26. In the Matter of John Anagnos; FPPC No. 15/1497 (Default Decision).** Staff: Commission Counsel Amanda Kelly and Staff Services Analyst Dominika Wojenska. John Anagnos, a Commissioner of the Lodi Winegrape Commission Board, failed to file 2014 and 2015 Annual Statements of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Total Proposed Penalty: \$10,000.**
- 27. In the Matter of Patrick Dunkley; FPPC No. 16/20029.** Staff: Chief of Enforcement Galena West and Enforcement Intake Manager Adrienne Korchmaros. Patrick Dunkley, as a Member of the Governing Board of University Preparatory Academy, failed to timely file the 2011, 2012, 2013, and 2015 Annual Statements of Economic Interests with the County of Santa Clara, in violation of Government Code Section 87300 (4 counts). **Total Proposed Penalty: \$800.**
- 28. In the Matter of Atanacio Nacho Martin; FPPC No. 16/19738.** Staff: Chief of Enforcement Galena West and Political Reform Consultant Teri Rindahl. Atanacio Nacho Martin, as a Board Member for the Walnut Commission of the State of California, failed to timely file a 2015 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$300.**
- 29. In the Matter of Deborah Marinoff-Marcus; FPPC No. 16/19885.** Staff: Chief of Enforcement Galena West and Political Reform Consultant Teri Rindahl. Deborah Marinoff-Marcus, as a Commissioner for the Community and Family Services Commission with the City of Los Angeles, failed to timely file a 2015 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

30. In the Matter of Stephanie Hill; FPPC No. 17/00022. Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Stephanie Hill, Governing Board Member of the Orchard School District, failed to timely file a 2015 Annual Statement of Economic Interests with the County of Santa Clara, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

Statement of Economic Interests Non-Reporter

31. In the Matter of Robert Lovingood; FPPC No. 14/1149. Staff: Assistant Chief of Enforcement Dave Bainbridge and Special Investigator George Aradi. Robert Lovingood, a Supervisor on the San Bernardino County Board of Supervisors, failed to timely disclose sources of income of \$10,000 or more to his businesses on his Candidate, Assuming Office, and Annual Statement of Economic Interests for the years of 2013 and 2014, in violation of Government Code Sections 87201, 87202, 87203, and 87207, subdivision (b)(2) (4 counts). **Total Proposed Penalty: \$6,000.**

Commissioner Casher asked about the last paragraph about the summary of facts as disclosed on page 2, regarding the number of times Mr. Lovingood voted without an apparent conflict.

Chief West said that conflicts exist the twelve months preceding the vote. Someone could have a financial interest stated on his or her Statement of Economic Interests, but not actually have a conflict depending on when he or she receives the income.

Commissioner Hatch stated that he wasn't sure if the penalty was an appropriate amount.

Commissioner Casher made a motion to approve item 31; Chair Remke seconded the motion.

Ayes: Commissioners Casher, Hayward, and Chair Remke.
Abstentions: Commissioner Hatch.

The motion passed 3-0-1.

32. In the Matter of Cielita Ravelo; FPPC No. 14/1312. Staff: Commission Counsel Amanda Kelly and Special Investigator Paul Rasey. Cielita Ravelo, a former Licensing Program Analyst for the California Health and Human Services Agency, failed to disclose sources of income on her 2011, 2012, and 2013 Annual Statements of Economic Interests, in violation of Government Code Section 87300 (3 counts). **Total Proposed Penalty: \$300.**

- 33. In the Matter of Michael Raimondo; FPPC No. 16/476.** Staff: Senior Commission Counsel Angela Brereton and Special Investigator Marshall Miller. Michael Raimondo, former Mayor of the Town of Mammoth Lakes, failed to disclose his spouse's income in his 2014 and 2015 Annual and Leaving Office Statements of Economic Interests, in violation of Government Code Section 87207 (3 counts). **Total Proposed Penalty: \$300.**
- 34. In the Matter of Shields Richardson; FPPC No. 16/477.** Staff: Senior Commission Counsel Angela Brereton and Special Investigator Marshall Miller. Shields Richardson, Mayor of the Town of Mammoth Lakes, failed to disclose his leasehold interests and spouse's income in his 2014 and 2015 Annual Statements of Economic Interests, in violation of Government Code Section 87207 (2 counts). **Total Proposed Penalty: \$200.**
- 35. In the Matter of Cynthia Mathews; FPPC No. 17/00091.** Staff: Chief of Enforcement Galena West and Political Reform Consultant Adrienne Korchmaros. Cynthia Mathews, as a Council Member for the City of Santa Cruz, failed to timely disclose her economic interest in real property on the 2015 Annual Statement of Economic Interests, in violation of Government Code Section 87206 (1 count). **Total Proposed Penalty: \$100.**

Annual Fees

- 36. In the Matter of Tim Hodge for City Council '92 and Tim Hodge; FPPC No. 15/1346.** Staff: Commission Counsel Amanda Kelly and Staff Services Analyst Dominika Wojenska. Tim Hodge is a member of the Simi Valley Planning Commission and was an unsuccessful candidate for Simi Valley City Council in 1992. Tim Hodge for City Council '92 is his candidate-controlled committee. The Committee and Hodge failed to timely pay the 2013, 2014, and 2015 \$50 Annual Fees to the Secretary of State's Office, in violation of Government Code Section 84101.5 (3 counts). **Total Proposed Penalty: \$3,000.**
- 37. In the Matter of Michelle Rivas for School Board 2014 and Michelle Rivas, Treasurer; FPPC No. 15/2237.** Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. Michelle Rivas was a successful candidate for the Twin Rivers Unified School District Board of Trustees in the June 3, 2014 Primary Election. Michelle Rivas for School Board 2014 is her candidate-controlled committee. The Committee and Rivas failed to timely pay the 2014, 2015 and 2016 \$50 Annual Fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (3 counts). **Total Proposed Penalty: \$600.**

38. In the Matter of Committee to Elect Mike Kreeger Chino Hills City Council 2013 and Mike Kreeger, Treasurer; FPPC No. 15/1435. Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. Mike Kreeger is a Member of the Chino Valley Fire District Board of Directors. Committee to Elect Mike Kreeger Chino Hills City Council 2013 is his candidate-controlled committee. The Committee and Kreeger failed to timely pay the 2013 and 2014 \$50 Annual Fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (2 counts). **Total Proposed Penalty: \$400.**

39. In the Matter of Committee to Elect Alan Smith to Cabrillo College Governing Board 2010; Alan Smith; and Virgie Neighbors, Treasurer; FPPC No. 15/2214. Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. Alan Smith is a Member of the Cabrillo Community College Governing Board. Committee to Elect Alan Smith to Cabrillo College Governing Board 2010 is his candidate-controlled committee. Neighbors is the Committee's treasurer. The Committee, Smith, and Neighbors failed to timely pay the 2015 and 2016 \$50 Annual Fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (2 counts). **Total Proposed Penalty: \$400.**

General Items 40-41

40. Adopt Regulation 18216.5 - Controlled Committee: "Significant Influence" Defined. Staff: Hyla Wagner, General Counsel, Jack Woodside, Senior Commission Counsel and Zachary Norton, Senior Commission Counsel. Staff proposes that the Commission adopt Regulation 18216.5 to implement provisions of Government Code Section 82016, which provides the definition for "controlled committee" under the Political Reform Act. Subdivision (a) will provide the general rule to determine when a candidate or state measure proponent exerts significant influence such that he or she will control a committee; subdivision (b) will specify instances where a committee will be considered controlled; subdivision (c) will act as a safe harbor for those activities that, by themselves, will not result in a candidate controlling the committee; and subdivision (d) will consist of other relevant facts to be considered in any determination whether a committee is controlled.

Commissioner Hayward stated that she would like more time to review the regulation and hold it off for at least another month. Hayward stated that the Commission should consider pre-noticing regulations.

Commissioner Casher said that he is sympathetic to Commissioner Hayward's point that it is a lot to take in for a first meeting. It also was noted that the matter was first discussed at an Interested Person meeting in January.

Commissioner Hatch stated that he'd like more time to see if the parties can't work things out.

Chair Remke stressed that the proposal represents the same advice that has been given by the Legal Division for 30 years. If there were concerns over the years, the advice could have been challenged but wasn't. Chair Remke stated that it is a benefit to have 30 years of advice put in writing so that everybody has notice and an understanding.

Public Comment:

Brian Hildreth, President of California Political Attorneys Association, agreed with putting the regulation over to next month. Hildreth stated that subdivision (c)(3) seems to be inconsistent with (b)(3).

Nicholas Sanders, The Sutton Law Firm, stated concerns that subdivisions (b)(2) and (b)(3) are overbroad and could create candidate-controlled committees where it shouldn't. He made two suggestions to narrow the scope of the regulation.

Chair Remke made a motion to put item 40 over and direct the Legal Division to review the comments that were made to see if further amendments need to be made to satisfy concerns; Commissioner Hayward seconded the motion.

Ayes: Commissioners Casher, Hatch, Hayward, and Chair Remke.
The motion passed 4 to 0.

41. Legislative Update for March 2017. Staff: Phillip Ung, Legislative and External Affairs Director. This report includes a summary of the 20 bills that would impact the Political Reform Act or Government Code 1090.

The report was submitted.

Executive Staff Reports Item 42

42. Executive Staff Reports.

Enforcement Division. Galena West, Enforcement Chief

Legal Division. Hyla P. Wagner, General Counsel

External Affairs and Education. Tara Stock, Manager

The staff reports were submitted.

Chair Remke made a motion to adjourn the meeting; Commissioner Hatch seconded the motion.

Ayes: Commissioners Casher, Hatch, Hayward, and Chair Remke.

The motion passed 4 to 0.

The meeting adjourned at 2:19pm.

Respectfully Submitted,
Sheva Tabatabaiejad
Commission Assistant

Joann Remke, Chair
Fair Political Practices Commission