News from the FPPC

California Fair Political Practices Commission
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For Immediate Release: February 20, 2014 **Contact: Jay Wierenga at (916) 322-7761**

FPPC Enforcement Decisions: February 20, 2014

The following are enforcement decisions approved by the Fair Political Practices Commission at its regular monthly meeting held on Thursday, February 20, 2014. Decisions are listed by category and include a brief summary of each case and the total amount of any administrative fine or fines in each case.

Additional information on each of the enforcement cases below can be found in the February agenda on the FPPC website at *www.fppc.ca.gov*. FPPC agendas are distributed and posted on the agency website at least 10 days prior to each monthly meeting.

The web version of the agenda includes links to the stipulations agreed to by the commission and by the individuals and organizations subject to the fines, or the default decisions proposed to the commission. Exhibits in support of the stipulations and proposed default decisions are also available on the website. If you or need further assistance, please contact the FPPC communications office at (916) 322-7761 or press@fppc.ca.gov.

Lobbying Gifts and Contributions Violation

Kevin Sloat and Sloat Higgins Jensen & Associates. Kevin Sloat, a registered lobbyist and the principal officer for Sloat Higgins Jensen & Associates, hosted campaign fundraisers for state elective officers and candidates at his house where he provided items such as beverages, flower arrangements, and cigars that constituted non-monetary contributions to the campaign committees of the elective officers and candidates who benefitted from the fundraisers. Further, Kevin Sloat and Sloat Higgins Jensen & Associates arranged for the making of gifts to two state legislators and a legislative official that exceeded the applicable gift limit. Also, Kevin Sloat and Sloat Higgins Jensen & Associates made a gift to a state legislator that exceeded the applicable gift limit. **$133,500 fine.**

Conflict of Interest Violation

California law states that, absent an exception, a public official may not make, participate in making or in any way attempt to use his or her official position to influence a governmental decision in which he or she knows or has reason to know he or she has a financial interest. The following official made a governmental decision in which she had a financial interest:

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Shaun Coyne, while employed as the Chief Information Officer for State Compensation Insurance Fund, failed to timely report gifts of $50 or more on his 2011 SEI, received gifts from a single source that exceeded the applicable gift limit, and participated in making governmental decisions in which he knew or had reason to know he had a financial interest. **$7,000 fine.**

Campaign Reporting Violations

Joe Yee, Friends of Joe Yee for City Council 2012, and Lynda Otto, failed to timely disclose four in kind contributions over two campaign statement periods and failed to timely disclose the occupation and employer information of contributors for 60 contributions made over two campaign statement periods. **$7,000 fine.**

Ronald Smith and Friends of Ron Smith, failed to file a semi-annual campaign statement covering the period July 1, 2012, through December 31, 2012, due January 31, 2013 and have a history of failing to timely file semi-annual statements. **$2,000 fine**.

Elvia M. Rivas, as an elected Member of the San Bernardino County Ontario–Montclair School Board, failed to timely file the short form campaign statements required to be filed by candidates who have no open committee. These statements cover the periods of calendar years 2011, 2012, and 2013 and are required to be filed with the San Bernardino County Elections Office. **$600 fine.**

Linda Gonzalez, Candidate and Treasurer, and Linda Gonzalez for West Valley Water District 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 County of San Bernardino Registrar of Voters. **$400 fine.**

In the Matter of Council of Professional Organizations of Firefighters of Santa Clara County PAC and James Buessing, failed to timely file the campaign statement covering the period January 1, 2013, through June 30, 2013, due July 31, 2013, with the County of Santa Clara. **$400 fine.**

In the Matter of Re-Elect Barbara Willibrand for High School Board 2013; Barbara Willibrand; Karen Neal, failed to timely file the campaign statement covering the period September 22, 2013, through October 19, 2013, due October 24, 2013, with the County of Los Angeles Clerk-Recorder. **$200 fine.**

Lobbying Reporting Violations

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

Heineken USA, a California lobbyist employer, failed to timely file four Reports of Lobbyist Employer (Form 635) between October 1, 2011, and December 31, 2012, disclosing total payments paid for lobbying services in the amount of $49,000. **$4,000 fine.**

Late Contribution Reporting Violation

California law requires that when contributions of $1,000 or more are made during the final days of an election, late contribution reports must be filed within 24 hours of making or receiving the "late" contribution. The following failed to file a late contribution report as required:

Supporters for a Better San Clemente, and Jeanne O'Grady, failed to report to the San Clemente City Clerk within 24 hours, a late contribution of $2,111 made to a candidate-controlled committee on October 21, 2010. **$2,500 fine.**

Major Donor Violation

A major donor is an individual or entity who makes contributions totaling $10,000 or more in a calendar year and is required to file campaign reports detailing how much was contributed and to whom. The following failed to file major donor reports as required by law:

John Peck, Jr., failed to timely file Form 461 Major Donor Committee Campaign Statement for 2013. **$400 fine.**

Statement of Economic Interests Violations – Non-Reporting

California law requires elected officials, certain board members and governmental employees, and consultants employed by governmental entities to complete and file Statements of Economic Interests (SEIs or Form 700s). SEIs serve a dual purpose: they make a filer aware of personal economic interests relative to a governmental decision, and they are an important disclosure document for the public and media. The following individuals failed to disclose all required economic interests:

Kevin Johnson, was required to file an Annual Statement of Economic Interests ("SEI") disclosing all income and gifts received as required by the Political Reform Act. In this matter, Kevin Johnson received gifts of travel that exceeded the reporting threshold of $50 in 2012, and failed to properly report the source of these gifts of travel on his 2012 Annual SEI, in violation of Government Code section 87203 (1 Count). **$1,000 fine.**

Statement of Economic Interests Violations – Non-Filer

California law requires elected officials, certain board members and governmental employees, and consultants employed by governmental entities to complete and file Statements of Economic Interests (SEIs or Form 700s). SEIs serve a dual purpose: they make a filer aware of personal economic interests relative to a governmental decision, and they are an important disclosure document for the public and media. The following individuals failed to timely file an SEI:

Travis Svensson, a member of the Department of Consumer Affairs Board of Registered Nurses Diversion Evaluation Committee since July 25, 2012, 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. **$1,000 fine.**

Jennifer LeSar, as a consultant to the San Bernardino County Housing Authority, 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. **$200 fine.**

James Min, Bright Star Secondary Academy 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. **$200 fine.**

Robert McVicker, Wells Standards Advisory 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. **$200 fine.**

Kimberly Tran, as a Pharmacist 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 2, 2013. **$200 fine.**

Camilo S. Guiang, 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 2, 2013. $**200 fine.**

Zahed U. Ahmed, 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 2, 2013. **$200 fine.**

Mabrook Shehata, 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 2, 2013. **$200 fine.**

Chancelor Daniel, 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 2, 2013. **$200 fine.**

David C. Bonnheim, 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 2, 2013. **$200 fine.**

Kulbir Pummay, as a Health Services Administrator 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 2, 2013. **$200 fine.**

Richard S. Kornbluth, 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 2, 2013. **$200 fine.**

Kenneth R. Erlenbusch, as a Pharmacist 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 2, 2013. **$200 fine.**

William T. Savage, 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 2, 2013. **$200 fine.**

Gina L. Casian, 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 2, 2013. **$200 fine.**

Robert G. Scharffenberg, 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 2, 2013. **$200 fine.**

John Carroll, as a Board Member for the City of Fullerton Transportation and Circulation Committee, failed to timely file the 2012 Annual Statement of Economic Interests covering the period January 1, 2012, through December 31, 2012, due April 2, 2013. **$200 fine.**

Julie Kellner, 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. **$200 fine.**

Richard Riordan, 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. **$200 fine.**

Proactive Non-Reporting Gift Cases Violations

Deborah LeBlanc, as a Compton Community College District Board Member, failed to timely disclose gift(s) of: one meal valued at $180.00 on her 2011 Statement of Economic Interests. All gifts were from E.J. De La Rosa & Co., Inc. **$200 fine.**

William McGee, as the Vice President of the Hayward Unified School District Board of Education, failed to timely disclose gift(s) of: two meals totaling $153.87 on his 2011 Statement of Economic Interests. All gifts were from E.J. De La Rosa & Co., Inc. **$200 fine.**

Informational Item – Disgorgement of Contribution

Americans for Responsible Leadership and Center to Protect Patients Rights. On October 17, 2013, the Fair Political Practices Commission ("Commission"), in closed session, approved a civil settlement for the FPPC case Americans for Responsible Leadership (ARL) and Center to Protect Patient's Rights (CPPR), imposing a penalty in the amount of $1,000,000 for two counts (only one count applicable to ARL) of making a contribution in the name of another to the Small Business Action Committee (SBAC) and to the California Future Fund (CFF). Following the Commission's approval, the Enforcement Division contacted SBAC and CFF and requested that they disgorge the contributions received, to the General Fund of the State of California, pursuant to Government Code section 85701. On January 24, 2014, the Enforcement Division entered into stipulated civil judgments, with SBAC and CFF for full payment of the required disgorgement. Additionally, the FPPC received a payment of $300,000 from SBAC towards their obligation. As required by law, the funds will be turned over to the General Fund of the State of California in connection with this matter.

Tim Do AKA Thinh Thien Do, Individually, and DBA Catering Food Supply. On November 14, 2013, the Commission approved a Stipulation, Decision and Order in this case, which imposed a penalty in the amount of $5,000 for one count of laundering money into the campaign account of Sacramento City Councilman Kevin McCarty, who was seeking election to the California State Assembly, 9th District, in 2009 and 2010. Thereafter, the Enforcement Division communicated with Councilman McCarty regarding his duty to return the laundered funds, totaling $5,000, to the State of California pursuant to Government Code section 85701. On January 23, 2014, the Enforcement Division received full payment in this regard. As required by law, the disgorgement payment will be turned over to the General Fund of the State of California in connection with the complete resolution of this matter.

Closed Session Items

EncinitasElections.Com and Jim Kydd. The Commission approved the filing of a civil judgment to resolve a complaint received by the FPPC against EncinitasElections.Com, an independent expenditure committee that opposed 2012 Encinitas City Council candidates Mark Muir and Jerome Stocks. Also named in the complaint is the committee's responsible officer, Mr. Jim Kydd. The civil judgment requires that EncinitasElections.Com and Mr. Kydd admit to six violations of the Political Reform Act and agree to pay a fine of $1,000.

Encinitas Project – Committee For Proposition A. The Commission approved the filing of a civil judgment to resolve a complaint received by the FPPC against Encinitas Project – Committee For Proposition A, a ballot measure committee that supported the 2013 Encinitas City Ballot Measure Proposition A – Encinitas Right to Vote Amendment. Also named in the complaint are the committee's former principal officer, Ms. Susan Turney, and the committee's former treasurer, Mr. Oliver Canler. The civil judgment requires that Encinitas Project – Committee For Proposition A, Ms. Turney and Mr. Canler admit to thirteen violations of the Political Reform Act and agree to pay a fine of $1,000.

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