

News from the FPPC



California Fair Political Practices Commission
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The following are enforcement decisions approved by the Fair Political Practices Commission at its regular monthly meeting held on Thursday, November 17, 2016. Decisions are listed by category and include a brief summary of each case and the total amount of any administrative fine in each case.

Additional information on each of the enforcement cases listed below can be found in the November 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 between the FPPC Enforcement Division and 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.

Laundered Campaign Contributions/Over-the-Limit Contributions/Controlled Committees/Campaign Reporting

In 2012, Senator Tony Mendoza moved \$50,000 through his two controlled committees to Rudy Bermudez's controlled committee. The committees were not properly identified as controlled committees, contributions over the limit were made, and the public was denied adequate disclosure. Much of the money ended up supporting three state candidates running in the June 2012 primary election, one of them being Bermudez. The following three cases stem from this activity.

Respondent Antonio "Tony" Mendoza has served in the California Legislature for eight years and is currently a State Senator for the 32nd District. Senator Mendoza was an unsuccessful candidate for the Central Basin Municipal Water District in the June 5, 2012 election. In 2011/2012, Senator Mendoza was Chair of the California Latino Legislative Caucus. Respondent Yes We Can was a state general purpose committee established and controlled at all relevant times by Senator Mendoza. Respondent Educating Voters was a state general purpose committee established and controlled by Senator Mendoza. At all relevant times,

Respondent Freddie Scott was the treasurer and Respondent Alfred Mendoza was the principal officer for Educating Voters. Respondent Mendoza for Assembly 2010 was Senator Mendoza's candidate controlled election committee. Respondent Mendoza for Central Basin Municipal Water District 2012 was Senator Mendoza's candidate controlled election committee. As detailed in the stipulation, the Enforcement Division is recommending that the Commission approve a settlement for these seven respondents for 12 counts, including making contributions over the limit, improperly controlling both a committee for election or office and two general purpose committees that made expenditures to support or oppose state candidates, failing to properly identify and name a controlled committee, filing inaccurate campaign statements, and failing to timely report contributions. **Fine: \$57,000.**

Respondent Rudolf "Rudy" Bermudez was an unsuccessful candidate for the State Assembly, 57th District in the June 5, 2012 Primary Election. Respondent Bermudez for Assembly 2012 was Bermudez's candidate controlled election committee. At all relevant times, Respondent David Gould was the treasurer of Bermudez for Assembly 2012 and Residents for Good Government, a state general purpose committee which was established to provide "voter education and awareness." At all relevant times, Residents for Good Government was Bermudez's controlled committee. As detailed in the stipulation, the Enforcement Division is recommending that the Commission approve a settlement for these four respondents for seven counts, including making contributions over the limit, improperly controlling both a committee for election or office and a general purpose committee that made expenditures to support or oppose state candidates, failing to properly identify and name a controlled committee, filing inaccurate campaign statements, and failing to timely report contributions. **Fine: \$30,000.**

Respondent Senator Tony Mendoza, discussed above, was a candidate who controlled Respondent Yes We Can, a state general purpose committee established by Senator Mendoza in his capacity as Chair of the California Latino Legislative Caucus to independently facilitate the election of Latino candidates in state elections. At all relevant times, Yes We Can was Senator Mendoza's controlled committee. Respondent John Valencia was at all relevant times the treasurer for Yes We Can. As detailed in the stipulation, the Enforcement Division is recommending that the Commission approve a settlement for these three respondents for two counts, including failing to identify Senator Mendoza as the controlling candidate in Yes We Can's statement of organization and failing to add his name in the committee's name, and failing to timely file a preelection campaign statement for Yes We Can disclosing that it made a \$50,000 contribution to Educating Voters, another state general purpose committee controlled by Senator Mendoza. **Fine: \$6,000.**

Campaign Reporting

For the Children of West County and Kenneth Pon failed to file 24-hour reports in 2011 and 2014, in violation of Government Code Section 84203 (2 counts). The Committee failed to change its status to a primarily formed ballot measure committee in 2012 and

2014, and failed to change its name to reflect the economic interest of a contributor in 2012, in violation of Government Code Sections 84103, 84107, and 84504 (3 counts). Additionally, the Committee and Pon failed to report payments to sub-vendors in 2012, in violation of Government Code Sections 84303 and 84211, subdivision (k)(6) (2 Counts). **Fine: \$25,000.**

Save Our Forest and Ranchlands Opposed to Measure B Sponsored by California Local Energy Advancing Renewables is a primarily formed sponsored committee opposing Measure B in San Diego County, which is on the ballot for the November 8, 2016 General Election. Sanders is the committee treasurer and McFetridge is the principal officer. The committee, Sanders and McFetridge failed to timely file a statement of organization by the September 22, 2016 due date, in violation of Government Code Section 84101, subdivision (a) (1 count); failed to timely file two 24-hour contribution reports for receiving a \$110,000 contribution on September 12, 2016, and for making a \$45,000 contribution on September 21, 2016, in violation of Government Code Section 84203, subdivisions (a) and (b) (1 count); and failed to timely file one pre-election campaign statement for the reporting period of January 1, 2016 through September 24, 2016, in violation of Government Code Sections 84200.5, subdivision (a), and 84200.8 (1 count). **Fine: \$5,000.**

Steven Detrick is an incumbent candidate for City of Elk Grove City Council. Detrick for Council 2012 is his candidate controlled committee. Janice Detrick is the committee treasurer. The Detricks and the Committee failed to timely disclose occupation and employer information for contributors, in violation of Government Code Section 84211, subdivision (f) (1 count); and failed to timely disclose the dates of loans received by the committee, in violation of Government Code Section 84211, subdivision (g) (1 count). **Fine: \$3,500.**

Conflicts of Interest

Susan Peters, a member of the Sacramento Board of Supervisors, made governmental decisions in which she had a financial interest in real property located within 500 feet from the boundary of the Mather Field Airport. Peters voted to approve: 1) Abatement and Demolition project and 2) conveyance of land from the U.S. Air Force, in violation of Government Code Section 87100 (2 counts). **Fine: \$9,500.**

Personal Use of Campaign Funds

Solorio is a candidate for the Santa Ana City Council in the General Election held on November 8, 2016. In 2016, Solorio used campaign funds totaling approximately \$2,866 to pay part of the rent for an apartment where he maintains that he lived and worked on his campaign, in violation of Government Code Section 89517 (1 count). **Fine: \$3,500.**

Advertisements

Silicon Valley Progressive Women for Equity and Oportunidad Supporting Vicki Veenker for Assembly 2016 failed to print on its advertisement the words "paid for by" in 14-point

font, failed to identify in its advertisement that it was primarily formed to support a candidate, and failed to include on its advertisement an independent expenditure disclaimer, in violation of Government Code Sections 84507, 84506, subd. (a)(1), 84506.5, subd. (a) (1 count). **Fine \$2,500.**

Mass Mailings

In 2014, the Citizens for Yes on Measure B was a primarily formed city ballot measure committee in the city of Turlock. Berger was the committee treasurer and Theis was the principal officer. In September 2014, the Committee, Berger, and Theis sent a mass mailing supporting Measure B without identifying the Committee as the sender, in violation of Government Code Section 84305, subdivision (a) (1 count). **Fine: \$2,500.**

Lobbying Reporting

Angels Baseball failed to file eight lobbyist employer reports for the periods of October 1, 2013 through September 30, 2015, in violation of Government Code Section 86117 (8 counts). **Fine: \$3,200.**

Statement of Economic Interests Non-Reporters

John Wuo, a former member of the Arcadia City Council, failed to disclose on his 2014 and 2015 Annual Statements of Economic Interests that he received income from US Fine Arts Investments and that he had a business position as an officer with 24 HD Surveillance, in violation of Government Code Sections 87203, 87207, and 87209 (2 counts). **Fine: \$2,000.**

David Singer, a member of the San Francisco Health Commission, failed to disclose a business position with Nodality, Inc. on an Assuming Office, 2013, and 2014 Annual Statements of Economic Interests, in violation of Government Code Section 87300 (3 counts). **Fine: \$300.**

Michael Murray, a City of Napa Planning Commissioner, failed to timely disclose sources of income, including Napa Recycling and Napa on Ice, LLC, on his 2011 and 2014 Annual Statements of Economic Interests, in violation of Government Code Section 87207 (2 counts). **Fine: \$200.**

Statement of Economic Interests Non-Filers

Nancy Bui-Thompson is a member of the Sacramento Municipal Utility District Board of Directors. Her controlled committee was Nancy Bui-Thompson for SMUD 2012. Bui-Thompson and her committee failed to timely file three semiannual campaign statements covering the periods of January 1, 2014 through June 30, 2014, and January 1, 2015 through December 31, 2015, in violation of Government Code Section 84200 (2 counts). **Fine: \$3,000.**

Carlos P. Baker, Jr. is a retired superior court judge who worked 30 or more days in 2014. Baker, Jr. failed to timely file a 2014 Annual Statement of Economic Interests, in violation of Government Code Section 87203 (1 count). **Fine: \$1,500.**

Scott Lewis, as a Board Member for the Revolving Loan Fund in the City of Richmond, failed to timely file his 2015 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Fine: \$200.**

Campaign Non-Filer

Terri Valladolid was on the Southwestern Community College District Governing Board. Her controlled committee was Friends of Terri Valladolid for Southwestern College School Board 2010. Valladolid and her committee failed to timely file three semiannual campaign statements covering the period of July 1, 2014 through December 31, 2015, in violation of Government Code Section 84200 (3 counts) and failed to pay the 2015 and 2016 \$50 annual fees to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count). **Fine: \$9,000.**

Citizens for Quality Kerman Schools is a local ballot measure committee in Fresno County. Jones is the committee treasurer and Gragnani is the principal officer. The Committee, Jones, and Gragnani failed to timely file a pre-election campaign statement for the reporting period of July 1, 2016 through September 24, 2016, in violation of Government Code Section 84200.5 (1 count) and failed to timely file three late contribution reports, in violation of Government Code Section 84203 (1 count). **Fine: \$3,000.**

The Stanislaus County Democratic Club and Farrace failed to timely file five semi-annual campaign statements for the period of July 1, 2013 through December 31, 2015, in violation of Government Code Section 84200 (5 counts). Additionally, the committee and Farrace failed to file three pre-election statements for the period of January 1, 2012 through March 17, 2012 and July 1, 2012 through October 20, 2012, in violation of Government Code Section 84200.5 (3 Counts). **Fine \$1,746.**

Friends of San Juan USD, Yes on P is a local ballot measure committee in Sacramento County. Byars is the committee treasurer. The Committee and Byars failed to timely file a pre-election campaign statement for the reporting period of July 1, 2016 through September 24, 2016, in violation of Government Code Section 84200.5 (1 count). **Fine: \$1,500.**

Quality Schools for All Children Yes on Measure M Committee is a local ballot measure committee in Monterey County. Koenig is the committee treasurer. The Committee and Koenig failed to timely file a pre-election campaign statement for the reporting period of July 1, 2016 through September 24, 2016, in violation of Government Code Section 84200.5 (1 count). **Fine: \$1,500.**

Mt. San Jacinto College Faculty Association Citizens for Quality Higher Education is a local general purpose committee located in Riverside County. Cranney is the committee treasurer. The Committee and Cranney failed to timely file four semiannual campaign statements for the reporting periods of July 1, 2014 through June 30, 2016, in violation of Government Code Section 84200 (4 counts). The committee also 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). **Fine: \$1,200.**

Yes on N – Support Visalia's Safety and Security is a locally formed ballot measure committee supporting Measure N on the November 8, 2016 General Election ballot in the city of Visalia. Culotta is the committee treasurer. The Committee and Culotta failed to timely file a pre-election statement, in violation of Government Code Section 84200.5 (1 count). The Committee also failed to timely file three late contribution reports, in violation of Government Code Section 84203 (3 counts). **Fine: \$1,041.**

Dan Munsey was a successful candidate for Hi-Desert Water District Board of Directors in the November 4, 2014 General Election. Committee to Elect Dan Munsey is his candidate controlled recipient committee. The committee failed to timely file two pre-election campaign statements and one semiannual campaign statement for the reporting period of July 1, 2014 through December 31, 2014, in violation of Government Code Section 84200.5 (2 counts) and 84200 (1 count). The Committee also failed to timely pay the 2013 and 2014 \$50 annual fees to the Secretary of State's Office, in violation of Government Code Section 84101.5 (2 counts). **Fine: \$1,012.**

Bakersfield Elementary Teachers Association PAC is a county general purpose committee. Tanisha Ross is the committee treasurer. The Committee and Ross failed to timely file a pre-election campaign statement for the reporting period of July 1, 2016 through September 24, 2016, in violation of Government Code Section 84200.5 (1 count). **Fine: \$415.**

For the Community of Richmond, Yes on C & D and Pon failed to file a 24-hour report in 2011, in violation of Government Code Section 84203 (1 count). **Fine: \$300.**

Albert Gonzalez is a candidate for the Santa Clara Unified School District Governing Board in Santa Clara County on the November 8, 2016 General Election ballot. Albert Gonzalez for School Board 2016 is his candidate controlled committee. The Committee and Gonzalez failed to timely file a pre-election statement, in violation of Government Code Section 84200.5 (1 count). **Fine: \$251.**

Rachel Perez is a candidate for the Gavilan Joint Community College Board of Trustees on the November 8, 2016 General Election ballot. Elect Rachel Perez Trustee is her candidate controlled committee. The Committee and Perez failed to timely file a pre-election statement, in violation of Government Code Section 84200.5 (1 count). **Fine: \$233.**

Isabel Machado is a candidate for Clovis Unified School District Board of Trustees, on the November 8, 2016 General Election ballot in the City of Fresno. Friends of Isabel Machado for SCUD Board 2016 is her candidate controlled committee. The Committee and Machado failed to timely file a pre-election statement, in violation of Government Code Section 84200.5 (1 count). **Fine: \$217.**

Richard Caglia is a candidate for the State Center Community College District Board of Education on the November 8, 2016 General Election ballot in the City of Fresno. Committee to Elect Richard Caglia SCCCDC School Board 2012 is his candidate controlled committee. Milligan is the committee treasurer. The Committee and Milligan failed to timely file a pre-election statement, in violation of Government Code Section 84200.5 (1 count). **Fine: \$214.**

Derek Grasty is a candidate for the Eastside Union High School Governing Board in Santa Clara County on the November 8, 2016 General Election. Grasty for Eastside School Board 2016 is his candidate controlled committee. The Committee and Grasty failed to timely file a pre-election statement in violation of Government Code Section 84200.5 (1 count). **Fine: \$200.**