



FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329
(916) 322-5660 • Fax (916) 322-0886

February 17, 2012

✓ Mr. Michael Nguyen

REDACTED

Re: Warning Letter
FPPC No. 12/079; Michael Nguyen

Dear Mr. Nguyen:

The Fair Political Practices Commission (“FPPC”) enforces the provisions of the Political Reform Act (“Act”),¹ found in Government Code Section 81000, and following. This letter is in response to a referral from the Department of Health Services that alleged you violated the Act’s disclosure provisions regarding your failure to disclose loans on your Statement(s) of Economic Interests (“SEI”).

The FPPC has completed its investigation of the facts in this case. Specifically, the FPPC found that you violated the Act’s disclosure provisions when, as a Chief Information Officer for the Department of Health Services, you failed to disclose personal loans you received in the years 2007 through 2009 on your annual SEIs.

Section 87300 of the Act requires every state and local agency to develop a Conflict-of-Interest Code. This code must require persons involved in the making, or participating in the making, of decisions which may foreseeably have a material financial effect on any financial interest belonging to that person to disclose reportable interests. As a designated employee you were listed under Category 1 in your Agency’s conflict-of-interest code, and had an obligation to disclose all sources of income, including personal loans.

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

Your actions violated the Act because you failed to disclose the personal loans you received during the years specified above. (Gov. Code § 87300, and the Department of Health Care Services Conflict-of-Interest Code.) However, since you have filed amendments disclosing the loans, you have left office, and you do not have a history of violating the Act, we are closing this matter with a warning letter. The information in this matter will be retained and may be considered should an enforcement action become necessary based on future conduct or newly discovered information. Failure to comply with the provisions of the Act in the future will result in monetary penalties of up to \$5,000 for each violation.

A warning letter is an FPPC case resolution without administrative prosecution or fine. However, the warning letter resolution does not provide you with the opportunity for a probable cause hearing or hearing before an Administrative Law Judge or the Fair Political Practices Commission. If you wish to avail yourself of these proceedings by requesting that your case proceed with prosecution rather than a warning, please notify us within ten (10) days from the date of this letter. Upon this notification, the FPPC will rescind this warning letter and proceed with administrative prosecution of this case. If we do not receive such notification, this warning letter will be posted on the FPPC's website ten (10) days from the date of this letter.

The FPPC publishes forms and manuals to facilitate compliance with the provisions of the Act. If you need forms or a manual, or guidance regarding your obligations, please call the FPPC's Technical Assistance Division at 1-866-275-3772. Please also visit our website at www.fppc.ca.gov.

Please feel free to contact Terri Rindahl at (916) 327-2018 with any questions you may have regarding this letter.

Sincerely,

REDACTED

Gary S. Winuk
Chief, Enforcement Division

GSW/tr

cc: Department of Health Services