

NOTICE AND AGENDA Commission Meeting¹

**California Fair Political Practices Commission
428 J Street, Suite 800
Sacramento, CA 95814**

**Thursday, March 15, 2012
10:00 A.M.**

This meeting of the Commission will include teleconference participation by one Commissioner (Gov. Code Section 11123). The teleconference location, in addition to the address above is:

**Bovard Administration Building, Room 102
3551 Trousdale Parkway
University of Southern California
Los Angeles, CA 90089**

One commissioner will participate from this location.

WELCOME AND CHAIR'S REPORT

Ann Ravel, FPPC Chair

PUBLIC COMMENT

1. Public Comment.

¹You can obtain further information about the meeting by contacting the Commission Assistant, 428 J Street, Suite 620, Sacramento, CA, 95814, 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. The fax number for comment letters is 916-322-6440.

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 (888) 751-0624; access code is 723284.

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), 916-322-6440 (facsimile) or in writing. 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 a reasonable period of time between the request and the meeting date.

This portion of the meeting is reserved for comment on items not on the agenda. Under the Bagley-Keene Act, the Commission cannot act on items raised during public comment, but may respond briefly to statements made or questions posed; request clarification; or refer the item to staff.

PROPOSED CONSENT CALENDAR ITEMS 2 - 39

2. Approval of November & December, 2011 Commission meeting minutes.

Commission Resolution

3. Resolution of the Commission Regarding Workers' Compensation Coverage for Agency Volunteers. The Commission will consider extending workers' compensation coverage to agency volunteers pursuant to Labor Code Section 3363.5

Advertisement Violation

4. In the Matter of Arnold Schwarzenegger and Governor Schwarzenegger's California Dream Team, A Ballot Measure Committee, FPPC No. 09/539. Staff: Senior Commission Counsel Angela Brereton, and Special Investigator Sandra Buckner. Respondent Arnold Schwarzenegger was governor of the State of California from November 2003 through January 2011. Respondent California Dream Team, A Ballot Measure Committee (Respondent Committee), was Respondent Schwarzenegger's candidate controlled ballot measure committee located in Burbank, CA. Respondents used Respondent Committee funds to pay for a television and internet advertisement which referred to state budget negotiations that were in progress. However, under the Political Reform Act, as implemented by regulations adopted by the Commission, ballot measure committees which are controlled by candidates for elective state office may only use committee funds to make expenditures that are related to a state or local measure or a potential measure anticipated by the committee. By using Respondent Committee funds to make six expenditures totaling over \$1.1 million, which were unrelated to a state or local measure or an anticipated potential measure, Respondents violated the Political Reform Act under Regulation 18521.5, subdivision (d) (6 counts). **Total Proposed Penalty: \$30,000.**

Campaign Reporting Violations

5. In the Matter of Davis Democratic Club and Elizabeth R. Weir, FPPC No. 08/390. Staff: Senior Commission Counsel Galena West and Program Specialist Luz Bonetti. Respondents Davis Democratic Club, a county general purpose committee, and

Respondent Elizabeth R. Weir, Treasurer failed to file a first preelection campaign statement for the reporting period July 1, 2008, through September 30, 2008, due October 6, 2008, and a second preelection campaign statement for the reporting period October 1, 2008, through October 18, 2008, by the October 23, 2008 due date, in violation of Government Code Sections 84200.5, subdivision (d), and 84200.7 (1 count); both understated and overstated the balance of cash on the semiannual reporting periods for calendar years 2007, 2008 and 2009, on the semiannual campaign statement for the reporting period ending June 30, 2010, by up to approximately \$11,449 (understated) and \$9,495 (overstated), in violation of Government Code Section 84211, subdivision (e) (1 count); failed to disclose information regarding contributions received and expenditures made of \$100 or more on the semiannual reporting periods for calendar years 2007, 2008 and 2009 and 2010, in violation of Government Code Section 84211, subdivisions (a), (b), (f), and (k) (1 count); and failed to maintain proper records to support the campaign statements filed for the reporting periods of calendar years 2007, 2008, 2009, and 2010, in violation of Government Code Section 84104 (1 count). **Total Proposed Penalty: \$9,500.**

6. In the Matter of Michael Glover, Michael G. Glover for Assembly, Glover for Assembly 2008, Committee to Elect Mike Glover for 70th AD, 2010, and Doris Neel, FPPC No. 09/615 (Default Decision). Staff: Commission Counsel Bridgette Castillo and Special Investigator Sandra Buckner. Respondent Michael G. Glover ("Respondent Glover") was a successful candidate for California State Assembly, 70th District ("California State Assembly"), in the June 6, 2006, Primary Election and the June 3, 2008, Primary Election. However, Respondent Glover was an unsuccessful candidate for California State Assembly in the November 7, 2006, General Election, November 4, 2008, General Election, and the June 8, 2010, Primary Election. Respondent Michael G. Glover for Assembly ("Respondent Committee 2006") was the controlled committee of Respondent Glover's 2006 election campaign. Respondent Glover acted as the treasurer of Respondent Committee 2006 from October 27, 2006, through June 30, 2009. Respondent Glover for Assembly 2008 ("Respondent Committee 2008") was the controlled committee of Respondent Glover's 2008 election campaign. Respondent Committee to Elect Mike Glover for 70th AD, 2010 ("Respondent Committee 2010") was the controlled committee of Respondent Glover's 2010 election campaign. Respondent Doris Neel ("Respondent Neel") was the treasurer of Respondent Committee 2010 from February 19, 2010, through July 30, 2010. In this matter, Respondents Glover and Committee 2006: 1) failed to file semi-annual campaign statements, in violation of Government Code Section 84200, subdivision (a) (4 counts); 2) on semi-annual campaign statements from July 1, 2006, through December 31, 2008, failed to report the receipt of contributions totaling approximately \$47,406, and failed to itemize contributions received over \$100 totaling approximately \$52,673, in violation of Government Code Section 84211, subdivisions (a), (c), (d) and (f) (1 count); 3) on semi-annual campaign statements from July 1, 2006, through December 31, 2008, failed to report expenditures made totaling approximately \$42,614, and failed to itemize expenditures made over \$100 totaling approximately \$57,144, in violation of Government Code Section 84211, subdivisions (b), (i), (j), and (k) (1 count); 4) failed to report accrued expenses on at least one semi-annual campaign statement

for the reporting period October 22, 2006, through December 31, 2006, totaling approximately \$23,403, in violation of Government Code Section 84211, subdivisions (b), (i), and (k) (1 count); 5) failed to disclose a contribution received of \$5,000 or more within 10 business days of receipt in an online campaign report, in violation of Government Code Section 85309, subdivision (c) (1 count); 6) failed to maintain the detailed accounts, records, bills, and receipts necessary to prepare campaign statements, to establish that a campaign statement was properly filed, and to comply with the campaign reporting provisions of the Act, from October 22, 2006, through June 30, 2009, in violation of Government Code Section 84104 (1 count). Additionally, Respondents Glover and Committee 2008: 1) failed to file pre-election campaign statements, in violation of Government Code Section 84200.5, subdivision (a), and 84200.7, subdivision (a) (2 counts); 2) failed to file a semi-annual campaign statement, in violation of Government Code Section 84200, subdivision (a) (1 count); 3) failed to deposit all campaign contributions into a designated campaign bank account for Respondent Committee 2008, in violation of Government Code Section 85201, subdivision (e) (1 count). Further, Respondents Glover, Committee 2010, and Neel: 1) failed to file pre-election campaign statements in electronic format, in violation of Government Code Sections 84200.5, subdivision (a), 84200.7, subdivision (a), and 84605, subdivision (a) (2 counts); and 2) failed to file a semi-annual campaign statement in electronic format, in violation of Government Code Sections 84200, subdivision (a) and 84605, subdivision (a) (1 count). **Total Proposed Penalty: \$47,000.**

7. In the Matter of Put California Back to Work, Sponsored by the Civil Justice Association of California and J. Richard Eichman, FPPC No. 10/504. Staff: Commission Counsel Bridgette Castillo, Special Investigator Janet Seely, and Program Specialist Grant Beauchamp. Respondent Put California Back to Work, Sponsored by the Civil Justice Association of California ("Respondent Committee") formed as a state general purpose committee on January 19, 2010. Respondent J. Richard Eichman ("Respondent Eichman") was the treasurer of the Respondent Committee. Respondents violated the requirements of the Political Reform Act by failing to file an amended statement of organization within 10 days to disclose that Respondent Committee was a primarily formed committee; by failing to add the full name and office of the candidate it supported as its primary activity, and by failing to identify the name of the candidate, including the office sought, the election year and whether the committee supported or opposed the candidate, in the name of the Respondent Committee, in violation of Government Code Sections 84102, subdivisions (d) and (g), and 84103, subdivision (a) (1 count). Further, Respondents made an independent expenditure which caused a mass mailing to be sent in support of Juan Vargas for State Senate District 40 and in opposition to his opponent, Mary Salas, which failed to display the top two contributors of \$50,000 or more during the 12 month period prior to the expenditure, in violation of Government Code Section 84506 (1 count). **Total Proposed Penalty: \$6,000.**

8. In the Matter of Fernando Vasquez, Vasquez for Downey Council 2010, and Jane Leiderman, Treasurer, FPPC No. 11/057. Staff: Commission Counsel Milad Dalju, Special Investigator Sandra Buckner, and Political Reform Consultant Jeanette

Turvill. Respondents Fernando Vasquez, his candidate controlled committee Vasquez for Downey Council 2010, and the committee's treasurer Jane Leiderman, failed to report in a timely manner eight monetary contributions of \$100 or more, totaling approximately \$1,600, received between July 1, 2010, and September 30, 2010, due by October 5, 2010, in violation of Government Code Section 84211, subdivisions (a), (c), (e), and (f) (1 count), and failed to report in a timely manner nine monetary contributions of \$100 or more, totaling approximately \$6,096, received between October 1, 2010, and October 16, 2010, due by October 21, 2010, in violation of Government Code Section 84211, subdivisions (a), (c), (e), and (f) (1 count). **Total Proposed Penalty: \$4,000.**

Money Laundering

9. **In the Matter of Go Lorrie's Airport Shuttle, FPPC No. 11/920.** Staff: Chief of Enforcement Gary Winuk, and Chief Investigator Sandra Buckner. Respondent GO Lorrie's Airport Shuttle ("Respondent") is a door-to-door transportation company operating in San Francisco. Respondent's employees and relatives of Respondent's employees made political contributions to San Francisco's then-interim Mayor, Ed Lee, in the amount of \$500 - the limit under San Francisco's local elections rules; Respondent reimbursed all contributions in cash, in violation of Government Code Sections 84301 and 84300, subdivision (c) (11 Counts). **Total Proposed Penalty: \$49,500.**

Slate Mailer

10. **In the Matter of Voter Information Guide and Tracey Pomerance-Poirier, FPPC No. 10/978.** Staff: Senior Commission Counsel Neal Bucknell and Program Specialist Grant Beauchamp. Respondent Voter Information Guide is a slate mailer organization. Respondent Tracey Pomerance-Poirier is the organization's treasurer. In this matter, for the reporting periods ending June 30 and December 31, 2010, Respondents failed to report in a timely manner subvendor information for payments totaling approximately \$407,400, in violation of Government Code Section 84219, subdivision (h)(5) (1 count). **Total Proposed Penalty: \$2,000.**

Campaign Reporting Violations - Streamline

11. **In the Matter of American Subcontractors Association of California PAC, and Jordi Grant, Treasurer, FPPC No. 11/271.** Staff: Chief of Enforcement Gary Winuk and Law Clerk Brad Morrow. Respondents American Subcontractors Association of California PAC, a state general purpose committee, and Jordi Grant, Treasurer of Respondent American Subcontractors Association of California PAC received \$2,950, contributing to a total balance of \$23,032.86 during the semi-annual reporting period of January 1, 2011, through June 30, 2011. Respondents failed to file paper and electronic semi-annual campaign statements for this period by the August 1, 2011, due date, in violation of Government Code Section 84605 (2 counts). **Total Proposed Penalty:**

\$400.

12. In the Matter of Barnett for School Board 2010 and Scott Barnett, FPPC No. 11/1067. Staff: Political Reform Consultant Jeanette E. Turvill. Respondent Barnett for School Board 2010 and Scott Barnett failed to file a semiannual campaign statement in a timely manner for the reporting period of January 1, 2011, through June 30, 2011, due on August 1, 2011, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$200.**

13. In the Matter of Maritza Molina, FPPC No. 11/1049. Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Maritza Molina, a current member of the Los Angeles County Centinela Valley Union High School Governing Board, failed to file the Form 470 campaign statement covering the period January 1, 2011, through December 31, 2011, due August 1, 2011, in a timely manner with the County of Los Angeles, in violation of Government Code Section 84206 (1 count). **Total Proposed Penalty: \$200.**

14. In the Matter of National City Elementary Teachers Association PAC; Ana B. Zuniga-Juarez, Treasurer, FPPC No. 11/1058. Staff: Political Reform Consultant Jeanette E. Turvill. Respondent National City Elementary Teachers Association PAC, a local general purpose committee, and its treasurer, Ana B. Zuniga-Juarez failed to file a semiannual campaign statement for the reporting period of January 1, 2011, through June 30, 2011, in a timely manner, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$200.**

15. In the Matter of Hugo M. Rojas, FPPC No. 11/1046. Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Hugo M. Rojas, a current member of the Los Angeles County Centinela Valley Union High School Governing Board, failed to file the Form 470 campaign statement covering the period January 1, 2011, through December 31, 2011, due August 1, 2011, in a timely manner with the County of Los Angeles, in violation of Government Code Section 84206 (1 count). **Total Proposed Penalty: \$200.**

16. In the Matter of Tuolumne County Republican Central Committee, Jo Day, Treasurer, and Charles Day, Chairman FPPC No. 10/638. Staff: Political Reform Consultant Teri Rindahl. Respondent Tuolumne County Republican Central Committee was a state general purpose committee with Respondent Jo Day serving as treasurer, and Charles Day serving as chairman. Respondents failed to file two semi-annual campaign statements in a timely manner, one for the reporting period January 1, 2008, through June 30, 2008, due July 31, 2008, and one for the reporting period July 1, 2008, through December 31, 2008, due February 2, 2009, in violation of Government Code Section 84200 (2 counts). **Total Proposed Penalty: \$400.**

17. In the Matter of Westside Republicans of Los Angeles and Robert Pedersen, Chairman, FPPC No. 11/1047. Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Los Angeles County recipient committee Westside

Republicans of Los Angeles with Robert Pedersen, Chairman, failed to file the Form 460 campaign statement covering the period January 1, 2011, through June 30, 2011, due August 1, 2011, in a timely manner with the County of Los Angeles, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$200.**

Conflict of Interest Violation

18. **In the Matter of Floyd Leeson, FPPC No. 07/120.** Staff: Senior Commission Counsel Angela Brereton and Special Investigator Janet Seely. Respondent Floyd Leeson was an associate oil and gas engineer for the Department of Conservation, Division of Oil, Gas and Geothermal Resources (DOGGR) from May 1, 1985, to June 13, 2007. DOGGR regulates oil and gas wells in the Las Cienegas Oil Field, located in Los Angeles County, through DOGGR's District One Office located in Cypress, CA. Respondent violated the conflict of interest provisions of the Act when he processed four (4) Notices of Intent to Conduct Well Operations (Rework) submitted to DOGGR by PXP and prepared, for his supervisor's approval, four (4) related permits to conduct well operations for PXP, at a time in which he held an investment interest in PXP of more than \$25,000, and failed to disclose his investments in oil and gas companies regulated by his agency in his 2005 annual Statement of Economic Interests. Respondent participated in governmental decisions in which he had a material financial interest in violation of Government Code Section 87100 (4 counts); and failed to disclose his investment interests in oil and gas companies in his 2005 annual Statement of Economic Interests, in violation of Government Code Section 87206 (1 count). **Total Proposed Penalty: \$24,500.**

19. **In the Matter of Clay Aurell, FPPC No. 11/650.** Staff: Senior Commission Counsel Neal Bucknell, Special Investigator Beatrice Moore, and Political Reform Consultant Jeanette Turvill. Respondent Clay Aurell had a partnership interest in an architectural firm and was a member of the Architectural Board of Review for the City of Santa Barbara. Respondent and his architectural firm were representing a client in connection with a proposal to construct an accessory dwelling unit in the City of Santa Barbara. In this matter, Respondent attempted to use his official position to influence a governmental decision on the proposal knowing he had a financial interest in the matter, in violation of Government Code Section 87100 (1 count). **Total Proposed Penalty: \$3,500.**

20. **In the Matter of Jordan Ehrenkranz FPPC No. 09/043.** Staff: Staff Counsel IV Luisa Menchaca and Special Investigator Paul Rasey. As a member of the city council for the City of Canyon Lake, Respondent Jordan Ehrenkranz violated the Political Reform Act by failing to disqualify himself from three governmental decisions relating to a proposed moratorium on hillside development in which he had a financial interest, in violation of Government Code Section 87100 (2 counts). **Total Proposed Penalty: \$6,000.**

Lobbying - Streamline

21. **In the Matter of Mark D. Nobili and Mark Nobili and Associates, FPPC No. 10/737.** Staff: Senior Commission Counsel Neal Bucknell, Special Investigator Beatrice Moore, and Political Reform Consultant Adrienne Korchmaros. Respondent Mark D. Nobili, a registered California lobbyist, failed to file lobbyist reports for reporting periods ending June 30, 2009, September 30, 2009, March 31, 2010, and June 30, 2010, in a timely manner, in violation of Government Code Section 86113 (4 counts). Also, Respondent Mark Nobili and Associates, a California lobbying firm, failed to file lobbying firm reports for reporting periods ending September 30, 2009, June 30, 2010, and September 30, 2010, in a timely manner, in violation of Government Code Section 86114 (7 counts). **Total Proposed Penalty: \$1,400.**

Late Contribution Reports

22. **In the Matter of Stephen Grand, FPPC No. 11/1044.** Staff: Political Reform Consultant Jeanette E. Turvill. Respondent Stephen Grand made a contribution of \$10,000 to the Coalition for Civil Sidewalks, Yes on L ballot measure committee during the late contribution reporting period in connection with the November 2, 2010, election and failed to report it in a timely manner, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$1,500.**

Statements of Economic Interests - Non-Filer

23. **In the Matter of Susan Bury, FPPC No. 10/289 (Default Decision).** Staff: Commission Counsel Milad Dalju and Political Reform Consultant Adrienne Korchmaros. Respondent Susan Bury, a commissioner on the Madera County Economic Development Commission from July 9, 2007, to April 1, 2009, failed to file a Statement of Economic Interests for the January 1, 2008, through December 31, 2008, reporting period, due April 1, 2009, in violation of Government Code Sections 87300 and 87302, subdivision (b) (1 count), and failed to file a leaving office Statement of Economic Interests for the January 1, 2009, through April 1, 2009, reporting period, due May 1, 2009, in violation of Government Code Sections 87300 and 87302, subdivision (b) (1 count). **Total Proposed Penalty: \$6,000.**

24. **In the Matter of Jill Sherman-Warne, FPPC No. 11/838.** Staff: Commission Counsel Zachary W. Norton. Respondent Jill Sherman-Warne, Commissioner, California Native American Heritage Commission, failed to file a Statement of Economic Interests in a timely manner for the reporting period of January 1, 2010, through December 31, 2010, in violation of Government Code Sections 87300 and 87302, subdivision (b)(1 count). **Total Proposed Penalty: \$1,000.**

Statements of Economic Interests - Non-Filer - Streamline

25. **In the Matter of Ben Alaoui, FPPC No. 11/570.** Staff: Political Reform Consultant Teri Rindahl and Legal Analyst Tracey Frazier. Respondent Ben Alaoui,

Associate Transportation Engineer for the City of Oakland Public Works Agency, failed to timely file a Statement of Economic Interests for the reporting period January 1, 2009, through December 31, 2009, by the April 1, 2010, due date, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400.**

26. **In the Matter of Daniel Chavez, FPPC No. 11/836.** Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Daniel Chavez, Commissioner for the California Strawberry Commission, failed to file a Statement of Economic Interests covering the period January 1, 2010, through December 31, 2010, due April 1, 2011, in a timely manner with the FPPC's Technical Assistance Division, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400.**

27. **In the Matter of Lorena Chavez, FPPC No. 11/837.** Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Lorena Chavez, Commissioner for the California Strawberry Commission, failed to file a Statement of Economic Interests covering the period January 1, 2010, through December 31, 2010, due April 1, 2011, in a timely manner with the FPPC's Technical Assistance Division, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400.**

28. **In the Matter of Manual Ferreira, FPPC Case No. 12/065.** Staff: Political Reform Consultant Teri Rindahl. Respondent Manual Ferreira, Orange Cove Fire Protection District Member, failed to timely file an assuming office Statement of Economic Interests covering the period August 12, 2010, through August 12, 2011, due September 12, 2011, with the Technical Assistance Division, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

29. **In the Matter of Ronald Goldman, FPPC No. 11/1085.** Staff: Political Reform Consultant Jeanette E. Turvill. Respondent Ronald Goldman, a member of the County Service Area #16 in the County of Marin, failed to timely file a Statement of Economic Interests for the reporting period of January 1, 2010, through December 31, 2010, due April 1, 2011, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

30. **In the Matter of John Lacy, FPPC No. 11/526.** Staff: Political Reform Consultant Teri Rindahl and Legal Analyst Tracey Frazier. Respondent John Lacy, Community Development Board Member for District 7 in the City of Oakland, failed to timely file a Statement of Economic Interests for the reporting period January 1, 2009, through December 31, 2009, by the April 1, 2010, due date, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

31. **In the Matter of Marshall McCay, FPPC Case No. 11/162.** Staff: Political Reform Consultant Teri Rindahl. Respondent Marshall McCay, Yolo County Indian Gaming Local Benefit Committee member, failed to timely file his 2008 and 2009 Statements of Economic Interests covering the periods January 1, 2008, through

December 31, 2008, due April 1, 2009, and January 1, 2009, through December 31, 2009, due April 1, 2010, in a timely manner with the Technical Assistance Division, in violation of Government Code Section 87300 (2 counts). **Total Proposed Penalty: \$400.**

32. **In the Matter of William Mungary, FPPC No. 11/ 1169.** Staff: Political Reform Consultant Adrienne Korchmaros. Respondent William Mungary, Commissioner for the Native American Heritage Commission, failed to timely file a Statement of Economic Interests covering the period January 1, 2010, through December 31, 2010, due April 1, 2011, in a timely manner, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

33. **In the Matter of Alvaro Preciado, FPPC No. 11/934.** Staff: Political Reform Consultant Jeanette E. Turvill. Respondent Alvaro Preciado, Councilmember for the City of Avenal, failed to timely file a Statement of Economic Interests for the reporting period of January 1, 2010, through December 31, 2010, due April 1, 2011, in violation of Government Code Section 87203 (1 count). **Total Proposed Penalty: \$200.**

34. **In the Matter of Scott Pynes, FPPC No. 11/684.** Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Scott Pynes, as a governing board member of Scott Valley Unified School District and as the director of Scott Valley Irrigation District, both for the County of Siskiyou, failed to timely file a Statement of Economic Interests covering the period January 1, 2010, through December 31, 2010, due April 1, 2011, in a timely manner with the County of Siskiyou, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

35. **In the Matter of Andrew Ratermann, FPPC No. 11/975.** Staff: Political Reform Consultant Jeanette E. Turvill. Respondent Andrew Ratermann, Board President for the Santa Clara Unified School District, failed to timely file a Statement of Economic Interests for the reporting period of January 1, 2010, through December 31, 2010, due April 1, 2011, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

36. **In the Matter of Carlos Romero, FPPC No. 11/935.** Staff: Political Reform Consultant Jeanette E. Turvill. Respondent Carlos Romero, Mayor for the City of East Palo Alto, failed to timely file a Statement of Economic Interests for the reporting period of January 1, 2010, through December 31, 2010, due April 1, 2011, in violation of Government Code Section 87203 (1 count). **Total Proposed Penalty: \$400.**

37. **In the Matter of Jeffrey Senior, FPPC Case No. 11/1003.** Staff: Political Reform Consultant Teri Rindahl. Respondent Jeffrey Senior, California Travel and Tourism Commissioner, failed to timely file a Statement of Economic Interests covering the period January 1, 2010, through December 31, 2010, due April 1, 2011, in a timely

manner with the Technical Assistance Division, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400.**

38. In the Matter of Iztok Stajner, FPPC No. 11/981. Staff: Political Reform Consultant Jeanette E. Turvill. Respondent Iztok Stajner, a member of the Discovery Charter School in the County of Santa Clara, failed to timely file a Statement of Economic Interests for the reporting period of January 1, 2010, through December 31, 2010, due April 1, 2011, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

39. In the Matter of Zehra Sun, FPPC No. 11/812. Staff: Commission Counsel Milad Dalju and Political Reform Consultant Adrienne Korchmaros. Respondent Zehra Sun has been a member of the San Marino-Crowell Public Library Board of Trustees since March 15, 2010. Respondent failed to timely file a Statement of Economic Interests for the January 1, 2010, through December 31, 2010, reporting period, due April 1, 2011, in violation Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

ENFORCEMENT INFORMATIONAL ITEMS 40 - 41

Money Laundering Settlement (No Action Agenda Item)

40. In the Matter of Neiland Kenneth Derry and Neil Derry for Supervisor, FPPC No. 11/736 (Receipt of Joint Settlement Funds). Staff: Senior Commission Counsel Neal Bucknell. Neiland Kenneth Derry was a successful candidate for the San Bernardino County Board of Supervisors in 2008. Neil Derry for Supervisor was his candidate controlled committee. In this matter, Mr. Derry knowingly and willfully failed to report the true source of a \$5,000 contribution that was made to his committee in the name of another. As part of a joint effort by the California Attorney General's office and the FPPC Enforcement Division, Mr. Derry pled guilty to a misdemeanor count of violating Government Code Section 84302 for failure to report the true source of the contribution. His sentence, which was imposed by the San Bernardino County Superior Court, included a \$10,000 fine, and of this amount, he was ordered to pay \$5,820 to the FPPC. Thereafter, he paid the ordered amount to the FPPC, and after that, he made a disgorgement payment to the FPPC in the amount of \$5,000 pursuant to Government Code Section 85701, which requires candidates and committees to surrender certain unlawful contributions to the General Fund of the State of California. **Total Penalty Collected by the FPPC (including disgorgement): \$10,820.**

41. Enforcement Division End of Year Report - Enforcement Division Chief Gary Winuk - Presentation of the Enforcement Division's End of year Report for 2011 to the Commission for review and comment.
No action required.

ACTION ITEMS 42 - 43

42. **Adoption of Regulation 18215.3: Behested Payment Reporting. Staff: General Counsel Zackery P. Morazzini and Commission Counsel Heather M. Rowan.** Staff proposes adoption of Regulation 18215.3 to define "behested payments" as applied to contributions and clarify situations that are not considered payments made at the behest of, specifically regarding charitable contributions where elected officers are listed on the charity's letterhead and agency-to-agency payments.

43. **Amendment to Regulation 18705.5: Materiality Standard: Economic Interest in Personal Finances. Staff: General Counsel Zackery P. Morazzini and Acting Executive Director John W. Wallace.** Proposal to amend Regulation 18705.5 submitted by Ash Pirayou of Rutan and Tucker. The proposed amendment would create a limited exception to allow public officials to vote on their appointment as representatives of the entity to paid public boards.

DISCUSSION ITEM 44

44. **Discussion of Online Posting of Statements of Economic Interests filed by Elected Judges.** Staff: General Counsel Zackery P. Morazzini. Discussion of issues related to the the online posting of statements of economic interests (Commission Form 700) filed by elected judges as required by Commission Regulation 18313.5. (Reg. 18313.5) (AOC Memo)

STAFF REPORTS ITEMS 45 - 51

- 45. **Executive Director's Report.** Staff: Executive Director, John Wallace
- 46. **Legislative Report.** Staff: Legislative Coordinator, Tara Stock
 - o Workshop on legislation
- 47. **Litigation Report.** Staff: General Counsel, Zackery P. Morazzini
- 48. **Legal Division Report.** Staff: General Counsel, Zackery P. Morazzini
- 49. **Enforcement Division Report.** Staff: Chief of Enforcement, Gary Winuk
- 50. **Technical Assistance Division Report.** Staff: Chief of T.A.D., Lynda Cassady
- 51. **Administrative Division Report.** Staff: Chief of Admin, Tina Bass