



NOTICE AND AGENDA Commission Meeting¹

California Fair Political Practices Commission
1102 Q Street, Suite 3800
Sacramento, CA 95811

Thursday, May 21, 2020
10:00 A.M.

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 in that article.

Pursuant to Executive Order N-29-20, certain provisions of the Bagley Keene Open Meeting Act are suspended due to a State of Emergency in response to the COVID-19 pandemic. Consistent with the Executive Order, this Commission meeting will be conducted by teleconference only. None of the locations from which Commissioners will participate will be open to the public. Members of the public who wish to observe the meeting may do so via [YouTube](#) or via telephone by calling (877) 411-9748; access code 723284. Members of the public who wish to comment during the meeting may do so by telephone or using the Commission's public participation portal found at <http://mediasite.fppc.ca.gov/>.

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), CommAsst@fppc.ca.gov (e-mail) and ADACoordinator@fppc.ca.gov. 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.

The Commission may take action on any item listed on this agenda.

¹You can obtain further information about the meeting by contacting the Commission Assistant, 1102 Q Street, Suite 3000, Sacramento, CA, 95811, 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. Email comment letters directly to CommAsst@fppc.ca.gov. To participate in real time, visit <http://mediasite.fppc.ca.gov/>.

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 on the website.

Members of the public may listen to the meeting by phone by calling (877) 411-9748; access code 723284; or watch the meeting via Webinar at [YouTube](#).

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), CommAsst@fppc.ca.gov (e-mail) and ADACoordinator@fppc.ca.gov. 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 three business days between the request and the meeting date.

Welcome

Richard C. Miadich, Chair

Public Comment

- 1. Public Comment for Items not on Agenda.** During this comment period, any person is invited to speak on any topic that is not listed on this agenda. Action may not be taken on any matter raised during this public comment period until the matter is specifically listed on a future agenda. Those who wish to comment on an item that has been listed on this agenda may comment when that item has been opened for consideration by the Commission and before any action is taken.

Approval of Commission Minutes

- 2. Approval of April 2020 Commission Hearing Minutes.**

Enforcement Consent Calendar 3-12

Items on the consent calendar will be taken up and voted on as a group. A Commissioner may request that an item be removed from consent, in which case it will be discussed separately in the meeting.

Campaign Related Communications at Public Expense

- 3. In the Matter of Mesa Water District; FPPC No. 16/19813.** Staff: Ruth Yang, Commission Counsel and Paul Rasey, Special Investigator. The respondent was represented by Patrick Munoz and Jennifer Farrell of Rutan & Tucker, LLP. The Mesa Water District provides water to Costa Mesa, parts of Newport Beach, and some unincorporated areas, in Orange County. The District sent prohibited campaign related mass mailings at the public's expense, in violation of Government Code Section 89001 and Regulation 18901.1 (1 count). The District also failed to include the proper disclosure statements in newspaper advertisements, in violation of Government Code Sections 84506, subdivision (a)(1), 84507, and Regulation 18450.4, subdivision (b) (1 count); failed to timely file 24-Hour Reports, in violation of Government Code Section 84204 (1 count); and failed to timely file a semiannual campaign statement, in violation of Government Code Section 84200, subdivision (b) (1 count). **Total Proposed Penalty: \$14,500.**
- 4. In the Matter of City of Upland; FPPC No. 18/228.** Staff: Ruth Yang, Commission Counsel and Marshall Miller, former Special Investigator. City of Upland is represented by Steven L. Flower of Richards, Watson & Gershon. The City of Upland produced and distributed over 200 copies of a letter which included the name, photograph, title, and other references to an elected officer at the public's expense, in violation of Government Code Sections 89001 and 89002, subdivision (a) (1 count). **Total Proposed Penalty: \$2,000.**

Misuse of Campaign Funds and Recordkeeping

- 5. In the Matter of San Francisco Bay Area Renters Political Action Committee, and Sonja Trauss, FPPC No. 15/1635.** Staff: Megan A. Van Arsdale, Commission Counsel and Bob Perna, Program Specialist II. San Francisco Bay Area Renters Political Action Committee was a state general purpose committee. Sonja Trauss was the Committee's treasurer and principal officer. The Committee and Trauss failed to maintain adequate records for expenditures, in violation of Government Code Section 84104 and Regulation 18401 (1 count); commingled contributions

received by the Committee with the personal funds of Trauss, in violation of Government Code Section 84307 (1 count); and failed to disclose contributions and to disclose correct amounts for expenditures on a semiannual campaign statement, in violation of Government Code Section 84211, subdivisions (a)- (d), (f), and (k) (1 count). **Total Proposed Penalty: \$9,500.**

Recordkeeping

- 6. In the Matter of Committee to Elect Jim Smith, Superior Court Judge, Seat #3 2014, James S. Smith, and Michael Arzaga; FPPC No. 17/076.** Staff: Megan A. Van Arsdale, Commission Counsel and Luz Bonetti, Supervising Management Auditor. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. James (Jim) S. Smith was an unsuccessful candidate for Superior Court Judge in the June 3, 2014 Primary Election. Committee to Elect Jim Smith, Superior Court Judge, Seat #3 2014 was his candidate-controlled committee. Michael Arzaga was the Committee's treasurer. The Committee, Smith, and Arzaga failed to maintain adequate records necessary to prepare campaign statements in 2014, in violation of Government Code Section 84104 and Regulation 18401 (1 count); failed to timely file eight 24-Hour Reports, in violation of Government Code Section 84203 (1 count); and improperly accepted cash contributions of \$100 or more, in violation of Government Code Section 84300 (1 count). **Total Proposed Penalty: \$6,500.**

Prohibited Cash Contributions

- 7. In the Matter of Yes on Measure LV Residocracy and Armen Melkonians, Patricia Crane and Armen Melkonians; FPPC No. 16/19836.** Staff: Bridgette Castillo, Senior Commission Counsel. Armen Melkonians was an unsuccessful candidate for Santa Monica City Council in the November 8, 2016 General Election. Yes on Measure LV Residocracy and Armen Melkonians was a primarily formed ballot measure committee to support Measure LV in the same election. Patricia Crane was the Committee's assistant treasurer and acted as treasurer until October 31, 2016. Melkonians became treasurer after that. The Committee and Crane impermissibly accepted two prohibited cash contributions, in violation of Government Code Section 84300, subdivision (c) (1 count). Additionally, the Committee and Melkonians failed to timely file a semiannual campaign statement, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$3,500.**

Campaign Late Filer

- 8. In the Matter of Transparent Silicon Valley and Victor Gomez; FPPC No. 18/1145.** Staff: Jenna C. Rinehart, Commission Counsel. Transparent Silicon Valley is a state general purpose committee. Victor Gomez was the Committee's treasurer. Prior to the June 5, 2018 Primary Election, the Committee and Gomez failed to timely file two pre-election campaign statements, in violation of Government Code Section 84200.5, subdivision (c) (1 count) and four 24-Hour Reports, in violation of Government Code Sections 84203 and 84204 (1 count). Prior to the November 6, 2018 General Election, the Committee and Gomez failed to timely file two pre-election campaign statements, in violation of Government Code Section 84200.5, subdivision (c) (1 count) and four 24-Hour Reports, in violation of Government Code Sections 84203 and 84204 (1 count). **Total Proposed Penalty: \$9,000.**
- 9. In the Matter of L. Pacheco for VCWD B-Member 2013, L. Pacheco 4 Valley County Water District 2018, Lenet Pacheco, and Ricardo Pacheco; FPPC No. 18/1045.** Staff: Jenna C. Rinehart, Commission Counsel. Lenet Pacheco was a successful candidate for Board Member of Valley County Water District in the November 5, 2013 and November 6, 2018 General

Elections. L. Pacheco for VCWD B-Member 2013 and L. Pacheco 4 Valley County Water District 2018 are her candidate-controlled committees. Ricardo Pacheco served as treasurer for both committees. The 2013 Committee, Pacheco, and Pacheco failed to timely file five semiannual campaign statements, in violation of Government Code Section 84200 (1 count). The 2018 Committee, Pacheco, and Pacheco failed to timely file three semiannual campaign statements, in violation of Government Code Section 84200 (1 count); failed to timely file two pre-election campaign statements, in violation of Government Code Sections 84200.5 and 84200.8 (1 count); and failed to timely file six 24-Hour Reports prior to the November 6, 2018 General Election, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$9,000.**

10. In the Matter of Laure L. Woods; FPPC No. 18/1006. Staff: Ruth Yang, Commission Counsel and Marshall Miller, former Special Investigator. Laure L. Woods is represented by Laura Stephen of Stephen Company. Woods is a clinical researcher and philanthropist. Woods failed to timely file a major donor campaign statement, in violation of Government Code Section 84200, subdivision (b) (1 count), and failed to timely file a 24-Hour Report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$3,500.**

11. In the Matter of Local 18 Water & Power Defense League (IBEW) and Brian D’Arcy; FPPC No. 19/1508. Staff: Megan A. Van Arsdale, Commission Counsel. This matter arose from an audit performed by the Franchise Tax Board’s Political Reform Audit Program. The respondents were represented by Stephen Kaufman of the Kaufman Legal Group. Local 18 Water & Power Defense League (IBEW) is a state general purpose committee sponsored by the International Brotherhood of Electrical Workers Local 18. Brian D’Arcy was the Committee’s treasurer at the time these violations occurred. The Committee and D’Arcy failed to timely file two 24-Hour Reports, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$3,000.**

Statement of Economic Interests Late Filer

12. In the Matter of Terry Smith; FPPC No. 19/791. Staff: Jenna C. Rinehart, Commission Counsel. Terry Smith, a Governing Board Member for the Grenada Irrigation District in Siskiyou County, failed to timely file a 2017 and 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Total Proposed Penalty: \$3,000.**

General Items 13-22

13. Prenotice Discussion of Proposed Update of Commission Regulations Due to the Enactment of AB 902 and AB 903. Staff: Dave Bainbridge, General Counsel; Matthew Christy, Commission Counsel, Legal Division. Staff presents a proposed update of Commission Regulations, comprised of technical and nonsubstantive revisions, to harmonize those regulations with changes to the Political Reform Act resultant from the enactment of Assembly Bill 902 (Stats. 2019, ch. 312) and Assembly Bill 903 (Stats. 2019, ch. 102). The proposed update would also revise Regulation 18431 concerning disclosure of campaign expenditures for individual signature gatherers, door-to-door solicitors, and canvassers. The proposed changes are presented for discussion and direction by the Commission and will be presented for adoption at a subsequent meeting.

**Staff Memo
Regulation Packet**

14. Update on Digital Transparency Task Force. Chair Miadich and Commissioner Hayward.

15. Legislative Development. Staff: Dave Bainbridge, General Counsel and Jay Wierenga, Communications Director. The Commission will review and discuss memorandums provided by the Legislative Director on Commission sponsored legislation and other PRA related legislation, if any. The Commission may provide direction on sponsored legislation and other PRA related legislation. The Commission may direct staff to amend bill proposals and provide additional updates.

Legislative Update

16. Committee Updates.

Law and Policy Committee Update.

Budget and Staffing Committee Update.

17. FY 2019-2020 Third Quarter Expenditure Report. Staff: Loressa Hon, Chief of Administration.

18. Advice Letter Report and Commission Review. Staff: Dave Bainbridge, General Counsel and Brian Lau, Assistant General Counsel. The Commission may review and discuss advice letters that have been issued since the April Executive Staff Report. The Commission may act to withdraw the advice provided.

Advice Letter Report

19. Executive Staff Reports.

Enforcement Division. Galena West, Chief of Enforcement

Legal Division. David Bainbridge, General Counsel

Executive Director Update, Loressa Hon, Acting Executive Director

Executive Staff Report

20. Closed Session. Administrative Adjudication (Gov. Code § 11126(c)(3).) Consideration of Proposed Decision of Administrative Law Judge, In the Matter of Consumers for Choice, Tim Snipes and John Stoos, FPPC No. 15/078, OAH No. 2019110142.

ALJ's Proposed Decision, Dated March 11, 2020

Complainant's Opening Brief in Support of Proposed Decision

21. Closed Session. Personnel Matter (Gov. Code § 11126, subs. (a) and (b); 11126(e)(1).)

22. Commissioner Comments and Proposed Future Agenda Items.

Note: Although any Commissioner may identify a topic of interest, the Commission may not substantially discuss or take action on any matter raised during the meeting that is not included on this agenda, except to decide to place the matter on the agenda of a future meeting.

(Government Code Sections 11125 & 11125.7(a).)