

NOTICE AND AGENDA Commission Meeting¹

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

> Thursday, May 19, 2022 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. The section further states that the portion of the teleconferenced meeting that is required to be open to the public must be audible to the public at the location specified in the notice of the meeting. 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. To participate in real time, visit http://mediasite.fppc.ca.gov/ or call (877) 411-9748; access code 723284.

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.

Commissioner Baker will be attending this meeting via Zoom from:

Hoge Fenton
6801 Koll Center Parkway, Suite 210
Pleasanton, CA 94566
This meeting location is available from 10:00 a.m. to 12:00 p.m.

Commissioner Wood will be attending this meeting via Zoom from:

Flathead Lake Lodge
Cabin 25
150 Flathead Lodge Road
Bigfork, MT 59911
This location is held at 11:00 a.m. MDT time.

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.

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 2022 Commission Hearing Minutes.

Consent Calendar 3-4

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 Late Reporter and Cash Contributions and Expenditures

3. In the Matter of Anthony Phan and Neighbors for Anthony Phan 2016-City Council, FPPC No. 17/054. Staff: Bridgette Castillo, Senior Commission Counsel and Roone Petersen, Special Investigator. Anthony Phan was a successful candidate for Milpitas City Council in the November 8, 2016 General Election and was re-elected in the November 3, 2020 General Election. Phan is currently a member of the Milpitas City Council. Neighbors for Anthony Phan 2016-City Council (Committee) was Phan's candidate-controlled committee in 2016. Johnathon Le was the named treasurer through 2016. In 2017, Phan was the Committee treasurer. In this matter, Phan and the Committee failed to properly report a loan, in violation of Government Code Section 84211, subdivisions (f), (g) and (k) (1 count), impermissibly received and made expenditures of cash over \$100, in violation of Government Code Section 84300, subdivisions (a), (b) and (c) (1 count), and failed to properly disclose required contributor information on campaign statements, in violation of Government Code Section 84211, subdivisions (f)(3) and (f)(4) (1 count). Total Proposed Penalty: \$15,000.

Default Proceedings Default Proceedings Requesting Commission Action

4. In the Matter of Friends of H. Fangary for Hermosa Beach City Council 2013, H. S. Fangary for City Council 2017, Dina Fangary, and Hany S. Fangary; FPPC No. 18/005. Staff: Theresa Gilbertson, Senior Commission Counsel. Hany S. Fangary was a successful candidate for the 2013 and 2017 elections for City Council. H. Fangary for Hermosa Beach City Council 2013 and H. S. Fangary for City Council 2017 were Fangary's candidate-controlled committees. Dina Fangary served as the Committee's treasurer. The 2013 Committee, Fangary, and Fangary failed to timely file eight semi-annual campaign statements, in violation of Government Code Section 84200 (1 count) and failed to timely file two pre-election campaign statements, in violation of Government Code Sections 84200.5 and 84200.8 (2 counts). The 2017 Committee, Fangary, and Fangary failed to timely file a pre-election campaign statement, in violation of Government Code Sections 84200.5 and 84200.8 (2 counts), failed to timely file six semi-annual campaign statements, in violation of Government Code Sections 84200 (1 count).

failed to utilize a single, designated campaign bank account for all contributions, in violation of Government Code Section 85201 (1 count), and failed to include complete disclosure on a mass mailing, in violation of Government Code Section 84305 (1 count). **Total Proposed Penalty:** \$24,000.

General Items 5-11

5. Prenotice Discussion of Proposed Regulatory Changes Specifying the Duties of Filing Officers and Requirements for Referrals. Staff: Toren Lewis, Commission Counsel. Staff presents proposed amendments to Regulations 18115 and 18360, concerning the duties of filing officers under Act and requirements for referrals to the Enforcement Division. The proposed regulations and amendments are presented for discussion and direction by the Commission and will be presented for adoption at a subsequent meeting.

Staff Memo

Proposed Amendments to Regulation 18115 Proposed Amendments to Regulation 18360

6. Prenotice Discussion of Cryptocurrency Regulation. Staff: Zachary W. Norton, Senior Commission Counsel. Discussion of the use of cryptocurrency to make campaign contributions. The Commission will consider directing staff to draft amendments to Regulation 18215.4, which currently prohibits making or receiving a contribution in cryptocurrency.

Staff Memo

7. FY 2021/2022 Third Quarter Expenditure Report. Staff: Loressa Hon, Chief of Administration.

Staff Memo

8. Committee Updates.

Law and Policy Committee

Law and Policy Committee Update.

9. Legislative Update. Staff: Lindsey Nakano, Senior Legislative Counsel. The Commission will review and discuss potential sponsored and other legislation. The Commission will provide direction on future legislation to be sought by the agency.

Legislative Update

10. Executive Staff Reports.

Enforcement Division. Angela Brereton, Chief. Audits and Assistance Division. Shrdha Shah, Chief. Legal Division. David Bainbridge, General Counsel. Administration and Technology Division. Loressa Hon, Chief. Executive Director Update. Galena West, Executive Director.

Executive Staff Report

11. 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).)