



(Unapproved and subject to change)

CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION

MINUTES OF HEARING, Public Session

Thursday, April 21, 2016

CALL TO ORDER

Chair Remke called the meeting to order at 10:00am on April 21, 2016, at the Fair Political Practices Commission, 428 J Street, Sacramento, CA 95814. Chair Remke and Commissioners Audero, Casher, Wasserman, and Wynne were present.

WELCOME

1. Public Comment

Shawn M. Mason, San Mateo City Attorney, League of California Cities, said goodbye because his term as Chair expires next month. He said it was always a pleasure working with Commission staff.

Approval of Commission Minutes

2. Approval of March 2016 Commission Hearing Minutes.

Commissioner Wynne made a motion to approve item 2; Commission Wasserman seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, Wynne, and Chair Remke.
The motion passed 5 to 0.

Consent Calendar 3 – 27

Item number 22 was removed from the Consent Calendar at the request of the Chief of Enforcement Galena West in order to determine qualification of streamline.

No public comment on consent calendar items.

Commissioner Casher made a motion to approve items 3-21 and items 23-27;
Commissioner Wynne seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, Wynne, and Chair Remke.
The motion passed 5 to 0.

Conflicts of Interest

- 3. In the Matter of Kendra Okonkwo; FPPC No. 12/334.** Staff: Senior Commission Counsel Angela Brereton. Kendra Okonkwo was the Executive Director of Wisdom Academy of Young Scientists (WAYS), a public charter elementary school located in Los Angeles, CA. Okonkwo used her official position to influence governmental decisions of the WAYS Board of Directors when she negotiated and signed lease agreements between her and WAYS for real property in which she had an economic interest of \$2,000 or more, in violation of Government Code Section 87100 (2 counts), and when she made governmental decisions by signing contracts as the Executive Director on behalf of WAYS for site improvements to real property in which she held an economic interest of \$2,000 or more, in violation of Government Code Section 87100 (2 counts). **Total Proposed Penalty: \$16,000.**

Commissioner Wasserman asked Chief West to explain mitigating factors in determining the penalty amount. Chief West said that lack of knowledge of the rules and reassurances from the board of the charter school system were taken into consideration. Chief West said that Okonkwo had to receive a higher fine because it was a pattern.

Commissioner Wasserman asked whether or not there is an opportunity for education. Chief West said that they are currently working with charter schools and are trying to educate them on the Act and its application to them.

- 4. In the Matter of Gregory Cox; FPPC No. 16/292.** Staff: Senior Commission Counsel Neal Bucknell and Investigative Intern Robin Davis. Gregory Cox is a member of the California Coastal Commission. In October 2015, at a public meeting of the Coastal Commission, Cox moved to approve an application by SeaWorld for a permit to replace and expand its existing orca facility with a condition limiting the number of orcas in the facility. The motion was amended to ban captive breeding of orcas at SeaWorld and to restrict orca transfers, and the motion passed 11 to 1. Cox was the dissenting vote. Then, the Coastal Commission unanimously voted to approve the permit with an amendment relating to orcas. When Cox voted on these matters, he held, through his wife, a disqualifying interest in SeaWorld stock, in violation of Government Code section 87100 (1 count). **Total Proposed Penalty: \$3,000.**

Commissioner Wynne asked whether the fine amount was adequate. Chief West said Enforcement looked at past similar cases, the seriousness of the violation, the presence or

absence of the intention to conceal/deceive or mislead among other factors. This was a self-reported case.

Commissioner Audero commented that she is not swayed by the self-reporting, and asked what the line is between a comment letter versus a complaint. Chief West said there is a fine line between the two, but if there is a comment letter is received with enough substance

Surplus Funds

- 5. In the Matter of Geraldine “Gerri” Guzman, Friends to Elect Gerri Guzman for School Board and Charlotte Trujillo; FPPC No. 13/1334.** Staff: Senior Commission Counsel Zachary W. Norton and Special Investigator Ann Flaherty. Guzman was an unsuccessful candidate for re-election to the Montebello Unified School District Board of Education in the November 5, 2013 General Election. Friends to Elect Gerri Guzman for School Board was Guzman’s controlled recipient committee, and Trujillo was the treasurer. In this matter, Guzman, the Committee, and Trujillo failed to include occupation and employer information for approximately 21 individual contributors, in violation of Government Code Section 84211, subdivision (f) (1 count), made expenditures totaling approximately \$3,000 for miscellaneous expenditures from campaign funds that had become surplus, in violation of Government Code Section 89519 (1 count), and failed to pay the 2013 and 2014 \$50 annual fees to the Secretary of State’s Office, and failed to pay the \$150 penalties for each unpaid annual fee, in violation of Government Code Section 84101.5, subdivisions (c) and (d) (1 count). **Total Proposed Penalty: \$5,000.**

Campaign Reporting

- 6. In the Matter of Monica Cooper and Friends to Elect Monica Cooper Treasurer of Carson 2015; FPPC No. 15/200.** Staff: Senior Commission Counsel Angela Brereton. Monica Cooper was a successful candidate for City Treasurer for the City of Carson in the March 3, 2015 election. Friends to Elect Monica Cooper Treasurer of Carson 2015 (the Committee), was Cooper’s candidate controlled committee and Cooper was the Committee’s treasurer. Cooper and the Committee failed to deposit contributions into a single, designated campaign bank account prior to expenditure, in violation of Government Code Sections 85201, subdivisions (c) and (e) (1 count); and Cooper and the Committee made cash expenditures of \$100 or more, totaling approximately \$4,010, in violation of Government Code Section 84300, subdivision (b) (1 count). **Total Proposed Penalty: \$4,000.**

Campaign Statement Non-Filer

- 7. In the Matter of Shelly Garza for City Council District 5-2012, Aracely “Shelly” Garza, and Kathy Kyllonen; FPPC No. 13/1114.** Staff: Senior Commission Counsel Zachary W. Norton. Shelly Garza was an unsuccessful candidate for Oakland City Council, District 5 in the November 6, 2012 General Election. Shelly Garza for City Council District 5-2012 was her candidate controlled recipient committee. Kathy Kyllonen was the treasurer. Garza, the Committee, and Kyllonen failed to file a semiannual campaign statement, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$650.**
- 8. In the Matter of Peate for Community College Board of Trustees 2010, Dan Peate, and John Peate, Treasurer; FPPC No. 13/310.** Staff: Commission Counsel Michael W. Hamilton. Peate for Community College Board of Trustees 2010 is a local candidate controlled committee. Dan Peate was an unsuccessful candidate in November 2, 2010 election for the Ventura County Community College District Board of Trustees. At all times relevant, John Peate was the treasurer. Dan Peate and the Committee failed to timely file a semiannual campaign statement for the period of January 1, 2011 through June 30, 2011, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$600.**
- 9. In the Matter of Andrew Blumenfeld for Assembly; FPPC No. 15/2243.** Staff: Political Reform Consultant Jeanette Turvill. Andrew Blumenfeld for Assembly is a candidate controlled committee. The committee failed to timely file a 10-day report disclosing two loans the committee received from the candidate, in violation of Government Code Section 85309 (1 count). **Total Proposed Penalty: \$450.**
- 10. In the Matter of Dolores Marquez for SCC Board of Education 2014; Dolores Marquez, Angelica Frausto, Treasurer; FPPC No. 15/1340.** Staff: Political Reform Consultant Jeanette Turvill. Dolores Marquez for SCC Board of Education 2014 is a candidate controlled committee. Dolores Marquez and her committee treasurer, Angelica Frausto, failed to timely file a semiannual campaign statement for the reporting periods of January 1, 2015 through June 30, 2105, and July 1, 2015 through December 31, 2015, in violation of Government Code Section 84200 (2 counts). **Total Proposed Penalty: \$400.**
- 11. In the Matter of Silva for Stockton Mayor 2016, Anthony Silva, and Robert McNeal; FPPC No. 16/179.** Staff: Political Reform Consultant Jeanette Turvill. Silva for Stockton Mayor 2016 is a candidate controlled committee. Anthony Silva is running for re-election at the June 2016 Primary. Mr. Silva and his committee treasurer, Robert McNeal, failed to timely file a semiannual campaign statement for the reporting period of

July 1 through December 31, 2015, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$307.**

Lobbyist Reporting

12. In the Matter of County of Madera; FPPC No. 15/1307. Staff: Assistant Chief of Enforcement Dave Bainbridge and Law Clerk Ryan Mahoney. The County of Madera failed to timely file a Lobbyist Employer report for the period of October 1, 2014 through December 31, 2014, in violation of Government Code Section 86117 (1 count). **Total Proposed Penalty \$425.**

Statement of Economic Interests Non-Filer

13. In the Matter of Nidia Bautista; FPPC No. 15/1226. Staff: Commission Counsel Zachary W. Norton. Nidia Bautista, as an Assistant Consultant with the California State Senate, failed to timely file 2013 and 2014 Annual Statements of Economic Interests, in violation of Government Code Sections 87300 and 87302, subdivision (b). (2 counts). **Total Proposed Penalty: \$2,200.**

14. In the matter of Jeffrey Senior; FPPC No. 15/033. Staff: Assistant Chief of Enforcement Dave Bainbridge and Law Clerk Elizabeth Enea. Jeffrey Senior, Commissioner of the California Travel and Tourism Commission, failed to timely file 2013 and 2014 Annual Statements of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Total Proposed Penalty: \$2,000.**

15. In the Matter of Vincent Wells; FPPC No. 16/035. Staff: Political Reform Consultant Adrienne Korchmaros. Vincent Wells, as a Member of the Oversight Board to the Successor Agency of the Redevelopment Agency for the City of Walnut Creek, failed to timely file 2013 and 2014 Annual Statements of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Total Proposed Penalty: \$400.**

16. In the Matter of Archelle Funnie; FPPC No. 15/2092. Staff: Political Reform Consultant Teri Rindahl. Archelle Funnie, as a Planning Commissioner with the City of East Palo Alto, failed to timely file a 2014 Annual Statement of Economic Interests, in violation of Government Code Section 87202 (1 count). **Total Proposed Penalty: \$300.**

17. In the Matter of Bill Bonini; FPPC No. 15/1225. Staff: Commission Counsel Tanya Smith. Bill Bonini, as a director of the Tomales Village Community Services District, failed to timely file an Assuming Office Statement of Economic Interests covering the

period of January 1, 2013 through January 1, 2014, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

18. In the Matter of Julius Fu; FPPC No. 16/013. Staff: Political Reform Consultant Teri Rindahl. Julius Fu, as a Consultant with the Santa Clara County Mental Health Department, failed to timely file a 2014 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

19. In the Matter of Susan Adams; FPPC No. 16/162. Staff: Political Reform Consultant Adrienne Korchmaros. Susan Adams, as a Planning Commissioner for the City of Rohnert Park, failed to timely file a 2014 Annual Statement of Economic Interests, in violation of Government Code Section 87203 (1 count). **Total Proposed Penalty: \$200.**

20. In the Matter of Wenn Chyn; FPPC No. 16/250. Staff: Assistant Political Reform Consultant Chloe Hackert. Wenn Chyn, as a Civil Engineer with the City of Los Angeles Bridge Improvement Division, failed to timely file a 2014 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

21. In the Matter of Arnold Suzukamo; FPPC No. 16/247. Staff: Assistant Political Reform Consultant Chloe Hackert. Arnold Suzukamo, as a Senior Systems Analyst II with the Los Angeles City Police Department, failed to timely file a 2014 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

Statement of Economic Interests Non-Reporter

22. In the Matter of Robert Williams; FPPC No. 16/067. Staff: Political Reform Consultant Jeanette Turvill. Robert Williams, as a Planning Commissioner for the City of San Juan Capistrano, failed to disclose his investment in and income from Studio 6 Architects on his Annual Statements of Economic Interests covering period of 2011 through 2014, in violation of Government Code Sections 87206 and 87207 (4 counts). **Total Proposed Penalty: \$400. ** Pulled from the agenda.**

23. In the Matter of Larry Barrett; FPPC No. 16/239. Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Larry Barrett, as a Board Member of the Golden Hills Community Service District, failed to timely disclose his economic interests on income received as a realtor on the Assuming Office and 2014 Annual Statements of Economic Interests covering the period of January 7, 2011 through December 31, 2014, in violation of Government Code Section 87207 (2 counts). **Total Proposed Penalty: \$200.**

Annual Fee

- 24. In the Matter of Responsible Leadership for a Better Community and David Gould, Treasurer; FPPC No. 15/2122.** Staff: Commission Counsel Michael W. Hamilton. Responsible Leadership for a Better Community and David Gould, failed to pay the 2014 \$50 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5. **Total Proposed Penalty: \$200.**
- 25. In the Matter of Jaime Bonilla for Otay Water Board and Maria Stere, Treasurer; FPPC No. 15/2130.** Staff: Senior Commission Counsel Bridgette Castillo. Jaime Bonilla for Otay Water Board, Jaime Bonilla was previously an Otay Water Board Member, and Maria Stere failed to pay the 2014 \$50 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5. **Total Proposed Penalty: \$200.**
- 26. In the Matter of Palo Altans to Preserve Neighborhood Zoning and Timothy Gray, Treasurer; FPPC No. 15/2162.** Staff: Senior Commission Counsel Bridgette Castillo. Palo Altans to Preserve Neighborhood Zoning, a City General Purpose Committee, and Timothy Gray failed to pay the 2014 \$50 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5. **Total Proposed Penalty: \$200.**
- 27. In the Matter of Garvey Education Association Political Action Committee and Ken Tang, Treasurer; FPPC No. 15/2171.** Staff: Senior Commission Counsel Bridgette Castillo. Garvey Education Association Political Action Committee, a County General Purpose Committee, and Ken Tang failed to pay the 2014 \$50 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5. **Total Proposed Penalty: \$400.**

General Items

- 28. Assignment of Hearing to Administrative Law Judge (ALJ): In the Matter of Ventura County Republican Party and Arkady Milgram; FPPC No. 16/100.** Staff: Chief of Enforcement Galena West and Senior Commission Counsel Angela Brereton. The Executive Director and the Chief of Enforcement are recommending that a hearing be conducted before an ALJ pursuant to Section 11512, subdivision (a). The ALJ will make a recommendation to the Commission on the findings of fact, law and penalty, if applicable, in the matter. The Commission will then have the opportunity to make the final determination on the case. If the Commission agrees with this recommendation, no action is required.

Recommendation accepted as submitted.

- 29. Adoption of procedures for state and multi-county agencies adopting or amending a conflict of interest code. Repeal Regulations 18750, 18750.1, 18750.2 and 18752, and Re-Adopt Regulation 18750.** Staff: General Counsel Hyla Wagner and Senior Commission Counsel Brian Lau. Proposed Regulation 18750 will clarify the procedures for adopting or amending a conflict of interest code subject to the Commission's approval and consolidates four existing regulations into a single regulation. In addition to streamlining existing rules, this proposal will also (1) further describe standard code requirements, (2) encourage agencies to seek preliminary review of proposed codes or amendments, and (3) delete unnecessary language regarding the Commission's procedure for review already provided in the Act. These revisions will make it easier and quicker for state and multi-county agencies to adopt or update their conflict of interest codes.

No public comment on this item.

Commissioner Wynne asked how much variation there is jurisdiction to jurisdiction in these conflict of interest codes. Senior Commission Counsel Brian Lau said that it varies quite a bit from agency to agency.

Commissioner Audero asked a question regarding FPPC's process and involvement in guiding or redirecting what agencies want to do. Assistant Chief Trish Mayer said that discussing amendments becomes difficult for multi-county agencies because they don't meet that often. Both multi-county agencies and state agencies have high turnover so the attorney in charge keeps changing.

Commissioner Wasserman made a motion to approve item 29; Commissioner Casher seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, Wynne, and Chair Remke.

This motion passed

- 30. Legislative Update for April 2016.** Staff: Phillip Ung, Legislative and External Affairs Director. The Legislature is conducting policy committee hearings for the 2016 session. This report includes a summary of 22 bills and one constitutional amendment currently pending that would impact the Political Reform Act or Government Code 1090. Staff is recommending an active position on one bill, and suggests monitoring another for a possible position in the future.

SB 1349 Recommendation: Support

Commissioner Wynne asked whether or not the due date for a functioning Cal-Access is a realistic timeframe to get the job done.

Legislative and External Affairs Director Phillip Ung said that there are a number of factors as to whether or not the system could be built in that timeline including the procurement process, whether or not sufficient funds are allocated and the implementation in general.

Public Comment—

Chris Reynolds, Secretary of State (SOS), Chief of Political Reform Division, said that SOS is in a new process to get approval for a technology project and has received approval for stage one out of three total stages. He doesn't see the timeframe as unreasonable.

Nicholas Heidorn, California Common Cause, said that Common Cause believes this bill will make for a more reliable Cal-Access, will allow for more transparency for the public and make it easier for filers to file.

Executive Director Erin Peth said that FPPC is actively working with SOS not only on the language of the bill, but also in developing the business requirements concurrently with the bill going through.

Commissioner Wynne made a motion to approve staff recommendation for SB 1349, Commissioner Wasserman seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, Wynne, and Chair Remke.
This motion passed 5 to 0.

AB 2523 Recommendation: Monitor to Address Concerns

Commissioner Wynne asked if the issues raised here were brought up by Ung himself or somebody else during the bill's hearing. Ung said that he did not testify, but these issues were brought up in the committee analysis.

Commissioner Casher asked about the enforcement component of the bill. Ung said that that was a component currently being monitored because even local associations are unaware of how that would take place.

Public Comment—

Nicholas Heidorn, California Common Cause, Common Cause is in strong support of AB 2523, which establishes a \$4200 contribution limit in cities that have not adopted contribution limits.

AB 700: Current Position, Oppose Unless Amended [already voted on]

Commissioner Wynne asked how the meeting with the author's office went and wants to know if there seems to be a willingness to address some of the concerns that the FPPC has. Ung said that he has not met with the author's office, but has provided both the author and sponsor with suggested amendments. He said that he has met with the sponsor and discussed the amendments.

Executive Staff Reports Item 32

31. Executive Staff Reports.

Enforcement Division. Galena West, Enforcement Chief

Legal Division. Hyla P. Wagner, General Counsel

External Affairs and Education. Tara Stock, Manager

Chair Remke said that there will be no June Commission Hearing because focus and resources need to be given to primaries in the month of June and because FPPC staff will be deep in the rewrite process of the Political Reform Act.

Chair Remke made a motion to adjourn the meeting; Commissioner Casher seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, Wynne, and Chair Remke.
The motion passed 5 to 0.

The meeting adjourned at 11:11 am.

Respectfully Submitted,

Sheva Tabatabaiejad
Commission Assistant
Approved May 9, 2016

Joann Remke, Chair
Fair Political Practices Commission