



(Approved May 25, 2017)
CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION
MINUTES OF HEARING, Public Session
Thursday, May 25, 2017

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

CALL TO ORDER

Chair Remke called the meeting to order at 10:00 am on May 25, 2017, at the Fair Political Practices Commission, 428 J Street, Sacramento, CA 95814. Chair Remke and Commissioners Casher, Hatch and Hayward were present.

Welcome

Jodi Remke, FPPC Chair

Public Comment

1. Public Comment.

No public comment.

Approval of Commission Minutes

2. Approval of April 2017 Commission Hearing Minutes.

Commissioner Hatch made a motion to approve item 2; Commissioner Casher seconded the motion.

Ayes: Commissioners Casher, Hatch, Hayward, and Chair Remke.
The motion passed 4 to 0.

CONSENT CALENDAR ITEMS 3-46

Items 5, 19, and 44 were pulled at the request of Commission Hatch who chose to abstain from the vote due to shares held in a stock and out of an abundance of caution.

Item 16 was removed from the Agenda at the request of Chief of Enforcement Galena West.

Item 24 was pulled at the request of Commissioner Casher because his law firm represents the County of Alameda and he chose to abstain from the vote.

Commissioner Casher made a motion to approve items 3, 4, 6-15, 17, 18, 20-23, 25-43, 45 and 46; Commissioner Hatch seconded the motion.

Ayes: Commissioners Casher, Hatch, Hayward, and Chair Remke.

The motion passed 4 to 0.

Consent Calendar 3 – 46

Laundered Campaign Contributions

- 3. In the Matter of Michael Preston; FPPC No. 15/1359.** Staff: Senior Commission Counsel Bridgette Castillo, Special Investigator Jay Martin and Investigative Assistant Roone Petersen. Michael Preston, a businessman in Milpitas, California, made contributions in the names of others instead of his own legal name. Preston made the following contributions under other names to the committees of two Milpitas City Councilmembers: six \$250 contributions to Deb Giordano City Council 2012, and one \$4,000 contribution to Armando Gomez for Assembly 2014, in violation of Government Code Section 84301 (4 counts). **Total Proposed Penalty: \$20,000.**

Commissioner Hayward asked about the proactive efforts that went into uncovering the violation.

Chief of Enforcement Galena West stated that proactive efforts are led by Supervising Investigator Sandra Buckner. They look at jurisdictions with contribution limits, compile excel spreadsheets of campaign contributions and look for patterns of behavior.

Campaign Reporting

- 4. In the Matter of Daniel C. Schnur, Dan Schnur for Secretary of State 2014, and Kelly Lawler; FPPC No. 16/186.** Staff: Commission Counsel Christopher Burton and Program Specialist Bob Perna. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Daniel Schnur was a candidate for California Secretary of State in the June 3, 2014 Primary Election. Dan Schnur for Secretary of State 2014 was his candidate-controlled committee. Kelly Lawler was the Committee's treasurer. The Committee, Schnur, and Lawler failed to file a \$5,000

Contribution Report, in violation of Government Code Section 85309, subdivision (c) (1 count); and failed to process campaign expenditures through the Committee's campaign bank account, in violation of Government Code Section 85201, subdivisions (d) and (e) (1 count). **Total Proposed Penalty: \$4,500.**

Commissioner Hayward asked if a candidate's own money falls outside of the \$5,000 reporting requirement.

Chief West stated that the Act defines contributions to include loans. It hasn't been litigated to exclude personal funds, but the Act clearly includes them.

Chair Remke asked what the respondent's prior violation was.

Chief West stated that the prior was a non-reporting gift on his Statement of Economic Interests (SEI) in 2013. Schnur has a professional treasurer named with him who has multiple prior campaign violations as most professional treasurers do.

Commissioner Hatch asked if it is within the scope of the Act to make purchases with a credit card and then be reimbursed.

Chief West stated that the Act has procedures in place on how to use a campaign credit card. If a campaign credit card cannot be acquired, a personal credit card with a zero balance may be used under the advice given in campaign manuals. The issue arises when purchases are not going through one bank account.

- 5. In the Matter of California Democratic Party and Katherine Moret; FPPC No. 16/19635.** Staff: Chief of Enforcement Galena West and Program Specialist Luz Bonetti. California Democratic Party is a state general purpose committee. Katherine Moret is the Committee's treasurer. The Committee and Moret failed to identify the committee bank account as "all purpose," failed to notify a recipient of contributions from which account the funds derived, and failed to deposit contributions into the correct account, in violation of Government Code Section 85303 and Regulation 18534, subdivisions (b), (c) and (f) (1 count). **Total Proposed Penalty: \$3,500.**

Commissioner Hayward asked what was wrong with the checks.

Chief West said instead of having the checks printed with the correct account and name, their process was to stamp them. It would have been fine if they did that all the time. Two checks were not stamped with anything, contributions that came in were deposited into the wrong account, and then transferred back out.

Chair Remke noted the letter from Consumer Watchdog that referenced items 5, 19, and 44.

Commissioner Casher made a motion to approve item 5; Chair Remke seconded the motion.

Ayes: Commissioners Casher, Hayward, and Chair Remke.
The motion passed 3 to 0.

Commissioner Hatch abstained from voting.

Advertisement Disclosure

- 6. In the Matter of Save Public Parking, No on H; Yes on I and Michael Powers; FPPC No. 16/652.** Staff: Assistant Chief of Enforcement Dave Bainbridge and Assistant Special Investigator Roone Petersen. Save Public Parking, No on H; Yes on I is a ballot measure committee primarily formed to oppose and support two competing measures on the June 7, 2016 Primary Election ballot in the City of Dana Point. Michael Powers is the Committee's treasurer. The Committee and Powers failed to include a disclosure statement of at least five percent of the height of the advertisement on 300 yard signs and failed to include a disclosure statement on five advertising banners, in violation of Government Code Section 84504, subdivision (c) and Regulation 18450.4, subdivision (b) (1 count). **Total Proposed Penalty: \$2,500**

Commissioner Hayward stated this seems like an opportunity for a regulation.

Chair Remke agreed and said the issue is on Legal Division's radar. And General Counsel Hyla Wagner noted that it was recently added to Legal's factsheet.

Mass Mailings

- 7. In the Matter of Dalwinder S. Dhoot; FPPC No. 15/521.** Staff: Senior Commission Counsel Bridgette Castillo and Special Investigator Jay Martin. Dalwinder S. Dhoot made an independent expenditure for a mass mailer in opposition to Sonny Dhaliwal, a successful candidate for Lathrop Mayor in the November 4, 2014 General Election. Dhoot did not identify himself as the sender of the mass mailing and failed to display the required sender identification, in violation of Government Code Section 84301, subdivision (a). (1 count). **Total Proposed Penalty: \$2,500.**

Lobbying Non-filer

- 8. In the Matter of Transform and Stanley Lam; FPPC No. 16/702 (Streamline Settlement).** Staff: Chief of Enforcement Galena West, Program Specialist Grant Beauchamp, and Political Reform Consultant Chloe Hackert. Transform qualified and filed as a Person Who Spend \$5,000 or More to Influence Legislative or Administrative

Action (\$5,000 filer) since 2010. Stanley Lam is Transform's responsible officer. Transform and Lam failed to timely file seven \$5,000 reports (Form 645) for the reporting periods of January 1, 2014 through December 31, 2016 by their respective due dates, in violation of Government Code Section 86116 (7 counts). **Total Proposed Penalty: \$2,129.**

Campaign Non-Reporter

- 9. In the Matter of Gay and Lesbian Victory Fund, Frank Selvaggi, and Kim Hoover; FPPC Nos. 14/1362 and 17/00096.** Staff: Senior Commission Counsel Neal Bucknell and Program Specialist Grant Beauchamp. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. The Gay and Lesbian Victory Fund is a state general purpose committee. At different times, Frank Selvaggi and Kim Hoover served as the Committee's treasurers. The Committee, Selvaggi, and Hoover failed to report \$143,640 in received contributions and \$141,002 in expenditures for the reporting periods of March 18, 2012 through May 19, 2012 and July 1, 2012 through December 31, 2012, in violation of Government Code Section 84211, subdivisions (a), (b), (c), (f), (i), and (k) (2 counts). **Total Proposed Penalty: \$6,500.**

Commissioner Hayward asked if the contributions that weren't reported were internal transfers or if they were more along the lines of a typical contribution where someone writes a check to the organization directly.

Chief West said the case stems from Franchise Tax Board (FTB) audit reports. The contributions were traditional, and there were multiple other findings from the FTB audit report. This was a two-year period where there was \$250,000 of activity, which were grouped together instead of alleging multiple smaller violations.

Commission Hatch asked about the reporting requirement for transfers to the parent organization.

Chief West said that anything going back and forth is considered activity and needs to be reported.

- 10. In the Matter of Tom Brewer for Mayor 2014 and Tom Brewer; FPPC No. 16/348.** Staff: Commission Counsel Toren Lewis. Tom Brewer was an unsuccessful candidate for Mayor in the June 3, 2014 Primary Election and a successful candidate for the same office in the November 8, 2016 General Election. Tom Brewer for Mayor 2014 was his candidate controlled committee. The Committee and Brewer failed to timely report subvendor information for payments, in violation of Government Code Sections 84211, subdivision (k), and 84303 (1 count). **Total Proposed Penalty: \$2,000.**

- 11. In the Matter of Friends of Jeff Slowey for City Council 2016, Jeff Slowey and Laurie Slowey; FPPC No. 16/20086 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Jeff Slowey was a successful candidate for Mayor of Citrus Heights in the November 8, 2016 General Election. Friends of Jeff Slowey for City Council 2016 is his candidate-controlled committee. Laurie Slowey is the Committee's Treasurer. The Committee, Slowey, and Laurie Slowey failed to timely report occupation and employer information for contributions received during the reporting periods of January 1, 2016 through June 30, 2016 and September 25, 2016 through October 22, 2016, in violation of Government Code Section 84211 (2 counts). **Total Proposed Penalty: \$440.**
- 12. In the Matter of Gary Yamauchi for City Council 2012, Gary Yamauchi, and Todd Sakamoto; FPPC No. 17/00046 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Gary Yamauchi was a successful candidate for City Councilmember of Alhambra in the November 4, 2008 General Election and reappointed in 2012. Gary Yamauchi for City Council 2012 was his candidate-controlled committee. Todd Sakamoto is the Committee's treasurer. The Committee, Yamauchi, and Sakamoto failed to report occupation and employer information for contributions received during the reporting period of July 1, 2015 through December 31, 2015, in violation of Government Code Section 84211 (1 count). **Total Proposed Penalty: \$232.**
- 13. In the Matter of Margie Kiddo Green for City Council 2017, Margie Kiddo Green, and David Bratt; FPPC No. 17/00152 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Margie Kiddo Green was an unsuccessful candidate for Councilmember of San Dimas in the March 7, 2017 Special Election. Margie Kiddo Green for City Council 2017 is her candidate-controlled committee. David Bratt is the Committee's treasurer. The Committee, Green, and Bratt failed to timely report occupation and employer information for contributions received for the reporting period of January 22, 2017 through February 18, 2017, in violation of Government Code Section 84211 (1 count). **Total Proposed Penalty: \$210.**

Campaign Non-Filer

- 14. In the Matter of Community to Support Mt. Pleasant Elementary Schools, Theresa Gill, and Bob Ramirez. FPPC No. 14/1157.** Staff: Commission Counsel Toren Lewis. Community to Support Mt. Pleasant Elementary Schools was a local ballot measure committee primarily formed in support of Santa Clara County Measures L on the November 6, 2012 General Election ballot and Measure K on the June 3, 2014 Primary Election ballot. Theresa Gill was the Committee's treasurer. Bob Ramirez was the Committee's principal officer. The Committee, Gill, and Ramirez failed to include Measures L and K in the Committee's name within 30 days of the measures being assigned a letter, in violation of Government Code Section 84107 (2 counts); failed to

timely file three pre-election campaign statements covering the reporting periods of July 1, 2012 through September 30, 2012 and January 1, 2014 through May 17, 2014, in violation of Government Code Sections 84200.5 and 84200.7 (3 counts); and failed to file two 24-Hour reports, in violation of Government Code Section 84203 (2 counts). **Total Proposed Penalty: \$16,000.**

Chief West noted a typo on the proposed penalty amount on page two of the stipulation is \$16,000, but is written out as \$21,000.

15. In the Matter of San Diego County Democratic Party and Xavier Martinez; FPPC No. 15/1374. Staff: Commission Counsel Michael W. Hamilton and Program Specialist Bob Perna. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. San Diego County Democratic Party is a local general purpose committee. Xavier Martinez is the Committee's treasurer. The Committee and Martinez failed to timely report five late contributions to Bob Filner's campaign for Mayor of San Diego and three late contributions to Mat Kostrinsky's campaign for San Diego City Council on the 24-Hour reports filed prior to the June 5, 2012 Primary Election, in violation of Government Code Section 84203 (2 counts). The Committee also failed to include receiving a total of five late contributions on the 24-Hour reports filed prior to the June 5, 2012 Primary Election, November 6, 2012 General Election, and the January 8, 2013 Special Election, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$6,000.**

Commissioner Hayward asked why this case hadn't been resolved prior to now.

Chief West stated that when they are based on an FTB audit it takes a bit longer to process through both agencies.

16. In the Matter of Frank Guzman and 2011 Committee to Elect Frank Guzman to PUSD Governing Board Member, AKA Committee to Elect Frank Guzman to Pomona USD School Board 2011; FPPC No. 15/625. Staff: Assistant Chief of Enforcement David Bainbridge and Staff Services Analyst Hayley Porter. Frank Guzman was a successful candidate for Pomona Unified School District Governing Board Member in the November 8, 2011 General Election. 2011 Committee to Elect Frank Guzman to PUSD Governing Board Member, AKA Committee to Elect Frank Guzman to Pomona USD School Board 2011, was his candidate-controlled committee. The Committee and Guzman failed to file three semiannual campaign statements covering the reporting periods of January 1, 2014 through December 31, 2014, and July 1, 2015 through December 31, 2015, in violation of Government Code Section 84200 (3 counts). **Total Proposed Penalty: \$2,400. (Removed from Agenda.)**

- 17. In the Matter of Abel Maldonado for Governor 2014, Abel Maldonado, Paul Bruno, and Kelly Lawler; FPPC No. 17/00080.** Staff: Commission Counsel Christopher Burton and Program Specialist Grant Beauchamp. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Abel Maldonado was a candidate for Governor in 2014. Abel Maldonado for Governor 2014 was his candidate-controlled committee. Paul Bruno was the Committee's treasurer. Kelly Lawler the Committee's assistant treasurer. The Committee, Maldonado, Bruno, and Lawler failed to file \$5,000 Contribution Reports for three different contributions, in violation of Government Code Section 85309, subdivision (c) (1 count). **Total Proposed Penalty: \$2,000.**
- 18. In the Matter of Committee to Elect Luis J. Rodriguez California Governor 2014, Luis J. Rodriguez, and Anthony D. Prince; FPPC No. 17/00081 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Staff Services Analyst Hayley Porter. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Luis J. Rodriguez was an unsuccessful candidate for Governor in the June 4, 2014 Primary Election. Committee to Elect Luis. J. Rodriguez California Governor 2014 is his candidate-controlled committee. Anthony D. Prince was the Committee's treasurer. The Committee, Rodriguez, and Prince failed to file two semiannual campaign statements covering the reporting periods of January 1, 2013 through December 31, 2013, and May 18, 2014 through June 30, 2014, in violation of Government Code Section 84200 (2 counts); two pre-election campaign statements covering the reporting periods of January 1, 2014 through May 17, 2014, in violation of Government Code Section 84200.5 (2 counts); and failed to file two 24-Hour reports, in violation of Government Code Section 84203 (2 counts). **Total Proposed Penalty: \$1,534.**
- 19. In the Matter of Yes on Prop. 30 – to Protect our Schools and Public Safety, a broad coalition of teachers, labor, business, law enforcement, and Governor Brown and Rubeena Singh; FPPC No. 15/124.** Staff: Enforcement Chief Galena West and Program Specialist Luz Bonetti. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Yes on Prop. 30 – to Protect our Schools and Public Safety, a broad coalition of teachers, labor, business, law enforcement, and Governor Brown is a primarily formed ballot measure committee in support of Proposition 30 on the November 6, 2012 General Election. Rubeena Singh was the Committee's treasurer. Governor Edmund G. Brown, Jr. was the controlling candidate. The Committee, Singh, and Brown failed to timely report two contributions of \$5,000 or more, in violation of Government Code Section 85309, subdivision (d) (1 count). **Total Proposed Penalty: \$1,500.**

Chair Remke asked if this would have normally qualified for streamline.

Chief West said yes, but the amount disqualified it from the streamline program.

Commissioner Hayward made a motion to approve item 19; Commissioner Casher seconded the motion.

Ayes: Commissioners Casher, Hayward, and Chair Remke.
The motion passed 3 to 0.

Commissioner Hatch abstained from voting.

20. In the Matter of Committee to Re-Elect Maynard Law 2015, Maynard Law, and Sherman Kappe; FPPC No. 16/269 (Streamline Settlement). Staff: Commission Counsel Christopher Burton. Maynard Law was a successful candidate for Trustee on the ABC Unified School District in the November 3, 2015 General Election. Committee to Re-Elect Maynard Law 2015 is his candidate-controlled committee. Sherman Kappe is the Committee's treasurer. The Committee, Law, and Kappe failed to timely file one semiannual campaign statement covering the reporting period of October 18, 2015 through December 31, 2015, in violation of Government Code Section 84200 (1 count); failed to file four 24-Hour reports, in violation of Government Code Section 84203 (4 counts); and failed to timely file a Statement of Organization, in violation of Government Code Section 84101 (1 count). **Total Proposed Penalty: \$1,442.**

21. In the Matter of Citizens Supporting Apple Valley Emergency Services – Support Measure A, Jennifer Starbuck, and Doug Qualls; FPPC No. 16/19933 (Streamline Settlement). Staff: Commission Counsel Christopher Burton and Special Investigator Paul Rasey. Citizens Supporting Apple Valley Emergency Services – Support Measure A is a local primarily-formed committee that supported San Bernardino County Ballot Measure A in the November 8, 2016 General Election. Jennifer Starbuck is the Committee's treasurer. Doug Qualls is the Committee's principal officer. The Committee, Starbuck, and Qualls failed to timely file two pre-election campaign statements, in violation of Government Code Sections 84200.5, subdivision (a), and 84200.8, subdivision (a) (2 counts); failed to timely file two 24-Hour reports, in violation of Government Code Section 84203 (2 counts); and failed to timely file an amendment to the Committee's Statement of Organization, in violation of Government Code Section 84103, subdivision (a) (1 count). **Total Proposed Penalty: \$1,233.**

22. In the Matter of I Like Mike for Temecula City Council 2016 and Mike Naggar; FPPC No. 16/19830 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Political Reform Consultant Teri Rindahl. Mike Naggar was a successful candidate for Temecula City Council in the November 8, 2016 General Election. I Like Mike for Temecula City Council 2016 is his candidate-controlled committee. The Committee and Naggar failed to file five 24-Hour reports, in violation of Government Code Section 84203 (5 counts). **Total Proposed Penalty: \$1,125.**

23. In the Matter of Democrats United for Public Education and Diane Peete; FPPC No. 16/378. Staff: Commission Counsel Christopher Burton. Democrats United for Public Education is a state general purpose committee. Diane Peete is the Committee's treasurer. The Committee and Peete failed to file a quarterly campaign statement covering the reporting period of July 1, 2015 through September 30, 2015, in violation of Government Code Sections 84202.7, subdivision (a) and 84605, subdivision (a)(2) (1 count). **Total Proposed Penalty: \$1,000.**

24. In the Matter of TransForm CA Committee to Support Alameda County Measure BB, Jeff Hobson, and Stuart Cohen; FPPC No. 16/282 (Streamline Stipulation). Staff Chief of Enforcement Galena West, Program Specialist Grant Beauchamp, and Political Reform Consultant Chloe Hackert. TransForm CA Committee to Support Alameda County Measure BB was a local ballot measure committee to support Measure BB on the November 4, 2014 General Election ballot. Jeff Hobson was the Committee's principal officer. Stuart Cohen was the Committee's treasurer. The Committee, Hobson, and Cohen failed to timely file a Statement of Organization, in violation of Government Code Section 84101 (1 count); failed to timely file two pre-election campaign statements for the reporting periods covering January 1, 2014 through October 18, 2014, in violation of Government Code Section 84200.5 (2 counts); and failed to timely file one 24-Hour report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$853.**

Commissioner Hayward made a motion to approve item 24; Chair Remke seconded the motion.

Ayes: Commissioners Hatch, Hayward, and Chair Remke.
The motion passed 3 to 0.

Commissioner Casher abstained from voting.

25. In the Matter of Orange County Dignity PAC, sponsored by Orange County Federation of Labor AFL-CIO and Tefere Gebre; FPPC No. 16/083 (Streamline Settlement). Staff: Senior Commission Counsel Angela Brereton and Program Specialist Soni Mangat. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Orange County Dignity PAC, sponsored by Orange County Federation of Labor AFL-CIO formed on February 9, 2012 as a committee in support of Julio Perez for 69th Assembly District for the June 5, 2012 Primary Election. After the election, the Committee became a state general purpose committee. At all relevant times, Tefere Gebre was the Committee's treasurer. The Committee and Gebre failed to timely file two 24-Hour reports for late independent expenditures, in violation of Government Code Section 84204 (2 counts); and failed to timely file one 24-Hour report

for a late contribution, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$827.**

- 26. In the Matter of Better School for Coalinga-Huron Kids Committee for Measure R and Jay Mahfood; FPPC No. 16/19658 (Streamlined Settlement).** Staff: Chief of Enforcement Galena West and Staff Services Analyst Katie Trumbly. Better School for Coalinga-Huron Kids Committee for Measure R was a local ballot measure committee in support of Measure R on the November 8, 2016 General Election ballot in Monterey County. Jay Mahfood is the Committee's treasurer. The Committee and Mahfood failed to timely file three 24-Hour reports, in violation of Government Code Section 84203 (3 counts). **Total Proposed Penalty: \$740.**
- 27. In the Matter of Isla Vistans Against Higher Taxes, A Committee Against Measure F-2016; and Chuck Eckert; FPPC No. 16/19817 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Political Reform Consultant Teri Rindahl. Isla Vistans Against Higher Taxes a Committee Against Measure F-2016 was a primarily formed local ballot measure against Measure F on the November 8, 2016 General Election ballot in Santa Clara County. Chuck Eckert was the Committee's treasurer. The Committee failed to timely file two 24-Hour reports, in violation of Government Code Section 84203 (2 counts). **Total Proposed Penalty: \$572.**
- 28. In the Matter of Quality Corcoran Schools – Yes on Measure V and Shannon Nolan; FPPC No. 15/1915 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. Quality Corcoran Schools – Yes on Measure V is a local ballot measure committee in support of Measure V on the June 5, 2012 Primary Election Ballot in Kings County. Shannon Nolan is the Committee's treasurer. The Committee and Nolan failed to timely file one semiannual campaign statement for the reporting period of May 20, 2012 through June 30, 2012, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$342.**
- 29. In the Matter of Association of Educators PAC and Kimberley Gudeth; FPPC No. 17/247 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Association of Educators PAC is a county general purpose committee. Kimberley Gudeth is the Committee's treasurer. The Committee and Gudeth failed to timely file one semiannual campaign statement for the reporting period of October 23, 2016 through December 31, 2016 with the County of San Diego, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$245.**
- 30. In the Matter of Jacquie Sullivan and Jacquie Sullivan for City Council 2015; FPPC No. 16/16389.** Staff: Chief of Enforcement Galena West and Enforcement Division Intake Manager Adrienne Korchmaros. Jacquie Sullivan was a member of the Bakersfield City Council. Jacquie Sullivan for City Council 2015 was Sullivan's candidate-controlled

committee. The Committee and Sullivan failed to timely file one semiannual campaign statement covering the period of July 1, 2015 through December 31, 2015, with the City of Bakersfield, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$223.**

- 31. In the Matter of Albert Beltran Jr. for Trustee 2016 and Albert Beltran Jr.; FPPC No. 17/116 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Political Reform Consultant Chloe Hackert. Albert Beltran Jr. was an unsuccessful candidate for Trustee of Morgan Hill Unified School District in the November 8, 2016 General Election. Albert Beltran Jr. for Trustee 2016 was his candidate-controlled committee. The Committee and Beltran failed to timely file one semiannual campaign statement for the reporting period of October 23, 2016 through December 31, 2016, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$217.**
- 32. In the Matter of Friends of Alison Ordner for MUSD TA 1, 2016, Alison Ordner, and Jill Fritchen; FPPC No. 16/19857 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. Alison Ordner was an unsuccessful candidate for Manteca Unified School District Board of Trustees in the November 8, 2016 General Election. Friends of Alison Ordner for MUSD TA 1, 2016 is her candidate-controlled committee. The Committee and Ordner failed to timely file one semiannual campaign statement for the reporting period of October 23, 2016 through December 31, 2016, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$215.**
- 33. In the Matter of Arnold Morrison, Friends of Arnold Morrison, and Suzanne Villarus, Treasurer; FPPC No. 17/00159 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Enforcement Division Intake Manager Adrienne Korchmaros. Arnold Morrison was a successful candidate for President of the Delano Joint Union High School District Board in the November 8, 2016 General Election. Friends of Arnold Morrison is his candidate-controlled committee. Suzanne Villarus was the Committee's treasurer. The Committee, Morrison, and Villarus failed to timely file one semiannual campaign statement covering the period of July 1, 2016 through December 31, 2016 with the County of Kern, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$206.**
- 34. In the Matter of Neal for Golden Valley Unified School District 2014 and Carla Neal; FPPC No. 15/1342 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Political Reform Consultant Teri Rindahl. Carla Neal was recalled in the September 1, 2015 Golden Valley Unified School District Recall Election. Neal for Golden Valley Unified School District 2014 was her candidate-controlled committee. The Committee and Neal failed to timely file one pre-election campaign statement for the

reporting period of July 1, 2015 through August 15, 2015, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$204.**

35. In the Matter of Roy Boulghourjian, Roy Boulghourjian for School Board 2015, and Vruyr Boulghourjian; FPPC No. 17/00282 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Enforcement Division Intake Manager Adrienne Korchmaros. Roy Boulghourjian was a successful candidate for Pasadena Unified School District Board of Education Member in the March 10, 2015 Primary Election. Roy Boulghourjian for School Board 2015 was his candidate-controlled committee. Vruyr Boulghourjian was the Committee's treasurer. The Committee, Boulghourjian, and Vruyr Boulghourjian failed to timely file a semiannual campaign covering the period July 1, 2016 through December 31, 2016, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$204.**

36. In the Matter of Kevin Thomas; FPPC No. 16/19707 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Enforcement Division Intake Manager Adrienne Korchmaros. Kevin Thomas was a successful candidate for Director of the Sacramento Suburban Water District Board of Directors in the November 4, 2014 General Election. Thomas failed to timely file a Candidate/Officeholder Short Form (Form 470) covering the period January 1, 2016 through December 31, 2016 with the County of Sacramento, in violation of Government Code Section 84206 (1 count). **Total Proposed Penalty: \$200.**

37. In the Matter of Michelle Sierra-Sammons, Committee to Elect Michelle Sierra-Sammons for School Board 2014, and William Sammons; FPPC No. 17/00135 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Enforcement Division Intake Manager Adrienne Korchmaros. Michelle Sierra-Sammons was a successful candidate for the office of Auburn Unified School District Board of Trustees in the November 4, 2014 General Election. Committee to Elect Michelle Sierra-Sammons for School Board 2014 was her candidate-controlled committee. The Committee and Sierra-Sammons failed to timely file one semiannual statement covering the period January 1, 2016, through June 30, 2016 with the County of Placer, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$200.**

38. In the Matter of Barbara Avalos and Avalos Trustee 2016; FPPC No. 17/00269 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Enforcement Division Intake Manager Adrienne Korchmaros. Barbara Avalos was a successful candidate for the office of Trustee for the National School District in the November 8, 2016 General Election. Avalos Trustee 2016 was her candidate-controlled committee. The Committee and Avalos failed to timely file one semiannual campaign statement for the period of July 1, 2016 through December 31, 2016 with the County of San Diego, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$200.**

Statement of Economic Interests Non-Filer

- 39. In the Matter of W.V. Graham Matthews, III; FPPC No. 16/194.** Staff: Commission Counsel Christopher Burton and Political Reform Consultant Chloe Hackert. W.V. Graham Matthews, a planning commissioner for the County of Trinity, failed to timely file two Annual Statements of Economic Interests for the years of 2014 and 2015, in violation of Government Code Section 87203 (2 counts). **Total Proposed Penalty: \$4,000.**
- 40. In the Matter of Kelvin Sauls, FPPC No. 16/19782 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Enforcement Intake Manager Adrienne Korchmaros. Kelvin Sauls, as a Member of the Los Angeles Homeless Services Authority, failed to timely file his 2015 Annual Statement of Economic Interests with the County of Los Angeles, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400.**
- 41. In the Matter of Ana Mendez; FPPC No. 16/19905.** Staff: Chief of Enforcement Galena West and Enforcement Division Intake Manager Adrienne Korchmaros. Ana Mendez, as a Board Member for the Marin Schools Insurance Authority, failed to timely file the 2015 Annual Statement of Economic Interests with the Marin Schools Insurance Authority, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**
- 42. In the Matter of Vaneida E. White; FPPC No. 16/20000 (Streamline Settlement).** Staff: Chief of Enforcement Galena West and Political Reform Consultant Teri Rindahl. Vaneida E. White, a Physician and Surgeon with the California Department of Corrections and Rehabilitation, failed to timely file an Assuming Office Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

Statements of Economic Interests Non-Reporter

- 43. In the Matter of Eric Reed. FPPC No. 15/1174.** Staff: Commission Counsel Toren Lewis. Eric Reed failed to timely disclose his economic interests of between \$10,001 - \$100,000 of AT&T stock on his 2014 Annual Statement of Economic Interest, in violation of Government Code Section 87203. (1 count). **Total Proposed Penalty: \$2,000.**
- 44. In the Matter of Nancy McFadden; FPPC No. 16/263 (Streamline Settlement).** Staff: Senior Commission Counsel Angela Brereton and Special Investigator Paul Rasey. Nancy McFadden, Executive Secretary to Governor Edmund G. Brown, Jr., failed to properly disclose investment interests on three Annual Statements of Economic Interests

covering the years of 2012, 2013 and 2014, in violation of Government Section Code 87206 (3 counts). **Total Proposed Penalty: \$300.**

Commissioner Casher made a motion to approve item 44; Commissioner Hayward seconded the motion.

Ayes: Commissioners Casher, Hayward, and Chair Remke.
The motion passed 3 to 0.

Commissioner Hatch abstained from voting.

45. In the Matter of Robert Schapper; FPPC No. 14/776 (Streamline Settlement). Staff: Senior Commission Counsel Angela Brereton and Special Investigator Jeffrey Kamigaki. Robert Shapper, Chief Executive Officer of the Tahoe Forest Hospital District from 2002 through January 2015, failed to timely disclose a business position and spousal income on his 2012 and 2013 Annual Statements of Economic Interests, in violation of Government Code Sections 87207 and 87209 (2 counts); and failed to timely file a Leaving Office Statement of Economic Interests, in violation of Government Code Section 87204 (1 count). **Total Proposed Penalty: \$300.**

46. In the Matter of Denise Barnes; FPPC No. 17/300 (Streamline Settlement). Staff: Chief of Enforcement Galena West and Political Reform Consultant Teri Rindahl. Denise Barnes, City Council Member for the City of Anaheim, failed to disclose her pro-rata share of her spouse's income on her on Candidate Statement of Economic Interests, in violation of Government Code Section 87207 (1 count). **Total Proposed Penalty: \$100.**

Commissioner Hayward noted that on the third page there was a typo on the fine amount. It is listed as \$0, but should be \$100.

Motion to Vacate Item 47

47. Motion to Vacate Default Decision and Order, In the Matter of I-Chinese American Political Action Committee and Victor Gau, FPPC Nos. 15/661 and 16/379. Staff: Hyla P. Wagner, General Counsel. The Commission will consider a motion filed by Respondent Victor Gau to vacate the Commission's Default Decision and Order approved at the March 16, 2017 hearing.

- Default Decision and Order, March 20, 2017
- Gau's Motion to Vacate Default Decision
- Enforcement's Response to Motion

Mr. Gau was not present.

Commissioner Hatch asked what contact the Enforcement Division has had with Mr. Gau.

Assistant Chief of Enforcement Dave Bainbridge stated that Mr. Gau has not been in contact with the Enforcement Division.

Chair Remke asked if Enforcement was able to verify that all filings had been completed and that Mr. Gau supplied a cashier's check.

Assistant Chief Bainbridge stated that Mr. Gau sent in a check for \$400 without instruction as to what it would cover. It is most likely to cover the four years of the \$50 Annual Fee. It did not include payment for the \$150 penalty that would also be owed. Mr. Gau owed a total of \$800 total for the fee and penalty.

Commissioner Hayward stated that she is inclined to give him another chance to come to the table and would like to vacate the default.

Commissioner Hayward made a motion to approve the motion to vacate the default judgement, Commissioner Hatch seconded the motion.

Ayes: Commissioner Hayward.

Nays: Commissioners Casher, Hatch, and Chair Remke.

The motion did not pass 1 to 3.

Mr. Gau's motion to vacate the default order and decision is denied.

Public Meeting concluded at 10:36am.

Public Meeting reconvened at 11:40am.

Closed Session Items 48-49

48. Pending Litigation (Gov. Code § 11126(e)(1))

Burgess v. Fair Political Practices Commission, Riverside Superior Court Case No: RIC-1510656; discussion of pending litigation regarding attorney's fees.

Chair Remke reported out of closed session.

Report out of closed session: The Commission will appeal the superior court's order granting attorney's fees in the Burgess matter.

49. Administrative Adjudication (Gov. Code § 11126(c)(3))

Consideration of Proposed Decision of Administrative Law Judge, In the Matter of Rabbi Nachum Shifren and Committee to Elect Rabbi Shifren, FPPC No. 14/1109, OAH No. 2016061262.

- ALJ's Proposed Decision, February 21, 2017
- Enforcement's Brief in Support of Proposed Decision
- (No Reply Submitted by Respondent)

Chair Remke reported out of closed session.

Report out of closed session: The Commission adopts the proposed ALJ decision with the following modifications: a \$10,000 reduction in the proposed penalty due to the dismissal of counts 2 and 4, and modification of the findings and conclusions in count 6 to reference only Tony Novelty.

Executive Staff Reports Item 50

50. Executive Staff Reports.

Enforcement Division. Galena West, Enforcement Chief
Legal Division. Hyla P. Wagner, General Counsel
External Affairs and Education. Tara Stock, Manager
Legislative and External Affairs. Phillip Ung, Director

The staff reports were submitted.

Commissioner Casher stated that he attended The League of California Cities City Attorneys' Conference where Jack Woodside and Sukhi Brar presented to hundreds of city attorneys from across the state. He wanted to mention that it is always nice to see staff out in the regulated community. They did a great job with the presentation.

Chair Remke announced the parting of General Counsel Hyla Wagner who has been with the Commission since 1995. Prior to that, she was in a similar field with the New York City Campaign Finance Board. Her expertise has been invaluable to the Commission and she has served the Commission well. She will be missed.

General Counsel Hyla Wagner said that it has been a pleasure to work with Chair Remke, the Commissioners, and the whole team at the FPPC. With the Political Reform Act, there is never a dull moment.

The Commissioners also thanked General Counsel Wagner for her service and assistance to them personally.

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

Ayes: Commissioners Casher, Hatch, Hayward, and Chair Remke.

The motion passed 4 to 0.

The meeting adjourned at 11:43am.

Respectfully Submitted,
Sheva Tabatabaiejad
Commission Assistant
Approved June 14, 2017

Joann Remke, Chair
Fair Political Practices Commission