

(Approved September 18, 2025) CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION MINUTES OF HEARING, Public Session Thursday, August 21, 2025 10:00 a.m.

Present: Chair Adam E. Silver, Commissioner Alf W. Brandt, Commissioner Elsa Ortiz, Commissioner E. Dotson Wilson, Commissioner Charlene Zettel

Executive Staff Present:

Galena West, Executive Director
Dave Bainbridge, General Counsel
Shrdha Shah, Chief of Audits and Assistance
Jue Wang, PhD, Chief of Administration
Lindsey Nakano, Senior FPPC Legislative Counsel
Shery Yang, Communications Director

Call to Order.

Chair Silver called the meeting to order at 10 a.m.

1. Public Comments for items not on the agenda.

PUBLIC COMMENT: Dean Getz of El Dorado Hills commented on the intake process for submittal of complaints; Complainants should be notified before complaints are disposed of during the adjudication process. Tim Biddle of Howard Jarvis Tax Association commented on the need for FPPC to be the independent watchdog that enforces the Political Reform Act, thereby ensuring free elections and protecting taxpayers from the misuse of public funds for political advocacy.

2. Approval of June 2025 Commission Meeting Minutes.

MOTION: To approve the June 2025 Meeting Minutes. Moved by Chair Silver, seconded by Commissioner Brandt. The motion passed 3-0, Commissioners Ortiz and Zettel abstained.

3-4. Consent Calendar

- 3. In the Matter of Kimberly Ho for City Council 2020 and Kimberly Ho; FPPC No. 21/1068.
- 4. In the Matter of Brown for Bassett School Board Member 2024 and Samuel Brown, FPPC No. 24/1046.

No items were pulled. Commissioner Wilson confirmed with Assistant Chief of Enforcement Angela Brereton that the Respondent in Item 4 has not responded to the default.

MOTION: To approve the Consent Calendar. Moved by Commissioner Ortiz, seconded by Commissioner Brandt. The motion passed 5-0.

5-10. General Items

5. In re: Winuk Opinion.

Senior Commission Counsel Kevin Cornwall presented the item. Chair Silver stated he is sympathetic to City Manager Shikada and the City of Palo Alto and commended them for doing the right thing and soliciting advice in this opinion. Chair Silver believes in a finding that Mr. Shikada does have an economic interest in Stanford University based on its relationship with Mr. Shikada's spouse's employer, Stanford Health Care and suggests that the Commission adopt Opinion Option No. 1. Commissioner Ortiz suggested eliminating the appointment power or in the alternative for Stanford University to have the power to appoint less than a majority of Stanford Health Care's board in addition to eliminating removal

power. Commissioner Zettel stated she would prefer to consider new matters similar to this on a case-by-case basis rather than trying to enact a regulation that is a one-size-fits-all. Commissioner Wilson recommended looking into other states or potential legislation to provide more clarity in similar cases. Commissioner Brandt agreed with Chair Silver on adopting Opinion Option No. 1 as a compromise to address the appearance of a threat to the autonomy of Stanford Health Care. Mr. Getz made public comment that providing a clear roadmap for board members with dual roles in non-profit entities would be helpful to the public, FPPC, and elected officials. Commissioner Ortiz stated that she is in favor of the motion with a caveat that the FPPC should pursue limiting the appointment powers when considering new proposed regulatory solutions. Commissioner Wilson was also in favor of the motion with a caveat that the FPPC staff should bring together elected officials, government entities, and non-profit organizations to seek out a legislative remedy that can be applied across the board to all public officials and non-profits in the state.

MOTION: To adopt the Opinion with the language proposed by the Legal Division reflecting what is provided in Version 1, which finds that, based on Stanford University's current level of control over Stanford Health Care, Stanford University constitutes a source of income to Mr. Shikada, but that this finding would not necessarily remain true if the Stanford Health Care bylaws provided that Stanford University does not have the authority to remove members of the Stanford Health Care Board. The Motion passed 5-0.

6. Prenotice Discussion of Proposed Amendments to Regulation 18404, Termination of Filing Requirements, Repeal and Adopt Regulation 18404.1, Terminating Section 82013(a) Committees, and Adopt Regulation 18404.3, Reopening a Terminated Section 82013(a) Committee.

Senior Commission Counsel Karen Harrison presented the item. Commissioner Wilson confirmed with Ms. Harrison that once the regulation is approved, there will be a standard rollout from the FPPC that provides educational training to treasurers and campaign staff to

ensure compliance with the new regulations. Chair Silver also highlighted a video that was produced in collaboration with a local university on what to do after an election, which could be a good resource. Chair Silver recommended notifying the author of the legislation in the security context to inform them of the regulation in case they are considering amendments that would potentially implicate the language of the regulation. Commissioner Zettel asked if there was a refund under \$10,000 and it was not reassigned to another committee; would the candidate be allowed to put the money in their own personal bank account? Ms. Harrison clarified that the candidate must expend those funds under the same laws that they would have to expend them while the committee was open.

7. Adoption of Proposed Regulation 18430.1 and Amendments to Regulation 18421.3 and 18401, Limitations on Prepaid Cards and Recordkeeping Requirements for Contract Vendors.

Senior Commission Counsel Zachary Norton presented the item. Chair Silver thanked the Enforcement team for identifying this issue and bringing it to the Legal team to craft a solution. Chair Silver stated the biggest issue of using prepaid cards is potential campaign money laundering. Chair Silver disclosed ex-parte communications with authors of comment letters from the California Political Attorneys Association and The Political Law Group. Commissioner Wilson asked if there would be any major impact to FPPC staff if these regulations were implemented. Mr. Norton stated there would be a positive impact overall to provide better record-keeping and tracking for the investigative team. Mr. Peter Leoni of the California Political Attorneys Association provided additional information regarding their comment letter submitted. Commissioner Ortiz asked if use of PEX cards with tracking information would be prohibited or exempt as part of this regulation. Chair Silver clarified PEX cards are currently exempt as per Advice Letter I-11-111. Chair Silver recommended

pulling this item to be considered at the next meeting after gathering more feedback from the regulated community. Commissioner Brandt reiterated his standard of being able to track the record of the prepaid cards to be sufficient. Commissioner Zettel recommended bringing this item back for consideration at the next meeting. Ms. Patricia Mar of View Avenue Group made public comment. Mr. Nick Sanders of The Political Law Group made public comment. This item was pulled and no action was taken.

8. 2025-2026 Budget Act.

Chief of Administration Dr. Jue Wang presented the item.

9. Legislative Update.

Senior FPPC Legislative Counsel Lindsey Nakano presented the item.

10. Executive Staff Reports.

Ms. Brereton and Mr. Burton presented the Enforcement Division Staff Report as submitted.

Chief of Audits and Assistance Shrdha Shah presented the Audits and Assistance Division

Staff Report as submitted.

General Counsel Dave Bainbridge presented the Legal Division Staff Report as submitted.

Dr. Wang presented the Administration and Technology Division Staff Report as submitted.

11. Administrative Adjudication.

Assistant Chief Counsel Brian Lau introduced the item. Senior Commission Counsel Theresa Gilbertson gave oral argument on behalf of the Enforcement Division in opposition of the proposed ALJ decision. Mr. Colin Burns of Harper & Burns represented the City of Norco

and gave oral argument in support of the proposed ALJ decision. Mr. Gary Winuk of Kaufman Legal Group represented former City Manager of Norco, Andy Okoro, and gave oral argument in support of the proposed ALJ decision.

12. Closed Session.

The Commission unanimously agreed to reject the ALJ proposed decision and decide the case upon record.

13. Commissioner Comments and Proposed Future Agenda Items.

Chair Silver emphasized pursuing regulations related to non-profits being affiliated for the purposes of conflicts of interest and to solicit feedback from the public and non-profit entities. Commissioner Brandt stated he would be happy to collaborate as he is a part of a non-profit organization himself.

The meeting adjourned at 3:25 p.m.

Respectfully Submitted, Davina Vo Commission Assistant Approved September 18, 2025

Adam E. Silver, Chair Fair Political Practices Commission