



STATE OF CALIFORNIA  
FAIR POLITICAL PRACTICES COMMISSION  
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# Second Quarter Update 2025

Conflict of Interest, Revolving Door, and Statement of Economic Interests

## Regulations adopted by the Commission

The following are regulatory changes approved by the Commission during the past quarter concerning conflict of interest, revolving door, or statement of economic interests. To receive updates for all regulations before the Commission, please sign up for our [mailing list here](#).

**18115.2.** Duties of the Filing Officers and Filing Officials- Electronic Format Statements of Economic Interests. (amended), effective 6/7/25.

**18313.5.** Online Posting (amended), effective 6/7/25.

**18313.6.** Online Posting: Definition of Family Member. (amended), effective 6/7/25.

**18724.** Filing of Statements of Economic Interests by Temporary or Part-Time Court Commissioners, Pro Tem and Retired Judges. (amended), effective 6/7/25.

**18730.** Provisions of Conflict of Interest Codes. (amended), effective 6/7/25.

**18754.** Statements of Economic Interests (Members of Newly Created Boards or Commissions); When and Where to File. (amended), effective 6/7/25

**18756.** Statements of Economic Interests: Certification of Electronic Filing Systems. (amended), effective 6/7/25.

**18753.** Statements of Economic Interests; Where to File. (repeal), effective 6/7/25.

## Advice Letters

The following are advice letters issued by the Commission's Legal Division during the past quarter concerning questions about conflicts of interest, revolving door, or statement of economic interests. To receive the monthly report with all advice letters issued, please sign up for our [mailing list here](#)

### Conflict of Interest

#### **Ian Sobieski**

#### **I-25-022**

As a general matter, the Act prohibits a councilmember from taking part in a decision to consider property located 860 feet from his residence as an opportunity site for the city's housing element if it is reasonably foreseeable that the decision will have a material effect on his real property interest and/or his interest in his rental property business.

**Marian Slocum**[A-25-038](#)

The Act prohibits councilmember from taking part in governmental decisions relating to a development project involving the demolition of a vacant commercial building and the construction of 179 new residences at a project site located between 500 and 1,000 feet from the councilmember's residential real property. Given the scope of the project, including the number of new residential units, the replacement of vacant commercial property, and the proximity to the councilmember's property, it is reasonably foreseeable that the decisions may have a material financial effect on the councilmember's property.

**Rebecca Moon**[A-25-047](#)

Official is not disqualified from taking part in decisions regarding a bike lane project and the potential loss of on-street parking. Based on the facts provided, it is not reasonably foreseeable the decisions will have a material financial effect on the official's property where the property is located 965 feet from the project, the official's street does not connect to the project street, and the property is separated from the project by seven rows of homes and intervening streets.

**Heather L. Stroud**[A-25-017](#)

Councilmember, who is the chief operating officer of a company that provides management services to client businesses that are all owned by the owner of the company, has an economic interest in the owner as a source of income. Moreover, it is reasonably foreseeable that decisions regarding a project on an eight-acre site containing a previously unfinished project will have a material effect on the owner due to the potential effects on seven of the owner's businesses in close proximity to the project site, including two adjacent to the project. Accordingly, the councilmember may not take part in the decisions.

**Rachel Van Mullem**[A-25-043](#)

A county supervisor, who has an interest in a restaurant, does not have a conflict of interest in decisions regarding regulations applicable to the sidewalk and roadside food vendors, which merely apply the same health and safety requirements applicable to brick-and-mortar restaurants to the vendors. Under these circumstances, it is not reasonably foreseeable that applying these regulations to the vendors would result in a sufficient change in competition with a material effect on the restaurant or leasehold interests. Additionally, the supervisor is not prohibited from taking part in decisions to adjust fees assessed on restaurants countywide, where the proposal before the county would decrease the fee applicable to the supervisor's business by \$19 annually. Even to the extent the County considers further changes to the fee, it is not reasonably foreseeable that the fee would have a material final effect on the business or leasehold interest.

**Jeff Malawy**[A-25-044](#)

Under the public generally exception, two city councilmembers may take part in governmental decisions related to a proposed Parking Management Plan, despite owning real property within the affected area, where: (1) the decisions affect residential real property limited to a specific location encompassing more 50 residential real properties or five percent of the jurisdiction's residential real properties; (2) the decisions establish, amend, or eliminate ordinances restricting on-street parking; and (3) the City Council has gathered sufficient evidence to support the need for the action at the specific location.

**Rebecca Moon**[A-25-047\(a\)](#)

An official is disqualified from taking part in decisions regarding a bike lane project in light of additional information regarding a proposed alternative that would redirect traffic flow to the official's residential street and adjacent to the official's residence. Based on this proposed alternative, it is reasonably foreseeable that the decision would have a material financial effect on the official's property by changing its character and potentially its market value. This advice superseded previous advice that the official was not disqualified based on the newly proposed alternative.

**Zaynah N. Moussa**[A-25-060](#)

A councilmember is disqualified from taking part in the proposed transit project decisions. Based on the facts provided, it is reasonably foreseeable that the project and accompanying traffic and public safety mitigation will have a material financial effect on the councilmember's property interests, which are located within 500 feet of several proposed mitigation projects.

**Melissa M. Crosthwaite**[A-25-050](#)

Even if decisions intended to address industrial air and other emissions will have a material financial effect on the councilmember's leasehold interest in his residence, the facts indicate that the financial effect on the interest is indistinguishable from the financial effect on the significant segment of residential properties in the official's jurisdiction and that the financial effect on the official's interest will not be unique. Accordingly, the public generally exception applies, and the official may participate in the decisions.

**Jose M. Sanchez**[A-25-051](#)

The Act prohibits a public official from taking part in governmental decision relating to the location of a proposed development of a minor league soccer team and "entertainment district" aimed at boosting the local economy and local businesses, given that the official owns a vacant lot approximately 1,400-1,600 feet away from two of the potential sites of the proposed stadium and entertainment district.

**Amy S. Ackerman**[A-25-054](#)

The Act prohibits a councilmember from taking part in decisions related to a proposed affordable housing development project consisting of 99 units and increasing the density allowed on the proposed project site, which is currently a vacant office building. Given the specifics of the project and that the project is located approximately 375 feet from the official's apartment complex, it is reasonably foreseeable that decisions concerning the project will impact his use and enjoyment of his apartment.

**Christopher Cardinale**[A-25-055](#)

A councilmember is not prohibited from taking part in governmental decisions regarding real property located near his residence that is rented on a month-to-month basis. Based on the facts provided, the councilmember does not have a financial interest in the decision based on the lease because a month-to-month lease is not considered a real property interest, and the rental amount, which is below market value, is not a gift under the Act's exception for gifts from parents. Additionally, there are no indications of any effect the decision would have on the

councilmember's personal finances. Accordingly, the councilmember is not prohibited from taking part in the decisions under the Act. However, under these circumstances, we caution that the common law doctrine against conflicts of interest should be considered and analyzed before the official takes part in the decisions.

**Kane Thuyen**

[I-25-057](#)

Under the Act, a councilmember is generally prohibited from taking part in governmental decisions relating to tenant-protection regulations, landlord-related regulations, and related funding decisions, where such decisions would establish restrictions on his property interests or impact his tenants' income by \$1,000 or more. Additionally, where a councilmember has four rental units, the public generally exception is unlikely to apply due to the cumulative effect on the councilmember's multiple interests.

**David Nam**

[A-25-064](#)

An official whose residence is within a proposed moderate fire hazard zone has a disqualifying financial interest in the decisions relating to the property's inclusion in zone and development criteria that may apply to the parcel regarding the zone because it is reasonably foreseeable that the decisions will have a material financial impact on the official's property. Additionally, an official whose residential real property is located 500 feet from a proposed zone is presumed to be disqualified from the decision under applicable regulations. However, under the public generally exception, this official may participate where the facts establish that more than 15 percent of the residential parcels in the city are affected and the effect on the official's residential parcel is not unique compared to the effect on the significant segment.

**Jose M. Sanchez**

[A-25-051\(a\)](#)

The Act prohibits a public official from taking part in governmental decision relating to the location of a proposed development of a minor league soccer team and "entertainment district" aimed at boosting the local economy and local businesses, given that the official owns a vacant lot approximately 1,400-1,600 feet away from two of the potential sites of the stadium and entertainment district.

**Joseph H. McDougall**

[I-25-063](#)

Under the Act, a city mayor and a councilmember, who lease their residences on a month-to-month basis, are potentially disqualified from taking part in city council decisions regarding tenant protection measures because of the possible financial effect on their personal finances. However, the public generally exception pertaining to governmental decisions on rental properties will apply to permit their participation so long as the decisions apply to all other residential rental properties, other than those excepted by the Costa-Hawkins Rental Housing Act, and the officials have no other interests impacted by the decisions.

**Kristopher J. Kokotaylo**

[A-25-065](#)

Under the Act, a city councilmember and city manager are not prohibited from taking part in governmental decisions that would result in a real property assessment of \$25 applying to their respective residences because the effect is nominal, inconsequential, or insignificant.

**Michelle Marchetta Kenyon**[A-25-076](#)

A vice mayor is prohibited from taking part in governmental decisions relating to the operating budget and asset replacement plan for a town-owned wedding/event venue located less than 500 feet from the official's residence where there is no clear and convincing evidence the decisions would have no measurable impact on the official's property and the decisions do not solely relate to infrastructural repair and maintenance.

**Olivia R. Clark**[A-25-083](#)

An official may not take part in a parking ordinance decision where the official's business is a consultant to a developer on a medical office project, the decision will aid the developer's goal of moving forward on the project by changing the parking requirements, and the official will receive a contract for \$2400 from the client if the proposed parking ordinance is adopted. Under the nexus test, the official is disqualified from the decision because it will achieve, defeat, aid, or hinder a purpose or goal of a source of income to the official, and the official has received or been promised the income for achieving the purpose or goal.

**Kitty Moore**[A-25-084](#)

A councilmember may not take part in a decision to acquire a vacant parcel for the purposes of developing a new city park, located approximately 600 feet from the official's home. Based on the facts provided, it is reasonably foreseeable the decision will have a material financial effect on the official's property because the decision would impact the market value and income-producing potential of the official's property.

**Section 1090****Marco A. Verdugo**[A-24-066](#)

Under the Act, councilmember is prohibited from taking part in decisions regarding contracts between the City and her prior employer, a nonprofit company, if the councilmember received income of more than \$500 from the employer in the 12 months before the decision. Under Section 1090 and the Act, the councilmember is also prohibited from participating in decisions surrounding any contract with the employer if she seeks or becomes employed with the company again. However, because the company is a nonprofit, any interest under Section 1090 is remote, and the City may enter the contract so long as the councilmember abstains from the decisions.

**Lauren D. Layne**[A-25-002](#)

Where an attorney does not have duties to engage in or advise on public contracting on behalf of a yet-to-be-formed groundwater authority or, in fact, engage in such conduct, Section 1090 does not prohibit the groundwater authority from subsequently contracting with the attorney to serve as outside counsel due to the attorney's representation of property owners interested in establishing the authority. Further, unless hired as counsel, the attorney is not a public official under the Act solely by virtue of this private party representation. However, if hired, whether the attorney may be disqualified in the future based on any decisions in which she may take part as a public official is fact-specific and would depend on the nature of the future decision.

**Jennifer V. Gore**[A-25-010](#)

Under the Act, four city employees are not prohibited from taking part in grant decisions concerning nonprofits from which they receive no income or other city departments because there is no indication of a reasonably foreseeable financial effect on any interest identified in Section 87103. In addition, nothing would constitute a financial interest in a contract under Section 1090 where the employees are merely working on potential grants to nonprofits the employees have no relationship with, or grants to other departments within the City.

**Andrew B. Gagen**[A-24-139](#)

For a district decision to waive the district's attorney-client privilege attached to the legal opinion in which a board member is the subject of and named in the legal opinion, the board member's stipend is excluded from the definition of "income" under the Act. Moreover, it is not reasonably foreseeable that the decision will have a material financial effect on the member's personal finances because there is no indication that the decision would provide the board member with a financial benefit or loss. Under Section 1090, the decision to waive the district's attorney-client privilege regarding the legal opinion does not constitute the making of a contract. Thus, the board member is not prohibited from taking part in the decision under the Act, and Section 1090 does not apply.

**John S. Doimas**[A-25-019](#)

The Act prohibits a councilmember from taking part in any decisions where her nonprofit employer is a named party in, or the subject of, the decision. For those decisions where the nonprofit is not explicitly involved, she is prohibited from taking part in any decision if it is reasonably foreseeable that the decision will have a material effect on her financial interest in the nonprofit. Under Section 1090, to the extent the councilmember has a financial interest in a contractual decision, the remote interest exception under Section 1091(b)(1) may apply to allow the city to contract with the councilmember's nonprofit employer so long as she satisfies the requirements under Section 1091(a).

**Alisha Patterson**[A-25-024](#)

Under the Act, a councilmember who owns residential rental properties is potentially disqualified from taking part in city council decisions regarding tenant protection measures. However, because the official owns three or fewer residential rental properties, the public generally exception pertaining to governmental decisions on rental properties will apply to permit his participation so long as the ordinances apply to all other residential rental properties and the official has no other interests impacted by the decisions other than the interests resulting from the residential rental properties. Under Section 1090, based on the facts provided, we cannot determine whether owning residential rental properties constitutes an interest in a contract until a potential contract is identified.

**Elizabeth Martyn**[A-25-034](#)

Under Section 1090, a city council and an airport district may contract with each other for the lease of a building, despite the bodies having a common member, so long as that member's non-interest is disclosed to each agency and noted in the agencies' respective records.

**Joshua Nelson**[A-25-052](#)

Section 1090 does not prohibit a district from entering into an agreement for the final design of a project where the consultant performed preliminary work on the same project under an initial agreement that was not specific to the project. Under the initial agreement, the consultant did not assist with preparing any procurement documents related to the final design of the project. While the initial agreement included a provision that the consultant assist the district in preparing final bidding documents, the agreement was not specific to the project, and the consultant never engaged in or advised on public contracting on behalf of the district such that it would be considered an “officer” under Section 1097.6.

**Steven Touchi**[A-25-059](#)

Under the Act, senior engineer who has a small shareholder interest in a potential bidder on an operations, maintenance and monitoring contract valued at \$5.9 million per year, has a disqualifying financial interest in decisions related to the scope of work of the contract or the qualifications of bidders where it is reasonably foreseeable that the decisions would have a material financial effect on the potential bidder. Under Section 1091.5(a)(1), the official has a noninterest in the potential bidder, and the agency is not prohibited from making the contract with the potential bidder where the official previously participated in work that may form the basis for the new contract.

**Regina A. Garza**[A-25-058](#)

Section 1090 does not prohibit a county from contracting with a consultant to complete a project where the consultant’s actual duties under the initial contract did not include duties to engage in or advise on public contracting on behalf of the county. Based on the facts provided, the initial contract was limited to assisting in preparing schematic design services for a grant application for the project that explicitly excluded the design and construction work for the project that the county now seeks to complete.

**Revolving Door****Doug Middleton**[A-25-066](#)

The Act’s one-year ban does not apply to tax audits. Thus, the one-year ban does not prohibit a former state employee from appearing before or communicating with a former state agency to represent potential clients in connection with the agency’s tax audit proceedings. However, we note that the permanent ban prohibits the former employee from “switching sides” and representing others on any audits that he worked on or supervised during his employment at the agency.

**Commission Opinions**

**None.**



## Enforcement Matters

The following are summaries of significant enforcement actions approved by the Commission in the past quarter involving violations of the Act's conflicts of interest, revolving door, or statement of economic interests. To receive a monthly report of all enforcement actions, please sign up for our [mailing list here](#).

### Conflict of Interest

**In the Matter of Donna Feiner; FPPC Case No. 23/227.** Staff: Jenna C. Rinehart, Senior Commission Counsel and George Aradi, Special Investigator. Donna Feiner, a member of the Board of Directors for the Mendocino City Community Services District, made governmental decisions that had a reasonably foreseeable material financial effect on Feiner's financial interests, in violation of Government Code Section 87100 (1 count). **Fine: \$4,000.**

**In the Matter of Jess E. Benton; FPPC Case No. 20/777.** Staff: Marissa Corona, Senior Commission Counsel and George Aradi, Special Investigator. The respondent is represented by Gary Winuk of Kaufman Legal Group. Jess E. Benton, a former member of the Hillsborough City Council, made a governmental decision that had a reasonably foreseeable material financial effect on Benton's financial interests, in violation of Government Code Section 87100 (1 count). Fine: \$4,500.

### Statement of Economic Interests Late Filer/Reporter

**In the Matter of Barbara "Bobbi" Chadwick; FPPC No. 18/017.** Staff: Jenna Rinehart, Senior Commission Counsel, and Paul Rasey, Special Investigator. Bobbi Chadwick, a former member of the Trinity County Board of Supervisors, failed to timely disclose income on the 2018, 2019, and 2020 Annual Statements of Economic Interests, in violation of Government Code Section 87207 (5 counts). Additionally, Chadwick failed to timely file a 2020 Annual/Leaving Office Statement of Economic Interests, in violation of Government Code Section 87204 (1 count). **Fine: \$2,100 (Tier One).**

**In the Matter of Ingrid Gonzalez; FPPC No. 24/742.** Staff: Kristin E. Goulet, Commission Counsel. Ingrid Gonzalez, an Aquatic Facility Manager for the City of Los Angeles Department of Recreation and Parks, failed to timely file the Assuming Office, 2020 Annual, 2021 Annual, 2022 Annual, and 2023 Annual Statements of Economic Interests, in violation of Government Code Section 87300 (5 counts). **Fine: \$2,000 (Tier One).**

**In the Matter of Ray Chandler; FPPC No. 23/616.** Staff: Alex Rose, Senior Commission Counsel. Ray Chandler, Regional Compliance Officer for the Department of Health Care Access and Information, failed to timely report two sources of income on an Assuming Office and the 2020 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (4 counts). **Fine: \$200 (Tier One).**

**In the Matter of Stewart Ginn; FPPC No. 24/775.** Staff: Kristin E. Goulet, Commission Counsel. Stewart Ginn, an Independent Citizens Oversight Committee Member for the San Dieguito Union High School District, failed to timely file the Assuming Office and 2023 Annual



Statements of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Fine: \$1,000 (Tier One).**

**In the Matter of Francine Sylvia; FPPC No. 22/539.** Staff: Kristin E. Goulet, Commission Counsel. Francine Sylvia, a Recreation Coordinator for the City of Los Angeles Department of Recreation and Parks, failed to timely file the Assuming Office, 2020 Annual, 2021 Annual, 2022 Annual, and 2023 Annual Statements of Economic Interests, in violation of Government Code Section 87300 (5 counts). **Fine: \$600 (Tier One).**

**In the Matter of Aurelio Salazar, Jr.; FPPC No. 25/139.** Staff: Christopher B. Burton, Assistant Chief of Enforcement and Vanessa Greer, Political Reform Consultant. Aurelio Salazar, Jr. was a successful candidate for Salinas City Council in the November 5, 2024 General Election. Salazar failed to timely file an Assuming Office Statement of Economic Interests, in violation of Government Code Section 87202 (1 count). **Fine: \$200 (Tier One).**

**In the Matter of Terrance Slatic; FPPC 22/617.** Staff: Marissa Corona, Senior Commission Counsel and Paul Rasey, Special Investigator. The respondent is represented by Michael Goldfeder. Terrance Slatic was a member of the Board of Trustees of the Fresno Unified School District. Slatic failed to timely report the receipt of a gift on the 2018, 2019, and 2021 Annual Statement of Economic Interests, in violation of Government Code Section 87207 (3 counts), failed to accurately report the value of a gift received on the 2021 Annual Statement of Economic Interests, in violation of Government Code Section 87207 (1 count), and accepted a gift that exceeded the 2021 annual gift limit, in violation of Government Code Section 89503 (1 count). **Fine: \$18,000.**

**In the Matter of Tom Pier; FPPC No. 25/438.** Staff: Christopher B. Burton, Assistant Chief of Enforcement and Amber Rodriguez, Staff Services Analyst. Tom Pier, a Boating and Waterways Commission Member for the Parks and Recreation Department, failed to timely file the 2023 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Fine: \$200 (Tier One).**

**In the Matter of Michele Sherer; FPPC No. 25/498.** Staff: Christopher B. Burton, Assistant Chief of Enforcement and Fela Williams, Staff Services Analyst. Michele Sherer, a Program Manager of Special Education for the Milpitas Unified School District, failed to timely file the 2023 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Fine: \$200 (Tier One).**

## Legislation

### **AB 1029 (Valencia) – Disclosure of Digital Financial Assets (Cryptocurrency)**

**Short Summary:** AB 1029 would revise the definition of “investment” to include a “digital financial asset,” as defined, for purposes of disclosure on the Statement of Economic Interests (Form 700) and the conflict of interest provisions.

**Detailed Summary:**

*Existing law:*

- *Statement of Economic Interests:* Existing law requires every elected official and public employee who makes or influences governmental decisions to submit a Statement of Economic Interest (Form 700). Generally, filers must disclose their financial interests, including investments, income, and interests in real property.
- *Conflicts of interest:* Existing law prohibits a public official from taking part in a government decision if it is reasonably foreseeable that the decision would have a material financial effect on one or more of the official's financial interests.
- *Definition of investment:* Under existing law, "investment" generally means any financial interest in, or security issued by, a business entity that is located in or does business in the jurisdiction that is worth \$2,000 or more. The FPPC Legal Division has previously determined that the existing definition of investment is too narrow to be interpreted to include cryptocurrency.
- *Definition of digital financial asset:* Under existing law in the Financial Code, "digital financial asset" is defined to mean a digital representation of value that is used as a medium of exchange, unit of account, or store of value, and that is not legal tender, whether or not denominated in legal tender, subject to certain exceptions.

*Investments:* AB 1029 would revise the definition of "investment" in the PRA to include a direct or indirect interest in a "digital financial asset," as defined in the Financial Code. The bill would also make conforming amendments in other sections in the PRA. As an investment under the PRA, digital financial assets would be subject to disclosure on the Form 700 in the same manner as other types of investments and could give rise to a conflict of interest if it was reasonably foreseeable that a government decision would have a material financial effect on the digital financial asset.

*Delayed operative date:* AB 1029 will become operative on January 1, 2027.

### **AB 1286 (Boerner) – Disclosure of Prospective Employment**

**Short Summary:** AB 1286 would require the Statement of Economic Interests (Form 700) filers listed in Section 87200 to disclose arrangements for prospective employment on their Form 700s.

**Detailed Summary:**

*Existing law:*

- Existing law prohibits a public official from making, participating in making, or using the public official's official position to influence, any governmental decision directly relating to any person with whom the public official is negotiating, or has any arrangement concerning, prospective employment.

- Public officials listed in Section 87200 or designated in their agency's conflict of interest code are required to file Statements of Economic Interests (Form 700s).

*New disclosure on Form 700:* AB 1286 would require the public officials listed in Section 87200 to disclose on the Form 700 an "arrangement for prospective employment," defined in the bill to mean "an agreement pursuant to which a prospective employer's offer of employment has been accepted by the prospective employee, including through verbal or written acceptance."

*Content of disclosure:* Under AB 1286, public officials required to disclose prospective employment must disclose (1) the date that the filer accepted the prospective employer's offer of employment, (2) the business position, (3) a general description of the business activity of the prospective employer, and (4) the name and street address of the prospective employer.