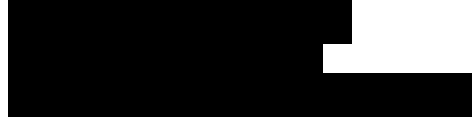




STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
1102 Q Street • Suite 3050 • Sacramento, CA 95811

February 13, 2024

Joan MacGregor



Warning Letter Re: FPPC No. 2023-00359; Joan MacGregor

Dear Joan MacGregor:

The Enforcement Division of the Fair Political Practices Commission enforces the provisions of the Political Reform Act (the “Act”).¹ In response to a sworn complaint alleging that you, as a trustee for the Santa Clarita Community College District, failed to timely report certain economic interests on your Statements of Economic Interests (“SEI”), the Enforcement Division opened an investigation regarding the potential violations of the Act. The Enforcement Division has completed its review of the facts in this case. Specifically, we found that due to your position as a trustee for the Santa Clarita Community College District, you failed to timely report an economic interest in Valley Oaks Properties Inc. on your 2018 Annual SEI.

Section 87300 of the Act requires every state and local agency to develop a Conflict of Interest Code. This Code requires individuals who participate in making decisions which may foreseeably have a material financial effect on any financial interest belonging to that person to disclose all reportable interests on SEIs.²

During 2018, you maintained an investment and business position interest in Valley Oaks Properties Inc., as its principal. As a business located in your jurisdiction, and therefore doing business in the jurisdiction, the entity should have been disclosed on Schedule A-2 of your 2018 Annual SEI. Additionally, because you received income from Valley Oaks Properties Inc., you were required to disclose the entity on Schedule C of your 2018 Annual SEI. Although you timely filed your 2018 Annual SEI, you failed to report this economic interest. However, you promptly amended the SEI after Enforcement contact, your subsequent SEIs did not have any reportable interests, and you have no prior history of violating the Act. Based on the foregoing, and in accordance with the Enforcement Division Policy Directives formally adopted by the Commission on January 26, 2023, which requires the Enforcement Division to take all appropriate actions within their discretion to decrease the Division’s annual carryover caseload,

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014, and all statutory references are to this code. The regulations of the Fair Political Practices Commission are contained in Sections 18104 through 18998 of Title 2 of the California Code of Regulations, and all regulatory references are to this source.

² Section 87302, subd. (a).

the Enforcement Division is closing this case with this warning letter.³ Discretion was used based upon mitigating or aggravating circumstances and the totality of the circumstances.⁴ Additionally, discretion was used for violations that caused minimal public harm when lack of experience or knowledge of the Act's requirements caused multiple violations with minimal public harm that were corrected upon contact and the committee raised and spent less than \$10,000.⁵ This resolution may not be used as a comparable case for other enforcement matters.⁶

This letter serves as a written warning. The information in this matter will be retained and may be considered should an enforcement action become necessary based on newly discovered information or future conduct. Failure to comply with the provisions of the Act in the future will result in monetary penalties of up to \$5,000 for each violation.

A warning letter is an Enforcement Division case resolution without administrative prosecution or fine. The Commission has adopted Regulation 18360.1 to authorize the Enforcement Division to issue warning letters to conclude cases in specified circumstances. However, the warning letter resolution does not provide respondents with the opportunity for a probable cause hearing or hearing before an Administrative Law Judge or the Commission. If your clients wish to avail themselves of these proceedings by requesting that this case proceed with prosecution rather than a warning, please notify us within ten (10) days from the date of this letter. Upon this notification, the Enforcement Division will rescind this warning letter and proceed with administrative prosecution of this case. If we do not receive such notification, this warning letter will be posted on the Commission's website ten (10) days from the date of this letter.

If you need forms or a manual, or guidance regarding your obligations, please call the Commission's Toll-Free Advice Line at (866) 275-3772 or visit our website at www.fppc.ca.gov.

If you have any questions regarding this letter, please contact me at jrivera@fppc.ca.gov or (279) 237-5913.

Sincerely,

Jonathan Rivera

Jonathan Rivera,
Commission Counsel
Enforcement Division

cc: Stephen Petzold [REDACTED]

³ <https://www.fppc.ca.gov/content/dam/fppc/NS-Documents/AgendaDocuments/General%20Items/2023/january/15.0-Enforcement-directives.pdf>

⁴ Regulations 18360.1 and 18360.3.

⁵ Regulation 18360.2.

⁶ See Regulation 18361.5, subdivision (e)(3).