

NOTICE AND AGENDA Commission Meeting¹

California Fair Political Practices Commission 1102 Q Street, Suite 3800 Sacramento, CA 95811

> Friday, July 24, 2020 9:00 A.M.

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.

Pursuant to Executive Order N-29-20, certain provisions of the Bagley Keene Open Meeting Act are suspended due to a State of Emergency in response to the COVID-19 pandemic. Consistent with the Executive Order, this Commission meeting will be conducted by teleconference only. None of the locations from which Commissioners will participate will be open to the public. Members of the public who wish to observe the meeting may do so via YouTube or via telephone by calling (877) 411-9748; access code 723284. Members of the public who wish to comment during the meeting may do so by telephone or using the Commission's public participation portal found at http://mediasite.fppc.ca.gov/.

Persons who, due to a disability, need assistance in order to participate in this meeting should, prior to the meeting, contact the Commission Assistant at (916) 322-5745 (voice), CommAsst@fppc.ca.gov (e-mail) and ADACoordinator@fppc.ca.gov. TTY/TDD and Speech-to-Speech users may dial 7-1-1 for the California Relay Service to submit comments on an agenda item or to request special accommodations for persons with disabilities.

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

¹You can obtain further information about the meeting by contacting the Commission Assistant, 1102 Q Street, Suite 3000, Sacramento, CA, 95811, Tel. (916) 322-5745. Written comments on agenda items should be submitted to the Commission no later than 12:00 p.m. the day before the meeting in order to afford the Commissioners adequate time to fully consider the comments. Email comment letters directly to commAsst@fppc.ca.gov. To participate in real time, visit http://mediasite.fppc.ca.gov/.

The agenda and related documents are posted on the FPPC website at www.fppc.ca.gov. Materials submitted by the public regarding each agenda item will be made available on the website.

Members of the public may listen to the meeting by phone by calling (877) 411-9748; access code 723284; or watch the meeting via Webinar at YouTube.

The meeting location is accessible to the disabled. Persons who, due to a disability, need assistance in order to participate in this meeting should, prior to the meeting, contact the Commission Assistant at (916) 322-5745 (voice), commAsst@fppc.ca.gov (e-mail) and ADACoordinator@fppc.ca.gov. TTY/TDD and Speech-to-Speech users may dial 7-1-1 for the California Relay Service to submit comments on an agenda item or to request special accommodations for persons with disabilities. Please allow three business days between the request and the meeting date.

Welcome

Richard C. Miadich, Chair

Public Comment

1. Public Comment for Items not on Agenda. During this comment period, any person is invited to speak on any topic that is not listed on this agenda. Action may not be taken on any matter raised during this public comment period until the matter is specifically listed on a future agenda. Those who wish to comment on an item that has been listed on this agenda may comment when that item has been opened for consideration by the Commission and before any action is taken.

Approval of Commission Minutes

2. Approval of June 2020 Commission Hearing Minutes.

Enforcement Consent Calendar 3-10

Items on the consent calendar will be taken up and voted on as a group. A Commissioner may request that an item be removed from consent, in which case it will be discussed separately in the meeting.

Campaign Contribution Limits

3. In the Matter of Mike Gatto for Senate 2016, Mike Gatto, and Jane Leiderman; FPPC No. 18/149. Staff: Theresa Gilbertson, Commission Counsel. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Mike Gatto served as a member of the State Assembly District 43, from 2010 – 2016 and withdrew from the June 7, 2016 Primary Election as a candidate for State Assembly District 25. Mike Gatto for Senate 2016 was his candidate-controlled committee. Jane Leiderman was the Committee's treasurer. The Committee, Gatto, and Leiderman accepted contributions that exceeded the campaign contribution limit for State Senate candidates, in violation of Government Code Section 85301 (1 count). Total Proposed Penalty: \$2,500.

Mass Mailing

4. In the Matter of Megan Dahle for Assembly 2020, and Megan Dahle; FPPC No. 20/323. Staff: Christopher Burton, Senior Commission Counsel. Megan Dahle was a successful incumbent candidate for State Assembly in the March 3, 2020 Primary Election. Megan Dahle for Assembly 2020 is her candidate-controlled committee. The Committee and Dahle failed to include the accurate name of the committee on a mass mailing, in violation of Government Code Section 84305 (1 count). Total Proposed Penalty: \$2,500.

Campaign Late Filer/Reporter

5. In the Matter of College of the Canyons Foundation; FPPC No. 19/475. Staff: Ruth Yang, Commission Counsel. The respondent was represented by Lacey Keys by Olson Remcho, LLP. College of the Canyons Foundation is a non-profit auxiliary organization formed to generate philanthropic support for College of the Canyons. The Foundation engaged in campaign activities as a major donor committee and failed to timely file three 24-Hour Reports, in violation of Government Code Section 84203 (1 count) and failed to timely file a major donor campaign

statement, in violation of Government Code Section 84200, subdivision (b) (1 count). **Total Proposed Penalty: \$5,500.**

- **6.** In the Matter of West Covina Firefighters Political Action Committee, Michelle Moore Sanders, and Hardy Mosley; FPPC No. 19/1379. Staff: Christopher Burton, Senior Commission Counsel and Lance Hachigian, Special Investigator. West Covina Firefighters Political Action Committee is a local general purpose committee that was active prior to the November 6, 2018 General Election. Michelle Moore Sanders is the Committee's principal officer and Hardy Mosley is the Committee's treasurer. The Committee, Sanders, and Mosley failed to timely report independent expenditures on a pre-election and semiannual campaign statement, in violation of Government Code Section 84211, subdivisions (b), (i), (j), and (k) (1 count); and failed to timely file eight 24-Hour Reports, in violation of Government Code Section 84204 (1 count). **Total Proposed Penalty: \$5,500.**
- 7. In the Matter of BluPAC and Douglas Chan; FPPC No. 16/19981. Staff: Bridgette Castillo, Senior Commission Counsel and Lance Hachigian, Special Investigator. The respondents were represented by Nick Sanders of the Sutton Law Firm. The BluPAC is a non-profit civic research 501(c)(4) organization based in San Francisco, which has been renamed Response Analytics Research. Douglas Chan is the responsible officer. BluPAC became an independent expenditure committee when it paid a slate mailer organization, Citizens Economic Council, for independent expenditures to oppose and support Santa Clara City Council candidates in the November 8, 2016 General Election. BluPAC and Chan failed to timely file nine 24-Hour Reports, in violation of Government Code Section 84204 (1 count). Total Proposed Penalty: \$3,500.
- 8. In the Matter of Metropolitan Pacific Capital, Inc. (Plaza at Santa Monica); FPPC No. 17/1453. Staff: Michael W. Hamilton, Commission Counsel. The respondent was represented by the Kaufman Legal Group. In 2016, Plaza at Santa Monica qualified as a major donor committee after making several contributions to Santa Monica Forward Issues Committee No on LV. Plaza at Santa Monica failed to timely file a semiannual campaign statement, in violation of Government Code Section 84200 (1 count) and failed to timely file a 24-Hour Report, in violation of Government Code Section 84203 (1 count). Total Proposed Penalty: \$3,000.
- 9. In the Matter of California Tow Truck Association PAC and Vickie Young; FPPC No. 19/1510. Staff: Jenna C. Rinehart, Commission Counsel. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. California Tow Truck Association PAC is a state general purpose committee. Vickie Young was the Committee's treasurer at the time this violation occurred. Prior to the June 7, 2016 Primary Election, the Committee and Young failed to timely file a 24-Hour Report, in violation of Government Code Section 84203 (1 count). Total Proposed Penalty: \$2,000.

Gift Over-the-Limit

10. In the Matter of Josie Cervantes; FPPC No. 16/478. Staff: Michael W. Hamilton, Commission Counsel and George Aradi, Special Investigator. Josie Cervantes is a member of the Orange Cove City Council. Cervantes accepted Raiders tickets from Townsend Public Affairs that exceeded the gift limit, in violation of Government Code Section 89503 (1 count). Total Proposed Penalty: \$3,000.

General Items 11-18

11. Prenotice Discussion of Proposed Amendments to the Enforcement Division's Streamline and Warning Letter Programs (Regulations 18360.1 and 18360.2) and New Tier Two Streamline Program (Regulation 18360.3) Staff: Galena West, Enforcement Chief and Dave Bainbridge, General Counsel. Staff proposes expanding and adjusting the Commission's Streamline Settlement and Warning Letter Programs. These changes are in response to the Commission's request to review the program after implementation when it was approved over a year ago. Staff recommends the Commission adopt a second tier to the Streamline Program and some minor changes to the existing program. These regulations are presented for discussion and direction by the Commission and will be presented for adoption at a subsequent meeting.

Staff Memo

Proposed Amendments to Regulation 18360.1 Proposed Amendments to Regulation 18360.2 Proposed Adoption of Regulation 18360.3

12. Prenotice Discussion of Amendments to Regulation 18703 – Public Generally Exception.

Staff: Dave Bainbridge, General Counsel and Zachary W. Norton, Senior Counsel, Legal Division. Staff proposes amendments to Regulation 18703, which concerns the public generally exception to the conflict of interest law. The proposed amendments include a new provision specifically addressing circumstances where the interest creating a potential conflict is the official's primary residence, as well as other amendment clarifying. The proposed amendments are presented for discussion and direction by the Commission and will be presented for adoption at a subsequent meeting.

Staff Memo

Proposed Amendments to Regulation 18703

13. Amendment and Repeal of Various Regulations Due to Statutory Changes. Staff: Dave Bainbridge, General Counsel; Matthew Christy, Commission Counsel, Legal Division. Staff submits proposed amendments to Commission Regulations, comprised of minor and technical revisions, to harmonize those regulations with changes to the Political Reform Act resultant from the enactment of Assembly Bill 902 (Stats. 2019, ch. 312) and Assembly Bill 903 (Stats. 2019. ch. 102). The proposal would also revise Regulation 18431 concerning disclosure of campaign expenditures for individual signature gatherers, door-to-door solicitors, and canvassers. The proposed amendments were presented for discussion and direction at the May 2020 meeting, and are now presented for adoption.

Staff Memo

Proposed Adoption of Regulation 18250

Proposed Amendment of Regulation 18422.5

Proposed Amendment of Regulation 18426.1

Proposed Amendment of Regulation 18427.1

Proposed Amendment of Regulation 18428

Proposed Amendment of Regulation 18431

Proposed Amendment of Regulation 18438.5

Proposed Amendment of Regulation 18450.1

Proposed Amendment of Regulation 18450.3

Proposed Amendment of Regulation 18530.4

Proposed Amendment of Regulation 18530.45

Proposed Amendment of Regulation 18531.62

Proposed Amendment of Regulation 18616.4

Proposed Amendment of Regulation 18700

Proposed Amendment of Regulation 18729

Proposed Amendment of Regulation 18941

Proposed Amendment of Regulation 18943

Proposed Amendment of Regulation 18992

Proposed Amendment of Regulation 18998

Proposed Repeal of Regulation 18116

Proposed Repeal of Regulation 18117

Proposed Repeal of Regulation 18215.1

Proposed Repeal of Regulation 18229

Proposed Repeal of Regulation 18421.2

Proposed Repeal of Regulation 18996

14. Legislative Development. Staff: Dave Bainbridge, General Counsel and Jay Wierenga, Communications Director. The Commission will review and discuss memorandums provided by the Legislative Director on Commission sponsored legislation and other PRA related legislation, if any. The Commission may provide direction on sponsored legislation and other PRA related legislation. The Commission may direct staff to amend bill proposals and provide additional updates.

15. Committee Updates.

Law and Policy Committee Update.

Public Outreach and Technology Committee Update.

16. Executive Staff Reports.

Enforcement Division. Galena West, Chief of Enforcement

Legal Division. David Bainbridge, General Counsel

Administration and Technology Division. Loressa Hon, Acting Executive Director

Executive Director Update, Loressa Hon, Acting Executive Director

Executive Staff Report

17. Closed Session. Personnel Matter (Gov. Code § 11126, subs. (a) and (b); 11126(e)(1).)

18. Commissioner Comments and Proposed Future Agenda Items.

Note: Although any Commissioner may identify a topic of interest, the Commission may not substantially discuss or take action on any matter raised during the meeting that is not included on this agenda, except to decide to place the matter on the agenda of a future meeting. (Government Code Sections 11125 & 11125.7(a).)