



EXECUTIVE STAFF REPORTS

October 20, 2022 Commission Hearing

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I. ENFORCEMENT DIVISION

STAFF: ANGELA BRERETON, CHIEF

A. Overview

During the period of September 1, 2022 through September 30, 2022 the Enforcement Division received 136 complaints, opened 15 for investigation, and rejected 30. The Enforcement Division received 88 referrals during this time. The Enforcement Division closed a total of 78 cases including:

- 36 warning letters – advertisement violation (1), campaign violations (10), conflict of interests violation (1), statement of economic interests violations (23), and surplus funds violation (1);
- 5 no action closure letters: PREP completed – statement of economic interests violations (5);
- 11 no action closure letters alleging – campaign violations (6), and statement of economic interests violations (5);
- 17 approved stipulations from the August and September Commission meetings;
- 1 advisory letter – campaign violations (1);
- And 8 committees were administratively terminated.

The Division had 1,451 cases in various stages of resolution at the time of the September Monthly Report and currently has approximately 1,439 cases in various stages of resolution, including the 10 cases before the Commission as listed in the October Agenda.

B. Annual Statistics

On the next page, you will find a chart that details the annual statistics for enforcement complaints, referrals and cases. This chart includes the data from 2021, in which the Enforcement Division had a 16% increase in Streamline Penalties compared to 2020 after the Commission updated the Streamline Program regulations with the goal of making the Streamline Program more inclusive. The information in the chart has been gathered from public reports, information from the defunct and inactive database, and data that has been converted into current form, so the numbers are close estimates in some instances.

	Year	2017	2018	2019	2020	2021
1	Complaints Received	564	1,352	744	1,390	606
2	Referrals Received	1,616	1,529	1,950	1,518	1,751
3	Total Complaint and Referrals Received	2,180	2,881	2,694	2,908	2,357
4	Cases opened	1,480	1,561	1,820	1,155	1,185
5	Cases closed ³	1,477	1,243	1,465	1,526	1,058
6	Cases with penalties ¹	340	235	343	278	269
	a Streamline cases	262	173	263	194	234
	b Mainline cases	66	56	73	77	32
	c Default cases	12	6	7	7	3
7	Total fines imposed	\$1,126,933	\$499,606	\$797,384	\$1,940,107	\$472,248
8	Warning letters issued	505	554	584	777	475
9	Administrative terminations	297	177	104	62	59
10	Cases closed with violations found ²	1,142	966	1,031	1,117	803
1	Advisory letters issued	17	20	9	7	16
12	No action closure letters	318	252	423	402	237

¹ Total for lines 6a, 6b, and 6c.

² Total for lines 6, 8, and 9.

³ Total cases closed includes Commission approved cases from the previous year and Commission approved administrative judgements. It does not include Commission approved cases not yet closed.

C. Prior Year's Workload – 2022 Quarterly Summary

Jan-22		Apr-22	
Year Opened	Existing Case Workload	Year Opened	Existing Case Workload
2015	1	2015	0
2016	12	2016	10
2017	28	2017	19
2018	195	2018	174
2019	287	2019	268
2020	381	2020	361
2021	561	2021	476

Jul-22		Oct-22		
Year Opened	Existing Case Workload	Year Opened	Existing Case Workload	Difference in Case Workload
2015	0	2015	0	0
2016	7	2016	5	-2
2017	12	2017	7	-5
2018	154	2018	119	-35
2019	253	2019	223	-30
2020	335	2020	322	-13
2021	451	2021	425	-26

D. Presentations

None to Report

E. Unexecuted Streamline Stipulations

Streamline penalty stipulations are approved by the Chief of Enforcement and reported to the Commission for discussion only before they are executed. The following streamline stipulations are presented for that purpose. After the close of the hearing, the Chief of Enforcement may execute all or any of the streamline penalty stipulations, at the Chief's discretion per Regulation 18360.2.

Since the last Monthly Report, the Enforcement Chief has not used discretion to increase the penalties for Tier Two advertising violations resulting in public confusion, under Regulation 18360.3(d)(7)(B)(i)(b), or to increase the penalties for Tier Two violations involving the same candidate, committee, or principal officer who has paid a Tier One penalty to the Commission or received a Warning Letter from the Commission for the same type of violation occurring within the last five years, based on the resulting public harm.

The Enforcement Chief used discretion under Regulation 18360.2 to exclude violations in the following streamline cases presented with this report: In the Matter of Josh Jones for Governor 2018, Josh Jones, Ashley Crabtree-Jones, FPPC No. 21/907 [The total penalty exceeds the amount that would be paid in a Mainline Stipulation and lack of experience or knowledge of the Act's requirements caused multiple violations with minimal public harm that were corrected upon contact].

Campaign Bank Account

In the Matter of Gayle McLaughlin, Gayle McLaughlin for Lieutenant Governor 2018, and Paul Kilkenny; FPPC No. 21/905. Staff: Neal Bucknell, Senior Commission Counsel and Kaitlin Osborn, Special Investigator. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. McLaughlin was an unsuccessful candidate for Lieutenant Governor in the June 5, 2018 Primary Election. Gayle McLaughlin for Lieutenant Governor 2018 was the candidate-controlled committee and Kilkenny was the Committee's treasurer. In 2017 and 2018, the Committee, McLaughlin, and Kilkenny paid campaign expenses totaling approximately \$2,387 without processing them through the committee's designated bank account, in violation of Government Code Section 85201 (3 counts). **Total Penalty: \$323 (Tier One).**

Recordkeeping

In the Matter of Josh Jones for Governor of California 2018, Josh Jones, and Ashley Crabtree-Frame; FPPC No. 21/907. Staff: Theresa Gilbertson, Senior Commission Counsel. This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Josh Jones was an unsuccessful candidate for Governor in the June 5, 2018 Primary Election. Josh Jones for Governor of California 2018 was their candidate-controlled committee. Ashley Crabtree-Frame was the treasurer. The Committee, Jones, and Crabtree-Frame failed to maintain adequate records to substantiate the reporting on three campaign statements, for the periods ending April 21, 2018, May 19, 2018, and June 30, 2018, in violation of Government Code Section 84104 (3 counts). **Total Penalty: \$1,800 (Tier One).**

Advertisements

In the Matter of Silicon Valley Taxpayers' Association PAC, and Mark Hinkle; FPPC No. 22/169. Staff: Jenna C. Rinehart, Commission Counsel and Alethea Perez, Special Investigator. Silicon Valley Taxpayers' Association PAC, a local general purpose committee, and its principal officer, Mark Hinkle, failed to include the "Ad Paid for by" language and the Committee's name on yard signs opposing Measure I prior to the March 3, 2020 Primary Election, in violation of Government Code Section 84502 (1 count). **Total Penalty: \$408 (Tier Two).**

Campaign Late Filer

In the Matter of Associated Calexico Teachers/Political Action Committee, and James Taylor; FPPC No. 18/1355. Staff: Bridgette Castillo, Senior Commission Counsel. Associated

Calexico Teachers/Political Action Committee is a local general purpose committee. James Taylor served as the treasurer at the time of the violations. The Committee and Taylor failed to timely file a pre-election campaign statement, in violation of Government Code Section 84200.5 (1 count), failed to timely file a semi-annual 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 Penalty: \$1,179 (Tiers One & Two).**

In the Matter of Sean Allen 4 Sheriff 2022, and Sean Allen; FPPC No. 22/591. Staff: Angela Brereton, Chief of Enforcement and Ginny Brown, Political Reform Consultant. Sean Allen was an unsuccessful candidate for Santa Clara County Sheriff in the June 7, 2022 Primary Election. Sean Allen 4 Sheriff 2022 was Allen's candidate-controlled committee and Allen served as the Committee's treasurer. The Committee and Allen failed to timely file three 24-Hour Reports, in violation of Government Code Section 84203 (3 counts). **Total Penalty: \$630 (Tier One).**

In the Matter of Committee to Re-Elect Raymond R. Castillo Imperial County Supervisor District 5, Raymond R. Castillo, and Louisa Saldana; FPPC No. 22/566. Staff: Angela Brereton, Chief of Enforcement and Ginny Brown, Political Reform Consultant. Raymond Castillo was an unsuccessful candidate for Imperial County Supervisor in the June 7, 2022 Primary Election. Committee to Re-Elect Raymond R. Castillo Imperial County Supervisor District 5 was Castillo's candidate-controlled committee and Louisa Saldana served as Committee Treasurer. The Committee, Castillo, and Saldana failed to timely file a pre-election campaign statement, in violation of Government Code Section 84200.5 (1 count). **Total Penalty: \$565 (Tier Two).**

Statement of Economic Interests Late Filer

In the Matter of Karimu Rashad; FPPC No. 21/076. Staff: Jonathan Rivera, Commission Counsel. Karimu Rashad, a member of the Planning Commission for the City of Carson, failed to timely file a 2019 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Penalty: \$400 (Tier One).**

In the Matter of Michael Britton Sr.; FPPC No. 19/1154. Staff: Angela Brereton, Chief of Enforcement and Amber Rodriguez, Political Reform Consultant. Michael Britton Sr., a Planning Commissioner for the City of Oroville, failed to timely file a 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87203 (1 count). **Total Penalty: \$200 (Tier One).**

II. AUDITS AND ASSISTANCE DIVISION

STAFF: SHRDHA SHAH, CHIEF

Audits are conducted per Government Code sections 90000 - 90008 of the Political Reform Act (the Act). The Act requires full disclosure of receipts and expenditures of candidates and committees and disclosure of the finances of lobbyists. The purpose of the audits is to determine the level of compliance of the auditees with the Act. The opinions expressed in the audit report reflect the level of compliance with the Act. The FPPC is not responsible for the contents of the candidate's documents. Audit reports are then submitted to the Enforcement Division for further review.

A. Overview

The audit reports prepared by the FPPC summarize findings with respect to the filer's conformity with the disclosure and recordkeeping requirements of the Political Reform Act. Copies of audit reports are always sent to the auditees and those included in the audit report (such as the prior treasurer, current treasurer and/or their representatives). These reports are public documents.

B. Current Period Updates

During the period of September 1, 2022, through September 30, 2022, the Audits and Assistance Division adopted 2 audit reports, one with findings and one with no findings. Currently the team has 29 audits in progress at various stages, including fieldwork, post-fieldwork, and quality review.

Details of the audit reports adopted during the period are as follows:

1. **Rooster Public Strategies (Lobbying Firm) and Patrick Brennan (Lobbyist)** **(ID#1417413)**

Findings noted (Lobbying Firm):

1. Form 601 Lobbying Firm Registration Statements, Form 605 Amendment to Registration Statements, and Form 602 Lobbying Firm Activity Authorizations, were filed late or not filed in paper or electronically.
2. Payments received from Cambridge Mobile Telematics (CMT) were overstated by a total of \$20,000 for the months of August through November 2019.
3. Expense reimbursements received from Cambridge Mobile Telematics were overstated by \$25,488 on the Form 625 filed for the quarter ending December 31, 2019.
4. An expense reimbursement received from SoftBank Group US, Inc. (SBG) for \$1,327 were not reported on the Form 625 Report of Lobbying Firm filed for the quarter ending March 31, 2020.

Findings noted (Lobbyist):

1. The Form 604 Lobbyist Certification Statement was filed 59 days late in paper and 60 days late electronically, on March 28, 2019, and on March 29, 2019, respectively. Patrick Brennan qualified as a lobbyist on January 17, 2019, the Form 604 was due within 10 days.
2. An amendment Form 604 Lobbyist Certification Statement was not timely filed within 20 days following completion of the lobbyist ethics orientation course, the amendment was filed 63 days late in paper and 61 days late electronically. The amendment was filed in paper on September 18, 2019, and electronically on September 16, 2019.

2. Barry Chang for Board of Equalization 2018 (ID# 1397633)

No findings noted.

III. LEGAL DIVISION

STAFF: DAVE BAINBRIDGE, GENERAL COUNSEL

A. Pending Litigation

None.

B. Outreach and Training

Webinars & Workshops

- September 7, 2022, the FPPC presented a Filing Officers workshop for the League of California Cities Annual Conference. Education and External Affairs Unit Manager, Chloe Hackert, and Political Reform Consultant, Adam Ramirez, presented. 95 people attended.
- September 8, 2022, the FPPC presented a conflict of interest code webinar hosted by the County of Santa Cruz. Political Reform Consultant Brianne Kilbane presented. 12 people attended.
- September 13, 2022, the FPPC hosted a Campaign Filing Officer webinar. Political Reform Consultants, Alex Castillo and Stephen Hernandez, presented. 9 people attended.
- September 22, 2022, the FPPC hosted a Candidate/Treasurer webinar. Political Reform Consultants, Adam Ramirez and Katie Trumbly, presented. 37 people attended.

Scheduled Webinars & Workshops

- October 18, the FPPC is hosting a Candidate/Treasurer webinar.
- November 10, the FPPC is hosting a Statement of Economic Interests Filing Officer webinar.

Video Tutorials

Commission video tutorials were accessed a total of 722 times in September. Form 700 videos were accessed 214 times, the Candidate/Treasurer video was accessed 412 times, and the filing officer videos were accessed 106 times.

C. New and Updated Educational Resources

- Statements of Economic Interests Non-Filer Referral Checklist:
https://fppc.ca.gov/content/dam/fppc/NS-Documents/TAD/Campaign%20Documents/2022-checklists/SEI_Referral_Checklist_2022.pdf

- Campaign Non-Filer Referral Checklist: https://fppc.ca.gov/content/dam/fppc/NS-Documents/TAD/Campaign%20Documents/2022-checklists/SEI_Referral_Checklist_2022.pdf

D. Political Reform Education Program (PREP)

- During the period of September 1, 2022 through September 30, 2022, PREP received 22 referrals for the Statement of Economic Interests course. During this time, 6 learners completed PREP, 1 learner failed to complete PREP, and 25 learners are enrolled but have not yet completed the course.

E. Advice

The September Advice Letter Reports are available on the FPPC website at <https://www.fppc.ca.gov/advice/advice-opinion-search/advice-letter-reports/2022-advice-letter-reports/advice-letter-report-september-2022.html>.

In September, the Legal Division responded to the following requests for advice:

- **Education:** The Education unit responded to 1,125 requests for technical assistance via telephone.
- **Requests for Advice:** Political Reform Consultants and Legal Division attorneys collectively responded to 1,100 email requests for advice, 275 of which were not responded to within 24 hours.
- **Advice Letters:** The Legal Division received 6 advice letter requests under the Political Reform Act and completed 6.
- **Section 1090 Letters:** The Legal Division received 7 advice letter request concerning Section 1090 and completed 4. This year to date, we have received 37 advice requests regarding Section 1090.

F. Miscellaneous Decisions

None.

G. Upcoming Regulation Projects

November

- Prohibited lobbyist activities - New provisions to interpret and make specific prohibitions on lobbyists and lobbying firms contained in 86205 (adoption).
- COLA – Amend various regulations to reflect biennial cost of living adjustments required by statute (adoption).

H. Conflict of Interest Codes

Adoptions and Amendments

State Agencies

None

Multi-County Agencies

- Association of CA Water Agencies Joint Powers Insurance Authority
- CA Community Power
- CA Intergovernmental Risk Authority
- Contra Costa & Solano Counties School District's Liability/Property Self-Insurance Authority
- Fresno-Kings-Madera Regional Health Authority
- North Valley Schools Insurance Group II
- Oakdale Irrigation District
- Rocklin Academy
- San Juan Water District
- Schools Insurance Authority
- Tres Hermanos Conservation Authority

Exemptions

None

Extensions

None

I. Probable Cause Proceedings

Probable cause proceedings are conducted per Government Code section 83115.5. A finding of probable cause does not constitute a finding a violation occurred. Respondents are presumed innocent of any violation of the Act unless a violation is proven in a subsequent proceeding.

In the Matter of Ramos for City Council 2018, Committee to Elect Daniel Ramos Adelanto City Council 2020, Daniel Ramos, Ricardo Ramos, and Arley Arsineda, Case No. 2019-00464. On September 1, 2022, probable cause was found, on the papers, that Respondents committed the following violations of the Act:

Count 1: Failure to Timely File Amendment to Statement of Organization

The Victorville Committee, Daniel, and Ricardo failed to timely file an amendment to the Committee's statement of organization within 10 days of the qualification as a committee, in violation of Government Code Section 84103, subdivision (a).

Count 2: Failure to Timely File Semi-Annual Campaign Statement

The Victorville Committee, Daniel, and Ricardo failed to timely file the Victorville Committee's semi-annual campaign statement for the reporting period of October 21, 2018 to December 31, 2018, in violation of Section 84200.

Count 3: Failure to Timely File Semi-Annual Campaign Statement

The Victorville Committee, Daniel, and Ricardo failed to timely file the Victorville Committee's semi-annual campaign statement for the reporting period of January 1, 2019 to June 30, 2019, in violation of Section 84200.

Count 4: Failure to Timely File Semi-Annual Campaign Statement

The Victorville Committee, Daniel, and Ricardo failed to timely file the Victorville Committee's semi-annual campaign statement for the reporting period of July 1, 2019 to December 31, 2019, in violation of Section 84200.

Count 5: Failure to Timely File Semi-Annual Campaign Statement

The Victorville Committee, Daniel, and Ricardo failed to timely file the Victorville Committee's semi-annual campaign statement for the reporting period of January 1, 2020 to June 30, 2020, in violation of Section 84200.

Count 6: Failure to Timely File Pre-Election Campaign Statement

The Victorville Committee, Daniel, and Ricardo failed to timely file the Victorville Committee's pre-election campaign statement for the reporting period of July 1, 2020 to September 19, 2020, in violation of Section 84200.5.

Count 7: Failure to Timely File Pre-Election Campaign Statement

The Victorville Committee, Daniel, and Ricardo failed to timely file the Victorville Committee's pre-election campaign statement for the reporting period of September 20, 2020 to October 17, 2020, in violation of Section 84200.5.

Count 8: Failure to Timely File Semi-Annual Campaign Statement

The Victorville Committee, Daniel, and Ricardo failed to timely file the Victorville Committee's semi-annual campaign statement for the reporting period of October 18, 2020 to December 31, 2020, in violation of Section 84200.

Count 9: Failure to Timely File Semi-Annual Campaign Statement

The Victorville Committee, Daniel, and Ricardo failed to timely file the Victorville Committee's semi-annual campaign statement for the reporting period of January 1, 2021 to June 30, 2021, in violation of Section 84200.

Adelanto Committee

Count 10: Failure to Timely File Pre-Election Campaign Statement

The Adelanto Committee, Daniel, and Arsineda failed to timely file the Adelanto Committee's pre-election campaign statement for the reporting period of January 1, 2020 to September 19, 2020, in violation of Section 84200.5.

Count 11: Failure to Timely File Pre-Election Campaign Statement

The Adelanto Committee, Daniel, and Arsineda failed to timely file the Adelanto Committee's pre-election campaign statement for the reporting period of September 20, 2020 to October 17, 2020, in violation of Section 84200.5.

Count 12: Failure to Timely File Semi-Annual Campaign Statement

The Adelanto Committee, Daniel, and Arsineda failed to timely file the Adelanto Committee's semi-annual campaign statement for the reporting period of October 18, 2020 to December 31, 2020, in violation of Section 84200.

Count 13: Failure to Timely File Semi-Annual Campaign Statement

The Adelanto Committee, Daniel, and Arsineda failed to timely file the Adelanto Committee's semi-annual campaign statement for the reporting period of January 1, 2021 to June 30, 2021, in violation of Section 84200.

IV. ADMINISTRATION & TECHNOLOGY DIVISION

STAFF: LORESSA HON, CHIEF

A. New Employee Report

Enforcement Division

Kristin Hamilton, Special Investigator

Administrative Division

Kao Saelee, Information Technology Associate

B. Statement of Economic Interest (Form 700)

As of October 1, 2022, 241 persons who were required under their state or local agency conflict of interest code to file a 2021/2022 Annual Form 700 had not timely done so.