



EXECUTIVE STAFF REPORTS

March 24, 2022 Commission Hearing

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I. ENFORCEMENT DIVISION

STAFF: ANGELA BRERETON, CHIEF

A. Overview

During the period of February 1, 2022 through February 28, 2022 the Enforcement Division received 75 complaints, opened 12 for investigation, and rejected 27. The Enforcement Division received 104 referrals during this time. The Enforcement Division closed a total of 93 cases including:

- 53 warning letters –advertisement violations (1), behested payment (2), campaign violations (13), conflict of interest (1), and statement of economic interests violations (36);
- 9 no action closure letters alleging –campaign violations (4), lobbying violations (1), statement of economic interests violations (3), and behested payment violations (1);
- 29 approved stipulations from the December and February Commission meetings; and
- 2 advisory letters for a conflict of interests violation.

The Division had 1,510 cases in various stages of resolution at the time of the February Monthly Report and currently has approximately 1,516 cases in various stages of resolution, including the 17 cases before the Commission as listed in the March 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 – 2021 Quarterly Summary

Jan-21		Apr-21	
Year Opened	Existing Case Workload	Year Opened	Existing Case Workload
2015	3	2015	3
2016	38	2016	35
2017	80	2017	70
2018	280	2018	266
2019	428	2019	408
2020	539	2020	441

Jul-21		Nov-21	
Year Opened	Existing Case Workload	Year Opened	Existing Case Workload
2015	2	2015	1
2016	27	2016	15
2017	59	2017	42
2018	249	2018	218
2019	396	2019	327
2020	442	2020	411

D. 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 did not use discretion under Regulation 18360.2 to exclude violations in the streamline cases presented with this report.

Advertisements

[In the Matter of Steve McShane for District 3 City Council in 2018, McShane for Supervisor 2020, and Steve McShane; FPPC No. 20/761.](#) Staff: Jenna C. Rinehart, Commission Counsel and Lance Hachigian, Special Investigator. Steve McShane was a successful candidate for Salinas City Council, District 3, in the November 6, 2018 General

Election, and an unsuccessful candidate for Monterey County Supervisor, District 4, in the March 3, 2020 Primary Election. Steve McShane for District 3 City Council in 2018 and McShane for Supervisor 2020 are McShane's candidate-controlled committees. The Committees and McShane failed to include "Paid for by" on 34 mass electronic mailings, in violation of Government Code Section 84305 (34 counts). Total Penalty: \$3,400 (Tier One).

Campaign Late Filer

In the Matter of Valle for Alameda County Supervisor 2018/22, Richard Valle, and Barbara Aro-Valle; FPPC No. 21/524. Staff: Neal Bucknell, Senior Commission Counsel. The respondents were represented by Thomas A. Willis of Olson Remcho LLP. Richard Valle was a successful candidate for Alameda County Supervisor in the June 5, 2018 Primary Election. Valle for Alameda County Supervisor 2018/22 is his candidate-controlled committee. Barbara Aro-Valle was the Committee's treasurer. The Committee, Valle, and Aro-Valle failed to timely file seven semi-annual campaign statements, in violation of Government Code Section 84200 (7 counts); two pre-election campaign statements, in violation of Government Code Section 84200.5 (2 counts); and six 24-hour reports, in violation of Government Code Section 84203 (6 counts). **Total Penalty: \$8,073 (Tier One & Two).**

In the Matter of Eloise Reyes for Assembly 2016, Eloise G. Reyes, and William P. Smith; FPPC No. 18/1343. Staff: Christopher B. Burton, Assistant Chief of Enforcement. The respondents were represented by Thomas A. Willis of Olson Remcho LLP. Eloise G. Reyes was a successful candidate for California State Assembly, District 47 in the June 7, 2016 Primary and November 8, 2016 General Elections. Eloise Reyes for Assembly 2016 was Reyes' candidate-controlled committee. William P. Smith was the Committee's treasurer. The Committee, Reyes, and Smith failed to timely file three preelection campaign statements, in violation of Government Code Sections 84200.5 and 84605 (3 counts); five semi-annual campaign statements, in violation of Government Code Sections 84200 and 84605 (5 counts); and three 24-hour reports, in violation of Government Code Sections 84203 and 84605 (3 counts). **Total Penalty: \$3,214 (Tier One & Two).**

In the Matter of Committee to Elect Bob Jensen for Hart School Board 2018, Robert N. Jensen, Jr.; FPPC No. 21/1144. Staff: Angela Brereton, Chief of Enforcement and Tara Stock, Intake Manager. Bob Jensen was a successful candidate for the William S. Hart Union High School District Board in the November 6, 2018 General Election. Committee to Elect Bob Jensen for Hart School Board 2018 was Jensen's candidate-controlled committee. The Committee and Jensen failed to timely file four 24-hour reports, in violation of Government Code Section 84203 (4 counts). **Total Penalty: \$973 (Tier One).**

In the Matter of Ron Morrison; FPPC No. 21/1096. Staff: Angela Brereton, Chief of Enforcement and Ginny Lambing, Political Reform Consultant. Ron Morrison, candidate for Mayor of National City in the November 8, 2022 General Election, failed to timely file a Candidate Intention Statement prior to receiving contributions or making expenditures in relation to their candidacy, in violation of Government Code Section 85200 (1 count). **Total Penalty: \$200 (Tier One).**

In the Matter of Committee to Elect Sharoni Little College Board 2018 and Sharoni Little; FPPC No. 21/881. Staff: Angela Brereton, Chief of Enforcement and Amber Rodriguez, Assistant Political Reform Consultant. Sharoni Little was a successful candidate for the Compton Community College District Board of Trustees in the November 6, 2018 General Election. Committee to Elect Sharoni Little College Board 2018 was Little's candidate-controlled committee. The Committee and Little failed to timely file a semi-annual campaign statement, in violation of Government Code Section 84200 (1 count). **Total Penalty: \$200 (Tier One).**

Statement of Economic Interests Late Filer

In the Matter of Bernard Dory; FPPC Nos. 16/19886 and 19/601. Staff: Jenna C. Rinehart, Commission Counsel. Bernard Dory, as a Council Aide for the City of Los Angeles, failed to timely file a 2015 Annual and a 2016 Annual/Leaving Office Statement of Economic Interest, in violation of Government Code Section 87300 (2 counts). Additionally, as a Field Representative for the California Assembly Staff, failed to timely file an Assuming Office and a 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Total Penalty: \$2,400 (Tier One).**

In the Matter of Donald Skinner; FPPC No. 19/1429. Staff: David E. Castro, Commission Counsel. The respondent was represented by Edward Amaral of Germino, Amaral & Jordan. Donald Skinner, a Member of the Board of Directors for the Lower San Joaquin Levee District, failed to timely file a 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Penalty: \$600 (Tier One).**

In the Matter of David Kennedy; FPPC No. 19/1198. Staff: Angela Brereton, Chief of Enforcement and Amber Rodriguez, Assistant Political Reform Consultant. David Kennedy, Treasurer for the City of San Bernardino, failed to timely file a 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87203 (1 count). **Total Penalty: \$400 (Tier One).**

In the Matter of Rocky Valles; FPPC No. 21/659. Staff: Angela Brereton, Chief of Enforcement and Kimberly Rawnsley, Staff Services Analyst. Rocky Valles, a Alternate Board Member with the Ventura County Schools Self-Funding Authority, failed to timely file a 2019 Annual Statement of Economic Interests, in violation of Government Code Section 87203 (1 count). **Total Penalty: \$200 (Tier One).**

In the Matter of Sid Bazett; FPPC No. 22/012. Staff: Angela Brereton, Chief of Enforcement and Laura Mandler, Political Reform Consultant. Sid Bazett, Director of the Cameron Park Community Services District, failed to timely file an Assuming Office Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Penalty: \$200 (Tier One).**

Statement of Economic Interests Late Reporter

In the Matter of Marvin Richardson; FPPC No. 19/1036. Staff: Alex Rose, Commission Counsel. Marvin Richardson, Consultant with the California State Senate, failed to timely file a 2018, 2019, and 2020 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (3 counts). **Total Penalty: \$1,200 (Tier One).**

In the Matter of Courtney Durham; FPPC No. 20/669. Staff: Angela Brereton, Chief of Enforcement and Tara Stock, Intake Manager. Courtney Durham, a Rehabilitation Project Coordinator for the Housing & Community Investment Department for the City of Los Angeles, failed to timely disclose an investment interest on the 2018 Annual Statement of Economic Interests, in violation of Government Code Section 87302 (1 count). **Total Penalty: \$100 (Tier One).**

In the Matter of Eric Hall; FPPC No. 21/1049. Staff: Angela Brereton, Chief of Enforcement, and Ginny Lambing, Political Reform Consultant. The respondent was represented by Sarah Lang of Bell McAndrews & Hiltachk. Eric Hall, as a candidate for City Councilmember of the City of St. Helena, failed to timely report one source of income on his Candidate Statement of Economic Interests, in violation of Government Code Section 87201 (1 count). **Total Penalty: \$100 (Tier One).**

II. AUDITS AND ASSISTANCE DIVISION

STAFF: SHRDHA SHAH, CHIEF

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 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. Current Period Updates

During the period of February 1, 2022 through February 28, 2022, the Audits and Assistance Division adopted 2 audit reports, both with findings. The reports have been referred to the Enforcement Division pursuant to our standard practice. Currently, the team has 37 audits in progress at various stages, including fieldwork, post-fieldwork, and quality review.

III. LEGAL DIVISION

STAFF: DAVE BAINBRIDGE, GENERAL COUNSEL

A. Pending Litigation

Mat Wahlstrom v. FPPC, Steven J. Kaufman and Kaufman Legal Group, APC
San Diego County Superior Court, Central Division
Case No. 37-2020-00030654-CU-WMCTL

Petitioner filed a petition for writ of mandate on August 31, 2020. The petition seeks to set aside a streamline stipulation, decision and order against Todd Gloria adopted by the Commission in November 2019. The Attorney General is representing the Commission. The Commission timely filed an answer to the complaint. Petitioner filed an amended petition on May 12, 2021. The Commission filed a demurrer to the amended petition, the parties submitted briefs and at a hearing on December 13, 2021. The court issued an order continuing the demurrer hearing to March 18, 2022, at 8:30 a.m. in Department 65 before Judge Ronald F. Frazier.

B. Outreach and Training

Webinars

- February 1, the FPPC presented a Statement of Economic Interests Filers webinar requested by CalSTRS. Political Reform Consultants Katie Trumbly, and Alex Castillo, presented. 38 people attended.
- February 2, the FPPC presented a Statement of Economic Interests Filers webinar requested by CalSTRS. Political Reform Consultants, Alex Castillo, and Stephen Hernandez, presented. 22 people attended.
- February 2, the FPPC presented a Candidate/Treasurer Getting Started webinar requested by the County of Contra Costa. Education Program Manager, Chloe Hackert, presented. 17 people attended.
- February 3, the FPPC presented a Statement of Economic Interests Filer webinar requested by the County of Santa Clara. Political Reform Consultants, Katie Trumbly, and Alex Castillo, presented. 47 people attended.
- February 8, the FPPC hosted a Statement of Economic Interests Filing Officer webinar. Education Program Manager, Chloe Hackert, and Political Reform Consultant, Stephen Hernandez, presented. 29 people attended.
- February 9, the FPPC presented a Statement of Economic Interests Filing Officer webinar requested by Los Angeles County Board of Supervisors Office. Education Program Manager, Chloe Hackert, and Political Reform Consultant, Alex Castillo, presented. 250 people attended.
- February 10, the FPPC presented at the California Judges Association Form 700 webinar. Commission Counsel, Katelyn Green, presented. 270 people attended.

- February 15, the FPPC hosted a Statement of Economic Interests Filers webinar. Education Program Manager, Chloe Hackert, and Political Reform Consultant, Katie Trumbly, presented. 38 people attended.
- February 16, the FPPC hosted an AB 571 webinar. Political Reform Consultants, Alex Castillo, and Stephen Hernandez, presented. 13 people attended.
- February 22, the FPPC hosted a Candidate/Treasurer webinar. Political Reform Consultants, Stephen Hernandez, and Alex Castillo, presented. 20 people attended.
- February 24, the FPPC hosted a Campaign Filing Officer webinar. Education Program Manager, Chloe Hackert, and Political Reform Consultant, Katie Trumbly, presented. 19 people attended.

Scheduled Webinars

- March 2, the FPPC is hosting a Candidate/Treasurer webinar requested by the City of Pasadena.
- March 3, the FPPC is hosting a Statement of Economic Interests Filing Officer webinar.
- March 10, the FPPC is hosting a Candidate/Treasurer webinar.
- March 15, the FPPC is hosting a Statement of Economic Interests Filers webinar.
- March 22, the FPPC is hosting a Campaign Filing Officer webinar.
- March 23, the FPPC is hosting a Candidate/Treasurer webinar requested by the County of San Diego.

Video Tutorials

Commission video tutorials were accessed a total of 877 times in February. Form 700 videos were accessed 597 times, the Candidate/Treasurer video was accessed 147 times, and the filing officer videos were accessed 133 times.

C. New and Updated Educational Resources

- Electronic Signatures Fact Sheet: https://fppc.ca.gov/content/dam/fppc/NS-Documents/TAD/new-laws/Filing_With_A_Digital_Signature_Final.pdf

D. Advice

The February Advice Letter Report is available on the FPPC website at <https://www.fppc.ca.gov/advice/advice-opinion-search/advice-letter-reports/2022-advice-letter-reports/FPPC-advice-letter-report-feb-2022.html>.

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

- **Education:** The Education unit responded to 665 requests for technical assistance via telephone.

- **Requests for Advice:** The Email Advice and Conflict of Interest Code Program and Legal Division attorneys collectively responded to 964 email requests for advice, 141 of which were not responded to within 24 hours.
- **Advice Letters:** The Legal Division received 8 advice letter requests under the Political Reform Act and completed 7.
- **Section 1090 Letters:** The Legal Division received 2 advice letter request concerning Section 1090 and completed 1. This year to date, we have received 4 advice requests regarding Section 1090.

E. Miscellaneous Decisions

None

F. Potential Upcoming Regulation Projects

April

- Press Policy – Provide specific rules governing the level of detail provided to the press and public regarding the status of pending Enforcement cases (pre-notice).

May

- Filing Officer Referrals - Provide specific criteria and requirements for filing officials submitting referrals to the Enforcement Division for campaign finance, SEI, behested payment, and lobbying reporting violations (pre-notice).
- Complaints against Commissioners – Require referral of any complaint or filing officer referral alleging a Commissioner violated the Act to the Office of the Attorney General (pre-notice).
- Cryptocurrency - Consider revising prohibition on making and receiving campaign contributions via cryptocurrency (adoption).

For more information on these and other regulation projects planned for 2022, go to <https://www.fppc.ca.gov/the-law/fppc-regulations.html>.

G. Conflict of Interest Codes

Adoptions and Amendments

- Metropolitan Water District of Southern California

Exemptions

None

Extensions

None

H. Probable Cause Hearings

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.

The following matters were decided based solely on the papers. The respondents did not request a probable cause hearing.

1. ***In the Matter of Jose Pech, Case No. 19/1407.*** On February 22, 2022, probable cause was found to believe Respondent committed the following violations of the Act:

Count 1: By recommending a rental amount for property owned by Torres, a source of income financial interest, on December 11, 2015, Pech, a public official, participated in making a governmental decision in which he knew he had a financial interest, in violation of Government Code Section 87100.

Count 2: By recommending a rental unit pass inspection for property owned by Torres, a source of income financial interest, on December 14, 2015, Pech, a public official, participated in making a governmental decision in which he knew he had a financial interest, in violation of Government Code Section 87100.

Count 3: By recommending a rental amount for property owned by Torres, a source of income financial interest, on December 21, 2016, Pech, a public official, participated in making a governmental decision in which he knew he had a financial interest, in violation of Government Code Section 87100.

Count 4: Pech failed to timely file a Leaving Office SEI by the June 14, 2019 due date, in violation of Government Code Section 87300.

2. ***In the Matter of Lassen County Republican Central Committee and Christine Lee, Case No. 2018-00178.*** On February 15, 2022, probable cause was found to believe Respondents committed the following violations of the Act:

Count 1: The Committee and Lee failed to timely file a semiannual campaign statement by the deadline of February 1, 2016 for the reporting period of July 1, 2015 through December 31, 2015, in violation of Government Code section 84200.

Count 2: The Committee and Lee failed to timely a semiannual campaign statement by the deadline of August 1, 2016 for the reporting period of January 1, 2016 through June 30, 2016, in violation of Government Code section 84200.

- Count 3: The Committee and Lee failed to timely a semiannual campaign statement by the deadline of January 31, 2017 for the reporting period of July 1, 2016 through December 31, 2016, in violation of Government Code section 84200.
- Count 4: The Committee and Lee failed to timely a semiannual campaign statement by the deadline of July 31, 2017 for the reporting period of January 1, 2017 through June 30, 2017 in violation of Government Code section 84200.
- Count 5: The Committee and Lee failed to timely a semiannual campaign statement by the deadline of January 31, 2018 for the reporting period of July 1, 2017 through December 31, 2017 in violation of Government Code section 84200.
- Count 6: The Committee and Lee failed to timely a semiannual campaign statement by the deadline of July 31, 2018 for the reporting period of January 1, 2018 through June 30, 2018 in violation of Government Code section 84200.
- Count 7: The Committee and Lee failed to timely a pre-election campaign statement by the deadline of October 25, 2018 for the reporting period of July 1, 2018 through October 20, 2018 in violation of Government Code section 84200.5, subdivision (a)(4).
- Count 8: The Committee and Lee failed to timely a semiannual campaign statement by the deadline of January 31, 2019 for the reporting period of October 21, 2018 through December 31, 2018 in violation of Government Code section 84200.
- Count 9: The Committee and Lee failed to timely a semiannual campaign statement by the deadline of July 31, 2019 for the reporting period of January 1, 2019 through June 30, 2019 in violation of Government Code section 84200.
- Count 10: The Committee and Lee failed to timely a semiannual campaign statement by the deadline of January 31, 2020 for the reporting period of July 1, 2019 through December 31, 2019 in violation of Government Code section 84200.
- Count 11: The Committee and Lee failed to maintain adequate source documentation and records sufficient to file campaign statements and to substantiate the reporting for the reporting periods occurring between January 1, 2015 through December 31, 2019, in violation of Government Code section 84104.

IV. ADMINISTRATION & TECHNOLOGY DIVISION

STAFF: LORESSA HON, CHIEF

A. New Employee Report

Administration and Technology Division

Jesse Hidalgo, Chief Information Officer (CIO) (Promotion)

Nate McGaughey, Research Data Analyst II (Promotion)

William Cameron, Staff Services Analyst (Promotion)

Legal Division

Mayson Lord, Staff Services Analyst

Enforcement Division

Vanessa Greer, Staff Services Analyst

B. Statement of Economic Interest (Form 700)

As of February 1, 2022, there were 186 Form 700 non-filers of the 2020/2021 Annual Form 700 filing. The Statement of Economic Interest Unit has made 173 non-filer referrals to the Enforcement Division.