To: Chair Silver, Commissioners Brandt, Ortiz, and Wilson

From: Angela J. Brereton, Assistant Chief of Enforcement

Laura Columbel, Commission Counsel

Subject: In the Matter of Damian Morgan; FPPC No. 22/075; Enforcement Division's

Response to Respondent's Motion to Vacate Default Judgment

Date: May 1, 2025

BACKGROUND

As detailed in the Default, Damian Morgan ("Morgan") served as a board member for the Marin City Community Services District from 2018 to 2022. As a board member, Morgan was required to file Annual Statements of Economic Interests ("SEI") and a Leaving Office SEI upon vacating the position.

Administrative proceedings began on May 2, 2024, when Morgan was served with a Report in Support of Finding Probable Cause. After several meaningful discussions and requests to file outstanding SEIs, Morgan was unresponsive to the Enforcement Division. Therefore, Morgan was served via substitute service with the Accusation at their home address on October 20, 2024, satisfying the service requirement for Accusations. Respondents did not file a Notice of Defense. Defense.

Due to the failure to file a Notice of Defense, on December 24, 2024, a letter titled, "Notice of Default Decision and Order" was sent to Morgan's home, the same address where Morgan was served with the Accusation.³ This letter served as pre-notice that the Enforcement Division intended to pursue a default in the Respondent's case. The initial notice of the default appeared on the published agenda for the Commission's public meeting on January 16, 2025. On January 30, 2025, a second letter, Notice of Intent to Enter Default Decision and Order, was also sent to Mogan's home.⁴ This letter informed Morgan that on February 13, 2025, at the Commission's public meeting, the Enforcement Division would ask the Commission to adopt the default and impose an administrative penalty of \$16,000. A copy of the default, decision, and order and accompanying exhibits the Commission considered at its meeting on February 13, 2025, was enclosed with the letter. Morgan was also provided instructions regarding the opportunity to respond to the Default.

¹ Government Code § 11505, subd. (c).

² Default Decision and Order FPPC No. 22/075 at page 4.

³ Default Decision and Order FPPC No. 22/075 at page 63.

⁴ Default Decision and Order FPPC No. 22/075 at page 65.

On February 13, 2025, the Commission approved a Default, Decision and Order on the consent calendar for the case: *In the Matter of Damian Morgan;* FPPC No. 22/075 (the "Default"). On April 2, 2025, Morgan was served via substitute service with a copy of the signed Default Decision and Order, Exhibit 1 in Support of a Default Decision, Exhibits A-1 through A-10, and a copy of California Code of Regulations, Title 2, Section 18361.11, attached herein. On March 11, 2025, Morgan filed a Motion to Vacate the Default, Decision and Order by mail which was received by the Enforcement Division on March 18, 2025. After meaningful communication with Morgan, Morgan promptly filed the outstanding SEIs on March 24, 2025, with the Marin County Filing Officer and has remained in good contact with the Enforcement Division.

The Commission has the authority to vacate its prior decision on a default and grant the respondent a hearing but only on a showing of good cause.⁵ "Good cause" includes, but is not limited to, (1) failure of the person to receive notice of the Accusation, and (2) mistake, inadvertence, surprise, or excusable neglect.⁶ Morgan does not dispute service; therefore, Morgan's request to vacate rests on the presence of mistake, inadvertence, surprise or excusable neglect.

The Commission's discretion to grant a Motion to Vacate a Default rests on whether the respondent asserts good cause for not responding to the present administrative action. Here, Morgan has asserted no facts on which the Commission can rely to grant the Motion to Vacate based on good cause.

2

⁵ Government Code § 11520, subd. (c), and California Code of Regulations, Title 2, § 18361.11, subd. (d)(2).

⁶ Government Code § 11520, subd. (c) and California Code of Civil Procedure § 473.