



(Unapproved and subject to change)

CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION

MINUTES OF HEARING, Public Session

Thursday, August 20, 2015

CALL TO ORDER

Chair Remke called the meeting to order at 10:00 am on August 20, 2015 at the Fair Political Practices Commission, 428 J Street, Sacramento, CA 95814. Chair Remke and Commissioners Casher, Wasserman, and Wynne were present. Commissioner Eskovitz was absent.

WELCOME

1. Public Comment

Chair Remke announced the Interested Persons meeting for the new FPPC website, and acknowledged the staff for their hard work.

George Barich from Cotati, CA followed up on two complaints he submitted against the City of Cotati.

Michael Chairimello encouraged the FPPC to investigate Mr. Barich's complaint.

2. Approval of June 2015 Commission Hearing Minutes.

Commissioner Wynne made a motion to approve item 2, Commissioner Casher seconded the motion.

Ayes: Commissioners Casher, Wasserman, Wynne, Chair Remke
The motion passed 4 to 0

PROPOSED CONSENT CALENDAR ITEMS 3 – 53
ENFORCEMENT MATTERS

Items 3, 7, 9, 11, and 37 were pulled from the consent calendar.

Commissioner Casher for clarification on item 4, Chief of Enforcement Galena West answered the question.

Commissioner Wynne made a motion to approve items 4-6, 8, 10, 12-36, 38-53, Chair Remke seconded the motion.

Ayes: Commissioners Casher, Wasserman, Wynne, Chair Remke
The motion passed 4 to 0

Laundered Campaign Contributions

3. In the Matter of James “Jim” Nielsen, Taxpayers for Jim Nielsen – Assembly 2012, Charles H. Bell, Jr., Tehama County Republican Central Committee, Roger Marsh, Linda Alston, Robert A. “Bob” Williams, Friends of Bob Williams for Assembly 2012, and David Bauer; FPPC No. 12/377. Staff: Senior Commission Counsel Angela Brereton and Special Investigator Lee Myers. James “Jim” Nielsen has served in the California Legislature for over eighteen years as a State Senator and Assemblymember. Taxpayers for Jim Nielsen – Assembly 2012 (“Taxpayers for Nielsen”), was Nielsen’s candidate controlled committee. Charles H. Bell, Jr. was the treasurer for Taxpayers for Nielsen. Tehama County Republican Central Committee (“Tehama GOP”) was a political party committee located in Red Bluff, CA. Roger Marsh was the treasurer for Tehama GOP in July 2012, and Linda Alston was the treasurer for Tehama GOP in February 2013. Robert A. “Bob” Williams was an unsuccessful candidate for California State Assembly, 3rd District, in the June 5, 2012 Primary Election. Nielsen and Tehama GOP endorsed Williams in the election. Friends of Bob Williams for Assembly 2012 (“Friends of Williams”) was Williams’ candidate controlled committee. David Bauer was treasurer for Friends of Williams.

The parties violated the Political Reform Act as follows:

Nielsen, Taxpayers for Nielsen and Bell: made an earmarked, over-the-limit contribution to Friends of Williams totaling \$4,320 in the name of Tehama GOP, violating Government Code Sections 84301, 85301 and 85704, and Regulation 18545, subdivision (a)(1) (1 count); filed a campaign statement for the reporting period of January 1 through June 30, 2012, erroneously reporting information regarding that contribution, in violation of Government Code Section 84211, subdivision (k) (1 count); Nielsen: knowingly received a gift of tickets to an NBA basketball game arranged by lobbying firm Sloat Higgins Jensen & Associates, in violation of Government Code Section 86204 (1 count);

Williams, Friends of Williams and Bauer: accepted an over-the-limit contribution from Taxpayers for Nielsen totaling \$4,320, violating Government Code Section 85301 and Regulation 18545, subdivision (a)(1) (1 count); filed a campaign statement for the reporting period of May 20 through June 30, 2012, erroneously reporting information regarding that contribution, in violation of Government Code Section 84211, subdivision (f) (1 count);

Tehama GOP and Marsh: while acting as the intermediary of Taxpayers for Nielsen, failed to disclose both the intermediary and the original contributor information for a

\$4,320 contribution from Taxpayers for Nielsen to Friends of Williams, in violation of Government Code Section 84302 (1 count);

Tehama GOP, Marsh, and Alston: filed an original and an amended campaign statement erroneously reporting that Tehama GOP made a contribution to Friends of Williams, instead of disclosing that Tehama GOP was the intermediary for the contribution made by Taxpayers for Nielsen to Friends of Williams, in violation of Government Code Section 84211, subdivision (k) (1 count).

Total Proposed Penalty to the State of California: \$23,000.

Commissioner Wasserman stated that he believes the application of the “reason to know” standard is too broad relating to county political parties. Chair Remke noted this case was an example of earmarking.

Commissioner Wasserman questioned at what point FPPC determines coordination, he then asked clarifying questions regarding this case, Chief of Enforcement Galena West responded. Commissioner Wasserman questioned how a failure to disclose \$4,320 resulted in a \$23,000 fine, and Chief West clarified the \$23,000 total was the cumulative fine for all the parties.

Commissioner Wasserman talked about prosecutorial discretion and raised concerns about potential cascading effects of fines. Chief West clarified the division’s investigative process. Chair Remke highlighted the stipulation, and expressed interest in reviewing member communications. Commissioner Wasserman and Chair Remke discussed the effects of proposition 34, and expressed the need of further analysis.

Commissioner Wynne made a motion to approve item 3, Commissioner Casher seconded the motion.

Ayes: Commissioners Casher, Wasserman, Wynne, Chair Remke
The motion passed 4 to 0

4. In the Matter of Moo Han Bae; FPPC No. 13/203. Staff: Senior Commission Counsel Angela Brereton and Special Investigator Ann Flaherty. The Enforcement Division of the Los Angeles City Ethics Commission (“CEC”) and the Enforcement Division of the Fair Political Practices Commission (“Enforcement Division”) initiated a joint investigation into potential money laundering and campaign contribution limits violations by Moo Han Bae in support of Wendy Greuel, a candidate for Los Angeles Mayor in 2013. Bae violated the Political Reform Act by making nine contributions totaling \$10,550 in the names of other persons in support of Wendy Greuel, violating Government Code Section 84301 (9 counts). A penalty of \$5,000 per count is recommended, for a total penalty of \$45,000: \$22,500 to the State of California and \$22,500 to the City of Los Angeles. Bae also violated the Los Angeles City Charter contribution limit, which is not enforceable by the Enforcement Division, for which the recommended maximum penalty of \$31,650 be paid to the City of Los Angeles. The

total penalty recommended for Bae is \$76,650: \$22,500 to the State of California and \$54,150 to the City of Los Angeles.

Total Proposed Penalty to the State of California: \$22,500.

Over the Limit Contributions

5. In the Matter of Coto for Senate 2012, Joe Coto, and Vote Matters; FPPC No. 12/305. Staff: Senior Commission Counsel Dave Bainbridge and Special Investigator Ann Flaherty. Joe Coto (“Coto”) was an unsuccessful candidate for State Senate, District 15, in the November 6, 2012 General Election. Coto for Senate 2012 (“Coto Committee”) was his controlled committee and Vote Matters (“Vote Matters”) is a state general purpose committee. Vote Matters, in coordination with the Coto Committee, made a number of expenditures on behalf of Coto that exceeded the campaign contribution limit for the 2012 election, in violation of Government Code Section 85301, subdivision (a) (2 counts). The parties also failed to properly disclose the coordinated expenditures made by Vote Matters on behalf of Coto as contributions to the Coto Committee, in violation of Government Code Section 84211, subdivisions (a)(c)(f) and (k) (3 counts).

Total Proposed Penalty: \$16,000.

Conflict of Interest

6. In the Matter of Margaret Salazar; FPPC No. 13/235 (Default Decision). Staff: Senior Commission Counsel Neal Bucknell, Special Investigator Ann Flaherty, and Political Reform Consultant Adrienne Korchmaros. This matter arose from an audit conducted by the California State Auditor, Bureau of State Audits. At all relevant times, Margaret Salazar was the Regional Director of a migrant education program that was administered by the San Joaquin County Office of Education and overseen by the California Department of Education. On numerous occasions, she used her official position to direct substantial program funds for catering and janitorial services to two different vendors in which she had an economic interest, in violation of Government Code Section 87100 (10 counts).

Total Proposed Penalty: \$40,000.

7. In the Matter of Collin Wong-Martinusen; FPPC No. 15/151. Staff: Senior Commission Counsel Dave Bainbridge. Collin Wong-Martinusen, in his capacity as Chief of Staff for State Treasurer John Chiang, participated in making a governmental decision in which he knew, or had reason to know, he had a financial interest in violation of Government Code Section 87100 (1 count).

Total Proposed Penalty: \$2,500.

Commissioner Wasserman stated Mr. Wong-Martinusen is the Chief of Staff for the State Official that appointed him to the FPPC, but has had no communication with either of them regarding this matter, he also stated, and General Counsel Hyla Wagner

confirmed, that he would not need to recuse himself from discussing and ruling on this matter.

Commissioner Wasserman questioned whether fining Mr. Wong-Martinusen for self-disclosing the Conflict of Interest violation disincentives prompt self-disclosure. Chief of Enforcement Galena West stated that they used Tom Hammond's \$2,500 fine as the benchmark for this fine and noted that the Commission previously set a \$2,500 fine as the floor for these cases.

Commissioner Wynne asked Chief West for future analysis whether she believes the \$2,500 is the right minimum.

Chair Remke made a motion to approve item 7, Commissioner Casher seconded the motion.

Ayes: Commissioners Casher, Wynne, Chair Remke

Nay: Commissioner Wasserman

The motion passed 3 to 1

Campaign Reporting

8. In the Matter of Million More Voters, Sponsored by the California Labor Federation, AFL-CIO, and Art Pulaski; FPPC No. 14/327. Staff: Commission Counsel Milad Dalju and Program Specialist Grant Beauchamp. This matter arose out of an audit performed by the Political Reform Audit Program of the Franchise Tax Board. Million More Voters, Sponsored by the California Labor Federation, AFL-CIO ("Million More Voters"), a sponsored state general purpose committee, and its treasurer, Art Pulaski, failed to file 24-hour independent expenditure reports, in violation of Government Code Sections 85500, subdivision (a), and 84203.5 (3 counts); failed to file supplemental independent expenditure reports by January 31, 2011, covering the period October 17, 2010 through December 31, 2010, in violation of Government Code Section 84203.5 (1 count); and failed to report all expenditures of \$500 or more made by an agent or independent contractor on behalf of Million More Voters covering the period October 17, 2010 through December 31, 2010, in violation of Government Code Sections 84211, subdivision (k), and 84303 (1 count).

Total Proposed Penalty: \$16,000.

9. In the Matter of POWERPAC.ORG VOTER FUND, a Sponsored Committee of PowerPac.org and Lisa Le, Treasurer; FPPC No. 14/0259. Staff: Commission Counsel Milad Dalju and Program Specialist Luz Bonetti. This matter arose out of an audit performed by the Political Reform Audit Program of the Franchise Tax Board. Respondent POWERPAC.ORG VOTER FUND, a Sponsored Committee of PowerPac.org, a sponsored state general purpose committee, and its treasurer Respondent Lisa Le failed to timely file supplemental independent expenditure reports, in violation of Government Code section 84203.5 (2 counts), and failed to timely report

independent expenditures made, in violation of Government Code section 84211, subdivision (k)(5) (3 counts).

Total Proposed Penalty: \$13,500.

Commissioner Wynne made a motion to approve item 9, Chair Remke seconded the motion.

Ayes: Commissioners Wasserman, Wynne, Chair Remke

Abstention: Commissioner Casher

The motion passed 3 to 0

10. In the Matter of Laurette Healey, Healey for Assembly 2012, and Marcia Davalos; FPPC No. 14/105. Staff: Commission Counsel Zachary W. Norton and Program Specialist Soni Mangat. This matter arose out of an audit performed by the Political Reform Audit Program of the Franchise Tax Board. Laurette Healey was an unsuccessful candidate for State Assembly, District 46, in the June 5, 2012 Primary Election. Healey for Assembly 2012 was her candidate controlled committee and Marcia Davalos was the committee treasurer. Healey, Healey for Assembly 2012, and Davalos failed to accurately disclose the balance of cash on hand, in violation of Government Code Section 84211, subdivision (e) (1 count), failed to maintain supporting records for expenditures made and loans received, in violation of Government Code Section 84104 (1 count), made expenditures of \$100 or more in cash, totaling approximately \$31,500, in violation of the Government Code Section 84300, subdivision (b) (1 count), and failed to deposit contributions made by Healey, into a single, designated campaign bank account prior to expenditure, in violation of Government Code Section 85201, subdivisions (c), and (e) (1 count).

Total Proposed Penalty: \$8,000.

11. In the Matter of Ben Allen, Ben Allen for State Senate 2014, and David Gould; FPPC No. 14/1071. Staff: Commission Counsel Zachary W. Norton and Special Investigator Kelli Gould. Ben Allen was a successful candidate for State Senate, District 26, in the November 4, 2014 General Election. Ben Allen for State Senate 2014 was his candidate controlled committee and David Gould was the committee treasurer. Allen, Ben Allen for State Senate 2014, and Gould failed to timely disclose, on the second preelection campaign statement for the March 18, 2014 through May 17, 2014 reporting period, the receipt of in kind contributions in the form of reduced rent for their campaign headquarters, in violation of Government Code Section 84211, subdivisions (a), (c), and (f) (2 counts).

Total Proposed Penalty: \$4,000.

Commissioner Wasserman recused himself from discussion from this item and left the hearing room.

Chair Remke made a motion to approve item 11, Commissioner Casher seconded the motion.

Ayes: Commissioners Casher, Wynne, Chair Remke
Abstention: Commissioner Wasserman
The motion passed 3 to 0

General Counsel Hyla Wagner affirmed that Commissioner Wasserman needed to explain his recusal, and Commissioner Wasserman stated he believes this campaign may have paid rent to an entity that he has a financial interest in.

12. In the Matter of Robert E. Bernosky and Bernosky for Assembly 2012; FPPC No. 13/1162. Staff: Commission Counsel Zachary W. Norton. Robert E. Bernosky was an unsuccessful candidate for State Assembly, District 30, in the 2012 General Election. Bernosky for Assembly 2012 was his candidate controlled committee. Bernosky and Bernosky for Assembly 2012 failed to timely file a semiannual campaign statement for the reporting period covering October 21, 2012 through December 31, 2012, due January 31, 2013, in violation of Government Code Sections 84200, subdivision (a) and 84605, subdivision (a) (1 count).
Total Proposed Penalty: \$2,500.

13. In the Matter of John McMahon, Friends of John McMahon for San Bernardino Sheriff 2014, and Marvin Reiter; FPPC No. 14/335. Staff: Commission Counsel Zachary W. Norton and Program Specialist Grant Beauchamp. This matter arose out of an audit performed by the Enforcement Division of the Fair Political Practices Commission, as a part of the contract with the County of San Bernardino to audit each candidate campaign committee for elected county offices. John McMahon was a successful candidate for San Bernardino County Sheriff in the June 3, 2014 Primary Election. Friends of John McMahon for San Bernardino Sheriff 2014 was his candidate controlled committee and Marvin Reiter was the committee treasurer. McMahon, Friends of John McMahon for San Bernardino Sheriff 2014, and Reiter received a cashier's check in the amount of \$500 and a money order in the amount of \$100, which were not drawn from the bank accounts of the contributors, in violation of Government Code Section 84300, subdivision (c) (1 count).
Total Proposed Penalty: \$1,500.

14. In the Matter of Curt Hagman, Curt Hagman for San Bernardino County Supervisor, and John Fugatt; FPPC No. 14/298. Staff: Commission Counsel Zachary W. Norton and Program Specialist Soni Mangat. This matter arose out of an audit performed by the Enforcement Division of the Fair Political Practices Commission, as a part of the contract with the County of San Bernardino to audit each candidate campaign committee for elected county offices. Curt Hagman was a successful candidate for San Bernardino County Supervisor, District 4, in the June 3, 2014 Primary Election and in the November 4, 2014 General Election. Curt Hagman for San Bernardino County Supervisor was his candidate controlled committee and John Fugatt was the committee treasurer. Hagman, Curt Hagman for San Bernardino County Supervisor, and Fugatt received a cashier's check in the amount of \$8,200, which was

not drawn from the bank account of the contributor, in violation of Government Code Section 84300, subdivision (c) (1 count).

Total Proposed Penalty: \$1,500.

15. In the Matter of Sandra A. Volta Johnson, Sandra Johnson for City Council 2012, and Kimberly Underwood; FPPC No. 14/853. Staff: Commission Counsel Zachary W. Norton and Program Specialist Luz Bonetti. This matter arose out of an audit performed by the Political Reform Audit Program of the Franchise Tax Board. Sandra A. Volta Johnson was a Lancaster City Council member and a successful candidate for re-election to that office in the April 10, 2012 General Municipal Election. Sandra Johnson for City Council 2012 was her candidate controlled committee and Kimberly Underwood was the committee treasurer. Johnson, Sandra Johnson for City Council 2012, and Underwood failed to disclose on campaign statements occupation and employer information for approximately 20 individual contributors, in violation of Government Code Section 84211, subdivision (f) (1 count).

Total Proposed Penalty: \$1,500.

16. In the Matter of Ricardo Benitez, Ricardo Benitez for State Senate 2014, and Daniel H. Villegas; FPPC No. 14/406. Staff: Senior Commission Counsel Dave Bainbridge and Law Clerk Albert DiRocco. Ricardo Benitez was an unsuccessful candidate for State Senate, District 18, in the November 4, 2014 General Election. Ricardo Benitez for State Senate 2014 was his candidate controlled committee and Daniel H. Villegas was the committee treasurer. Benitez, Ricardo Benitez for State Senate 2014, and Villegas failed to timely file four preelection and one semiannual campaign statement, in violation of Government Code Sections 84200 and 84200.5 (5 counts).

Total Proposed Penalty: \$1,030.

17. In the Matter of The California List; FPPC No. 14/1059. Staff: Commission Counsel Michael W. Hamilton and Program Specialist Luz Bonetti. The California List, a state general purpose committee, failed to file a preelection campaign statement covering the reporting period of October 1, 2012 through October 20, 2012, due October 25, 2012, in violation of Government Code Section 84200.5 (1 count), and failed to file three 24 hour contribution reports, in violation of Government Code Section 84203 (3 counts).

Total Proposed Penalty: \$942.

18. In the Matter of Committee to Re-elect Bill Wittman Sheriff 2010, Bill Wittman, and Wayne Bixler; FPPC No. 14/569. Staff: Senior Commission Counsel Dave Bainbridge and Special Investigator Jeffrey Kamigaki. Bill Wittman was a successful candidate for Tulare County Sheriff in the June 8, 2010 Primary Election. The Committee to Re-elect Bill Wittman Sheriff 2010 was his candidate controlled committee and Wayne Bixler was the committee treasurer. Wittman, Committee to Re-elect Bill Wittman Sheriff 2010, and Bixler failed to timely disclose on two semiannual campaign statements occupation information for 15 individuals and employer

information for 24 individuals who made cumulative contributions of \$100 or more, in violation of Government Code Section 84211, subdivision (f) (2 counts).

Total Proposed Penalty: \$466.

19. In the Matter of Peter Chau, Peter Chau for School Board 2014, and Christine Gin; FPPC No. 15/119. Staff: Political Reform Consultant Adrienne Korchmaros. Peter Chau was an unsuccessful candidate for Board Member of the West Contra Costa Unified School District in the November 4, 2014 General Election. Peter Chau for School Board 2014 was his candidate controlled committee and Christine Gin was the committee treasurer. Chau, Peter Chau for School Board 2014, and Gin failed to timely disclose totals of contributions and expenditures on the semiannual campaign statement covering the period October 19, 2014 through December 31, 2014, due on January 31, 2014, in violation of Government Code Section 84211 (1 count).

Total Proposed Penalty: \$424.

20. In the Matter of L. Dennis Michael for Mayor 2010, L. Dennis Michael, and J.M. Olchawa; FPPC No. 15/292. Staff: Senior Commission Counsel Dave Bainbridge. L. Dennis Michael was a successful candidate for Mayor of Rancho Cucamonga in the November 2, 2010 General Election. L. Dennis Michael for Mayor 2010 was his candidate controlled committee and J.M. Olchawa was the committee treasurer. Michael, L. Dennis Michael for Mayor 2010, and Olchawa received a non-monetary contribution on September 30, 2010 from the Rancho Cucamonga Professional Firefighters PAC valued at \$12,500 that it failed to timely disclose on its preelection campaign statement, in violation of Government Code Section 84211, subdivision (f) (1 count).

Total Proposed Penalty: \$325.

21. In the Matter of Jennifer Dupre, Jennifer Dupre for District Attorney 2014, and Jessica Miller; FPPC No. 15/178. Staff: Commission Counsel Michael W. Hamilton. Jennifer Dupre was an unsuccessful candidate for Sutter County District Attorney in the November 4, 2014 General Election. Jennifer Dupre for District Attorney 2014 was her candidate controlled committee and Jessica Miller was the committee treasurer. Dupre, Jennifer Dupre for District Attorney 2014, and Miller failed to timely file a semiannual campaign statement covering the period October 19, 2014 through December 31, 2014, due January 31, 2015, in violation of Government Code Section 84200 (1 count).

Total Proposed Penalty \$311.

22. In the Matter of Julianne Sylva, Committee to Elect Julianne Sylva for Judge 2014, and Scott Savage; FPPC No. 15/052. Staff: Senior Commission Counsel Dave Bainbridge and Law Clerk Preeti Grewal. Julianne Sylva was a successful candidate for Superior Court Judge of the County of Santa Clara, Office 21, in the June 3, 2014 Primary Election. Committee to Elect Julianne Sylva for Judge 2014 was her candidate controlled committee and Scott Savage was the committee treasurer. Sylva, Committee to Elect Julianne Sylva for Judge 2014, and Savage failed to timely file a

preelection campaign statement covering the period March 18, 2014 through May 17, 2014, due May 22, 2014, in violation of Government Code Section 84200.5 (1 count).
Total Proposed Penalty: \$275.

23. In the Matter of Tom Mattusch, Tom Mattusch San Mateo County Harbor Commissioner 2014, and Lee Engdahl; FPPC No. 14/1257. Staff: Political Reform Consultant Tara Stock. Tom Mattusch was a successful candidate for Commissioner of the San Mateo County Harbor District in the November 4, 2014 General Election. Tom Mattusch San Mateo County Harbor Commissioner 2014 was his candidate controlled committee and Lee Engdahl was the committee treasurer. Mattusch, Tom Mattusch San Mateo County Harbor Commissioner 2014, and Engdahl failed to timely file a preelection campaign statement covering the period October 1, 2014 through October 18, 2014, due on October 23, 2014, in violation of Government Code Section 84200.5 (1 count).
Total Proposed Penalty: \$200.

Major Donor Reporting

24. In the Matter of The Nature Conservancy; FPPC No. 15/142. Staff: Senior Commission Counsel Angela Brereton and Program Specialist Luz Bonetti. The Nature Conservancy failed to timely disclose a \$200,000 contribution made to Conservation Action Fund on September 23, 2010, on its major donor semiannual campaign statement covering the period of July 1, 2010 through December 31, 2010, due by January 31, 2011, in violation of Government Code Section 84211 (1 count).
Total Proposed Penalty: \$2,200.

Statement of Economic Interests – Non-Reporter

25. In the Matter of Scott Vermeer; FPPC No. 14/1144. Staff: Senior Commission Counsel David Bainbridge and Special Investigator Jeffrey Kamigaki. Scott Vermeer, as a Police Chief and Assistant City Manager for the City of Mountain View, failed to report compensation and gifts on his 2012 Annual Statement of Economic Interests, gifts on his 2013 Annual Statement of Economic Interests, and gifts on his 2014 Annual Statement of Economic Interests, in violation of Government Code Sections 87300 and 87302 (3 counts).
Total Proposed Penalty: \$300.

Statement of Economic Interests – Non-Filer

26. In the Matter of Vanajakshi Mudunuri; FPPC No. 14/894. Staff: Political Reform Consultant Tara Stock. Vanajakshi Mudunuri, as a Physician/Surgeon for the California Correctional Health Care Services, failed to timely file her 2013 Annual Statement of Economic Interests, covering the period January 1, 2013 through December 31, 2013, due April 1, 2014, in violation of Government Code Section 87300 (1 count).

Total Proposed Penalty: \$200.

27. In the Matter of John De Rago; FPPC No. 15/128. Staff: Political Reform Consultant Tara Stock. John De Rago, as a member of the City of Torrance Cable Television Advisory Board, failed to timely file his 2013 Annual Statement of Economic Interests, covering the period January 1, 2013 through December 31, 2013, due April 1, 2014, in violation of Government Code Section 87300 (1 count).

Total Proposed Penalty: \$200.

28. In the Matter of Andrew Stunich; FPPC No. 15/161. Staff: Political Reform Consultant Tara Stock. Andrew Stunich, as the City Attorney for the City of Trinidad, failed to timely file his 2013 Annual Statement of Economic Interests, covering the period January 1, 2013, through December 31, 2013, due April 1, 2014, in violation of Government Code Section 87203 (1 count).

Total Proposed Penalty: \$200.

\$50 Annual Fee Cases

Effective January 1, 2013, Government Code Section 84101.5 requires every recipient committee in California to pay a \$50 annual fee to the Secretary of State's office until they terminate as a committee. The \$50 is used to fund the Political Disclosure, Accountability, Transparency, and Access Fund to help repair and improve the state's online disclosure program (Cal-Access). If the fee is not paid, the Secretary of State's office will impose a \$150 penalty in addition to the \$50 fee. If the committee fails to pay the fee and penalty, the Enforcement Division of the Commission is mandated to collect the fee and a \$150 penalty as a violation of the Act. On May 21, 2015, the Commission approved the \$50 Fee Streamlined Program for the processing and enforcement of these referrals. The Enforcement Division received our first set of referrals from the Secretary of State's office May 1, 2015 for the non-payment of the 2013 Annual Fee and the cases listed below are as a result of that referral.

29. In the Matter of Bostick for Los Angeles City Council 2013; FPPC No. 15/425. Staff: Senior Commission Counsel Bridgette Castillo. Bostick for Los Angeles City Council 2013 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).

Total Proposed Penalty: \$200.

30. In the Matter of Pat Burt for City Council 2012; FPPC No. 15/442. Staff: Senior Commission Counsel Bridgette Castillo. Pat Burt for City Council 2012 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).

Total Proposed Penalty: \$200.

31. In the Matter of Bonita Democratic Council; FPPC No. 15/422. Staff: Senior Commission Counsel Bridgette Castillo. Bonita Democratic Council failed to pay the

2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).

Total Proposed Penalty: \$200.

32. In the Matter of Guerrero for Council 2013; FPPC No. 15/621. Staff: Senior Commission Counsel Bridgette Castillo. Guerrero for Council 2013 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).

Total Proposed Penalty: \$200.

33. In the Matter of Foothill-De Anza Faculty Association PAC; FPPC No. 15/578. Staff: Senior Commission Counsel Bridgette Castillo. Foothill-De Anza Faculty Association PAC failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5.

Total Proposed Penalty: \$200.

34. In the Matter of 10th Assembly District Democratic Club; FPPC No. 15/378. Staff: Senior Commission Counsel Bridgette Castillo. 10th Assembly District Democratic Club failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).

Total Proposed Penalty: \$200.

35. In the Matter of Committee to Elect Rob Hammond for School Board 2011; FPPC No. 15/632. Staff: Senior Commission Counsel Bridgette Castillo. Committee to Elect Rob Hammond for School Board 2011 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).

Total Proposed Penalty: \$200.

36. In the Matter of Krystee Clark for City Council 2013; FPPC No. 15/514. Staff: Senior Commission Counsel Bridgette Castillo. Krystee Clark for City Council 2013 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).

Total Proposed Penalty: \$200.

37. In the Matter of the Committee to Elect Ben Johnson Council 2012; FPPC No. 15/679. Staff: Commission Counsel Michael W. Hamilton. The Committee to Elect Ben Johnson Council 2012 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).

Total Proposed Penalty: \$200.

Commissioner Wynne made a motion to approve item 37, Chair Remke seconded the motion.

Ayes: Commissioners Wasserman, Wynne, Chair Remke

Abstention: Commissioner Casher
The motion passed 3 to 0

38. In the Matter of Friends of Judge Ron Kreber; FPPC No. 15/704. Staff: Commission Counsel Michael W. Hamilton. Friends of Judge Ron Kreber failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.

39. In the Matter of Brian Lamb for Inyo County Judge; FPPC No. 15/784. Staff: Commission Counsel Michael W. Hamilton. Brian Lamb for Inyo County Judge failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.

40. In the Matter of the Monterey Park Democratic Club; FPPC No. 15/875. Staff: Commission Counsel Michael W. Hamilton. Monterey Park Democratic Club failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.

41. In the Matter of Renee Morgan for Council 2012; FPPC No. 15/878. Staff: Commission Counsel Michael W. Hamilton. Renee Morgan for Council 2012 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.

42. In the Matter of Palos Verdes Democrats; FPPC No. 15/925. Staff: Commission Counsel Michael W. Hamilton. Palos Verdes Democrats failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.

43. In the Matter of Pomona Valley Democratic Club; FPPC No. 15/946. Staff: Commission Counsel Michael W. Hamilton. Pomona Valley Democratic Club failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.

44. In the Matter of Antonio Sanchez for LAUSD School Board 2013 – District 6; FPPC No. 15/1001. Staff: Commission Counsel Michael W. Hamilton. Antonio Sanchez for LAUSD School Board 2013 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.

- 45. In the Matter of the Committee to Re-Elect Steve Shanahan La Palma City Council 2012; FPPC No. 15/1020.** Staff: Commission Counsel Michael W. Hamilton. Committee to Re-Elect Steve Shanahan La Palma City Council 2012 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.
- 46. In the Matter of the Tulare Medical Society Political Action Committee; FPPC No. 15/1074.** Staff: Commission Counsel Michael W. Hamilton. Tulare Medical Society Political Action Committee failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.
- 47. In the Matter of Friends of Terri Valladolid for Southwestern College School Board 2010; FPPC No. 15/1081.** Staff: Commission Counsel Michael W. Hamilton. Friends of Terri Valladolid for Southwestern College School Board 2010 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.
- 48. In the Matter of Vargas for Hawthorne School Board 2009; FPPC No. 15/1084.** Staff: Commission Counsel Michael W. Hamilton. Vargas for Hawthorne School Board 2009 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.
- 49. In the Matter of the Vietnamese-American Political Action Committee; FPPC No. 15/1091.** Staff: Commission Counsel Michael W. Hamilton. Vietnamese-American Political Action Committee failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.
- 50. In the Matter of Derek Waleko for LA City Council 2013; FPPC No. 15/1100.** Staff: Commission Counsel Michael W. Hamilton. Derek Waleko for LA City Council 2013 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.
- 51. In the Matter of Re-Elect Robert Weygant Supervisor Committee – 2014; FPPC No. 15/1110.** Staff: Commission Counsel Michael W. Hamilton. Re-Elect Robert Weygant Supervisor Committee failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).
Total Proposed Penalty: \$200.

52. In the Matter of Democrats of Greater Irvine; FPPC No. 15/757. Staff: Commission Counsel Michael W. Hamilton. Democrats of Greater Irvine failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).

Total Proposed Penalty: \$200.

53. In the Matter of John McAlister for City Council 2012; FPPC No. 15/851. Staff: Commission Counsel Michael W. Hamilton. John McAlister for City Council 2012 failed to pay the 2013 \$50.00 annual fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count).

Total Proposed Penalty: \$200.

GENERAL ITEM 54

54. Adoption of Amendment to Regulation 18531 Staff: Lynda Cassady, Division Chief, Technical Assistance. Staff proposes to amend Regulation 18531 to update the positions and disclosure categories in the FPPC's conflict of interest code.

Chair Remke thanked and praised the Technical Assistance Division for improving the procedure to review every State and Multi-County conflict of interest code.

Chief of the Technical Assistance Division Lynda Cassady briefed the Commission.

Commissioner Wasserman asked about changing shall to must in the regulation. Chair Remke stated that was done at her request.

Commissioner Wasserman made a motion to approve item 54, Commissioner Casher seconded the motion.

Ayes: Commissioners Casher, Wasserman, Wynne, Chair Remke
The motion passed 4 to 0

EXECUTIVE STAFF REPORTS ITEM 55

The following executive staff reports were presented and submitted

Legislative Report. Staff: Senior Commission Counsel and Legislative Coordinator, Sukhi Brar.

Litigation Report. Staff: General Counsel, Hyla P. Wagner

Legal Division Report. Staff: General Counsel, Hyla P. Wagner

Enforcement Division Report. Staff: Acting Chief of Enforcement, Galena West

Technical Assistance Division Report. Staff: Chief of Technical Assistance Division, Lynda Cassady

Administration Division Report. Staff: Chief of Administration, Loressa Hon

IT Division Report. Staff: Chief of Administration, Loressa Hon

Chair Remke highlighted and praised all the work the Enforcement Division has done to resolve the \$50 annual fee referral. Commissioner Wasserman noted this was a important project. Chief of Enforcement Galena West highlighted the benefits from the quick completion of the project.

Chris Reynolds with the Secretary of States' Political Reform Division praised the FPPC's work in the \$50 annual fee issue. Chair Remke thanked Mr. Reynolds' contribution to this project. Commissioner Wasserman also thanked Mr. Reynolds.

Chair Remke highlighted that AB1083 regarding Stockton was signed. SB21 and AB 1544 have been amended since the Legislative Report came out.

Legislative Coordinator, Sukhi Brar noted that AB1544 is a brand new bill.

Chair Remke praised Legislative Coordinator, Sukhi Brar for working extensively with author's offices to address concerns.

The Commission discussed their interest and obstacles of impacting the legislative process.

Chair Remke highlighted the regulatory roadmap in the Legal Report.

General Counsel Hyla Wagner briefed the Commission of the proposed regulations; Commissioner Wasserman asked a question; and General Counsel Wagner responded.

Chair Remke highlighted various IT projects.

The Commission expressed interest in discovering the costs to host a remote hearing.

Commissioner Wasserman expressed interest in receiving a line item budget.

Chair Remke made a motion to adjourn the meeting. Commissioner Casher seconded the motion.

Ayes: Commissioners Casher, Wasserman, Wynne, Chair Remke
The motion passed 4 to 0

The meeting adjourned at 11:28am.

Respectfully Submitted,
Dated:

John Kim
Commission Assistant
Approved September 17, 2015

Joann Remke, Chair
Fair Political Practices Commission