



FAIR POLITICAL  
PRACTICES COMMISSION

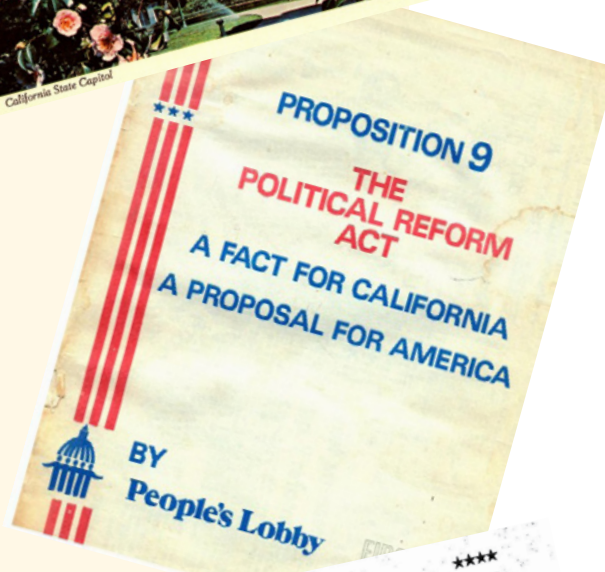
# ANNUAL REPORT

---

2024

# TABLE OF CONTENTS

About the FPPC	3
Message from FPPC Chair Adam E. Silver	4
2024 Year in Review	6
2024 Highlights and Updates	8
Appendix A: Major Enforcement Cases	17
Appendix B: Legislation	25
Appendix C: Regulations	27
Online Resources	29
Contact Us	31



Commissioner E. Dotson Wilson    Commissioner Abby K. Wood    Chair Adam E. Silver    Commissioner Catharine Baker    Commissioner Elsa Ortiz

## ABOUT THE FPPC

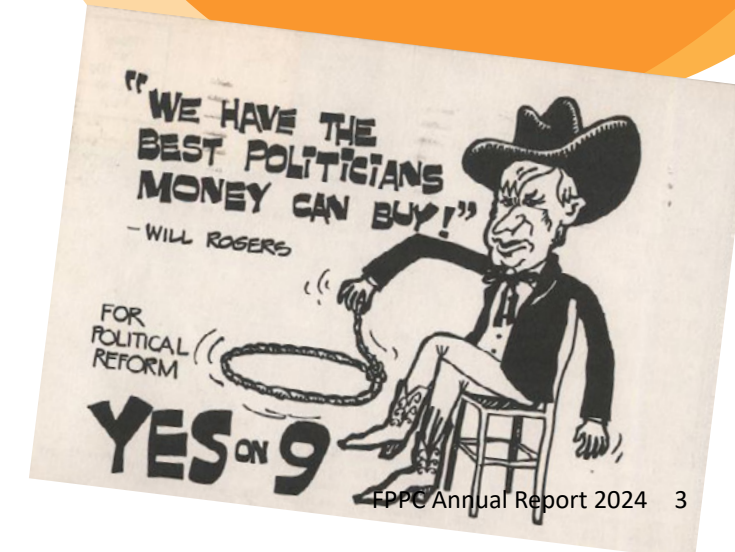
The Fair Political Practices Commission is a five-member independent, nonpartisan commission that has the primary responsibility for the impartial and effective administration and enforcement of the Political Reform Act. The Act regulates campaign finance, conflicts of interest, lobbying, and governmental ethics. The Commission's objectives are to ensure that public officials act in a fair and unbiased manner in the governmental decision-making process, to promote transparency in government, and to foster public trust in the political system.

in the regulated community, and effectively enforce the Act.

### 2024 MEMBERSHIP OF THE COMMISSION

- Adam E. Silver, Chair
- Catharine Baker
- Elsa Ortiz
- E. Dotson Wilson
- Abby K. Wood

The Act and the FPPC were created in 1974 when California voters approved Proposition 9. Since the adoption of the Act, the Commission has worked to promote and increase transparency, provide assistance, advice, and education to thousands of individuals





## MESSAGE FROM FPPC CHAIR ADAM E. SILVER

It is an absolute honor to serve as the 16th Chair of the California Fair Political Practices Commission—the agency where I began my career in public service. I have a deep respect for the FPPC, its mission, and its expert staff, and thank the Governor and the people of California for this tremendous opportunity to lead at a time when public trust in government is more critical than ever.

My priorities as Chair are twofold:

- Promote public trust by ensuring the timely and fair enforcement of the law, with a special focus on prosecuting the most serious violations of the Political Reform Act, including campaign money laundering, conflicts of interest, and the use of state resources for campaign purposes.

- Leverage emerging technology, including artificial intelligence, to increase efficiency, promote timely and meaningful disclosure, and expand our educational outreach to political candidates, public officials, and other regulated entities.

These efforts will help us better serve the people of California and continue to strengthen the foundation of our democratic process.

While we look to the future, it’s important to recognize the important progress made by the Commission under my predecessor, Richard C. Miadich, and the Commissioners who served the people of California alongside him. During his tenure, the FPPC spearheaded and secured various initiatives

and policy changes that strengthened and modernized campaign finance and ethics laws. These achievements include the establishment of the Digital Transparency Task Force and the adoption of legislation and regulations that increased transparency in regards to donations directed by elected officials (so called “behested payments”) and corporations participating in the political process. The Commission also made enforcement of the law a priority, adopting new enforcement directives and policies.

I’d like to close by highlighting some of the FPPC’s key achievements in 2024:

- Successfully prosecuted over 1,000 cases, resulting in more than \$802,000 in fines—the highest total since 2017.
- Expanded the nationally recognized Political Reform Education Program (PREP), allowing the FPPC to prioritize enforcement resources on prosecuting the most serious violations of the state’s ethics rules.

- Secured a major legislative victory to increase transparency in the digital age by requiring mandatory e-filing of Statements of Economic Interests (Form 700) for elected and other high-level officials.

I am grateful for my fellow Commissioners, our dedicated staff, and the trust placed in us by the people of California. Together, we will continue advancing transparency, accountability, and integrity in our state’s political process.

Adam E. Silver

Chair, Fair Political Practices Commission

# 2024 YEAR IN REVIEW



## LEGAL ADVICE

The Legal Division responds to a large number of requests for advice from state and local officials, candidates, campaign committees, and lobbyists. For relatively straightforward inquiries, Commission Counsels and Political Reform Consultants provide informal advice by phone or email. For some requests, legal staff can provide written advice in the form of advice letters, which are publicly available on the FPPC website.

**9,141** emails providing advice on compliance with the Act.

**94** advice letters researched and authored, **42** of which related to Section 1090 of the Government Code.



## POLITICAL REFORM EDUCATION PROGRAM (PREP)

PREP is an educational program that allows individuals who commit minor violations of the Political Reform Act and who have little to no experience with the Act to take an educational course in lieu of monetary penalties.

**260** individuals successfully completed PREP courses in 2024.



## EDUCATION AND TRAINING

Political Reform Consultants in the Legal Division prepare and conduct extensive training and outreach through workshops, webinars, video tutorials, and other training materials to help individuals better understand their obligations under the Political Reform Act. The division also develops the forms and manuals used for financial disclosures and provides telephone advice for filers, their staff, and filing officers throughout the state.

**52** webinars and **7** workshops conducted.

**7,780** total views of FPPC video tutorials:

- **2,022** were of Candidate & Treasurer tutorials,
- **4,223** were of Form 700 tutorials,
- **1,535** were of Filing Officer tutorials.

**7,740** telephone calls providing technical assistance.



## ENFORCEMENT CASES

The Enforcement Division analyzes and processes complaints and referrals about potential violations of the Political Reform Act and investigates if there is sufficient information to believe that a violation of the Act has occurred. A complaint can be resolved through a letter taking no action, an advisory letter, a warning letter, or through prosecution, which may result in monetary penalties approved by the Commission.

**1,536** cases resolved, with **142** settlements, **7** defaults, and **\$802,238** in total fines.



## FORM 700S

The Administration Division processes and acts as filing officer for Statements of Economic Interests from all levels of government across the state.

**25,458** annual, assuming office, leaving office, and candidate statements processed, including **13,633** that were filed using the FPPC's electronic filing system and **6,457** that were filed through local electronic filing systems.



## AUDIT REPORTS

The Audits and Assistance Division operates the audit program of both mandatory and discretionary audits.

**13** audit reports were adopted by the Audits and Assistance Division in 2024. These included reports for lobbying audits, candidates and committees controlled by candidates for San Bernardino County, CalPERS, and Statewide offices with **\$11,893,980.21** in total combined funds received and **\$3,261,040.32** in total combined expenditures made.



## CONFLICT OF INTEREST CODES

Political Reform Consultants in the Legal Division prepare recommendations to Commission Counsel for conflict of interest code adoptions and amendments for all state and multi-county agencies. Political Reform Consultants also conduct webinars and create training materials for government agencies developing their conflict of interest codes.

**66** state agency and multi-county agency conflict of interest codes approved.

# 2024 HIGHLIGHTS AND UPDATES

## FPPC 50TH ANNIVERSARY

### ORIGINS OF THE POLITICAL REFORM ACT

In the aftermath of the Watergate scandal, California was the first state to pass a comprehensive political reform package to “put an end to corruption in politics.” Proposition 9, known today as The Political Reform Act, was passed as a ballot measure by California voters in the June 1974 election. The initiative was championed by a tripartite group consisting of then-Secretary of State Jerry Brown, the People’s Lobby, and Common Cause. The Act had six main provisions, it:

1. Imposed mandatory spending limits on candidates for statewide offices and statewide ballot measure committees.
2. Required lobbyists to register with the state and restricted their gifts and contributions to public officials.
3. Imposed strict conflict of interest laws, required

agencies to establish conflict of interest codes, and required officials to disclose personal financial information.

4. Banned anonymous contributions of \$100 or more and established extensive campaign disclosure laws.
5. Enacted laws to curtail incumbent advantage, such as prohibiting mass mailings at the public expense.
6. Created the Fair Political Practices Commission, an independent centralized authority to secure compliance with the Act.

By including provisions regulating campaign finance, lobbying activity and conflicts

of interest, Proposition 9 represented the most significant state-level response to the culture of corruption that was believed to be so pervasive in the pre-Watergate years. Campaign activities and the personal financial affairs of state and local officials were subjected to greater public scrutiny than at any other time in California’s history. It also provided a strong platform for the future amendments and additions to the Act made the via ballot measure and legislation. Finally, the initiative directed that the law be vigorously enforced by the newly created Fair Political Practices Commission.

### EVOLUTION

The Political Reform Act has evolved significantly since 1974 to adapt to changing political and electronic environments. Contribution limits for appointed officials and the FPPC’s

Enforcement Division were created in 1982. Voters passed Proposition 73 (1988) Proposition 112 (1990) and Proposition 34 (2000) to update contribution limits, ethics laws, financial disclosure requirements and increased penalties for violations of the Act. The new millennium ushered in a wave of changes to modernize the Act and the FPPC, including launching a state-wide e-filing system for Statements of Economic Interests in 2012 and AdWATCH in 2018, a tool for the public to upload pictures of campaign signs or a videos of campaign ads they believe to be legally questionable.

### 50TH ANNIVERSARY HIGHLIGHTS

The 50th anniversary of the Political Reform Act was celebrated on September 11, 2024, at the McGeorge School of Law campus in Sacramento. A congratulatory video message from Governor Gavin Newsom opened the event, where the Governor discussed current political challenges related to distrust of elected officials and political systems. “Transparency was then, and is still, the best antidote to this mistrust,” he told the audience. “That’s why we need the Fair Political Practices Commission more than ever.”



Current FPPC Chair Adam E. Silver also sat down with former Governor Jerry Brown, a framer of the Political Reform Act, to discuss his experience conceptualizing the bill during his time as the Secretary of State through watching it pass on the ballot and its long-term effects.

The day also featured prominent speakers and panels on different aspects of the Act. “Taming the Wild West: The Origins of the Political Reform Act” was moderated by Lance H. Olsen, founder and senior counsel of Olson Remcho, and featured Bob Stern, a principal co-author of the Political Reform Act, Charles H. Bell Jr., founding partner of Bell, McAndrews & Hiltachk LLP, and Ann Ravel, who served on the Federal Election Commission following her tenure as Chair of the Fair Political Practices Commission.



“Navigating the Present: Challenges and Opportunities Within the Political Reform Act” was moderated by McGeorge School of Law Professor Mary-Beth Moylan and featured insights from former FPPC Chair Karen Getman, partner and co-founder of Politicom Law LLP Jennie Skelton, and Emmy Award winning television anchor and political journalist Nikki Laurenzo. “AI, Ethics, and Elections: Can the Political Reform Act Keep Up?” was moderated by current FPPC Chair Adam E. Silver and featured Assemblymember Gail Pellerin from the 28th District of California and Chief of Staff to the Senate Majority Leader Drew Liebert.

Finally, “The Act in the Headlines: Press Perspectives on Political Reform” was moderated by Chief of Public Affairs for the California Public Employees’ Retirement System and Los Angeles Times alum John Myers, and featured Taryn Luna of the Los Angeles Times, CalMatters columnist Dan Walters, and California political journalist and author Dan Morain.

## COUNCIL ON GOVERNMENTAL ETHICS LAWS (COGEL) ANNUAL CONFERENCE

In December 2024, representatives from the FPPC attended the 46th annual conference of the Council on Governmental Ethics Laws in Los Angeles. COGEL is a professional organization for government agencies and other organizations working in ethics, elections, freedom of information, lobbying, and campaign finance. The FPPC regularly participates in the annual conference in a planning capacity, by participating in panels to share perspective and expertise, and by attending panels to grow agency knowledge and gain inspiration for forward change.

FPPC Chair Adam E. Silver joined the panel on Artificial Intelligence and the New Political Frontier, during which the panelists discussed how artificial intelligence is reshaping campaigns, elections, and lobbying. Executive Director Galena West serves on the COGEL board of directors and presented at the



conference on the panel that explored best practices in succession planning for agencies. Other FPPC staff, including General Counsel Dave Bainbridge, Assistant Chief Counsel Sukhi Brar, Senior Counsel Erika Boyd, and Enforcement Chief James Lindsay participated on other panels, sharing their knowledge and experience relating to campaign and lobbying issues, enforcement, and public speaking.



## LEGISLATION HIGHLIGHTS

### ***Electronic Filing of Statements of Economic Interests – AB 1170 (Valencia)***

Starting January 1, 2025, public officials and employees whose filing officer is the Fair Political Practices Commission are required to submit their Statements of Economic Interests (Form 700s) electronically using the Commission’s electronic filing system.

### ***Local Ethics Training Program – AB 2631 (M. Fong)***

As of January 1, 2025, the Commission’s free, online local ethics training program is a permanent program that local agency officials can rely on indefinitely to fulfill their statutory ethics training requirements.

### ***Financial Protection for Campaign Committees – SB 1027 (Menjivar)***

To help prevent against financial fraud, starting January 1, 2025, bank account numbers will be redacted from public copies of campaign committees’ Statements of Organization. Additional redaction of the names of persons authorized to obtain bank account records will start once the new Cal-Access Replacement System, the state campaign and lobbying reporting platform, is certified by the Secretary of State.

*For more information on legislative changes in 2024, see Appendix B.*

## REGULATION HIGHLIGHTS

### **Groundwork Laid for Future Expansion of the Political Reform Education Program – Regulations 18360.1, 18360.2, 18360.3**

The FPPC amended regulations to expand and adjust the Commission’s existing Warning Letter and Streamline Programs and Political Reform Education Program (PREP). The amendments included the addition of specific requirements

for qualification in PREP by violation type, in anticipation of the creation of future PREP courses for almost all violation types, in order to enable easier and more efficient roll-out of these courses as they are developed.

*For more information on regulatory changes in 2024, see Appendix C.*

## DIVISION UPDATES AND HIGHLIGHTS

### **AUDITS AND ASSISTANCE DIVISION**

The FPPC Audits & Assistance Division conducts both mandatory and discretionary audits as stipulated in the Political Reform Act. 2024 was an eventful year for the team, marked by the recruitment of an Office Technician and the retirement of the Supervising Management Auditor. The Audits & Assistance Division adopted 11 campaign audit reports and 2 lobbying audit reports in 2024. Beyond the campaign audits, the Commission’s auditors conducted a discretionary audit to determine the level of Form 807 compliance and contributed their expertise to investigation cases. They maintained an extensive understanding of lobbying laws and regulations, collaborating with the Legal Division on proposed regulations and conducting comprehensive agency-wide

training for staff members. Throughout the year, the Audits and Assistance team prepared for public draws to be conducted in 2025 which include draws to select entities subject to audit, including statewide offices, legislative districts, lobbying firms, lobbyist employers, local jurisdictions, superior court offices, and general-purpose committees. The collaboration extended beyond internal efforts as auditors worked with the Franchise Tax Board’s Political Reform Audit Division to discuss changes in regulations and laws and offer insights for ongoing audits. Moreover, the team provided advisory support to various ethics commissions, addressing specific audit queries, and offering general audit-related information upon request from each agency.

## ADMINISTRATION AND TECHNOLOGY DIVISION

The FPPC has actively implemented a dynamic office work schedule in collaboration with the IT unit of the Administration and Technology Division to support essential technological changes. The FPPC IT unit has enhanced its security capabilities by expanding monitoring and reporting tools to minimize downtime and service outages while simplifying administration.

Additionally, the unit has identified legacy systems and is working to modernize several commission tasks, improving efficiency and service delivery. These

system updates are in various stages of development and implementation and aim to benefit both commission staff and the public who rely on FPPC services. The IT unit remains focused on improving staff and public services, increasing operational efficiency, and reducing the organization's environmental impact. Ongoing efforts include researching emerging technologies, enhancing communication and transparency with the public, and supporting all FPPC services.

The Statements of Economic Interests (SEI) Unit within the Administration and Technology Division provides technical assistance to public officials across California who are required to file the Statement of Economic Interests (Form 700). With a team of six, the SEI Unit acts as the filing officer for approximately 25,000 high-level officials, including elected officials, candidates, judges, and heads of state departments and agencies. Starting January 1, 2025, public officials for whom the FPPC serves as the filing officer will submit their Form 700 using the Commission's electronic filing system. This platform allows filers to complete their Form

700 securely and conveniently online at any time. The SEI Unit has worked diligently to ensure a smooth transition to this system and will continue to provide technical assistance by phone and email to help ensure all filing requirements are met effectively and efficiently.

Throughout the year, the Division manages essential personnel functions, including recruitment, hiring, position classifications and reclassifications, attendance and payroll, training, equal employment opportunity, labor relations, and reasonable accommodations. Budgeting responsibilities include developing the Commission's budget, monitoring expenditures, and managing all revenue, including Enforcement collections. Business services encompass building and space management, communications, contracts and procurement, equipment and supply management, maintenance, and travel. The Division also leads reporting efforts and programmatic activities under the State Leadership Accountability Act (SLAA), which includes establishing and maintaining a robust system of internal controls within the Commission.

## ENFORCEMENT DIVISION

2024 was a busy and productive year for the Enforcement Division. As expected during an election year, complaints rose dramatically over the previous year which helped fuel a sharp increase in the number of cases opened over the previous year. Despite this increase in volume, the Enforcement Division was able to achieve significant success in the continued implementation of the Commission's Policy Directives adopted in early 2023 designed to reduce active Enforcement cases and increase processing efficiency.

The Intake Unit is responsible for receiving, assessing and processing complaints from the public and referrals from filing officers to the Enforcement Division. In 2024, the Intake Unit received 1,456 complaints – the highest number of complaints ever received by the Division in a single year – which shows the public's strong confidence in the agency's enforcement activity. In 2024, the Intake Unit also received 1,393 filing officer referrals representing a roughly 30% decrease in referrals from 2023. The decrease in referrals which largely pertain to violations for failure to file a Statement of Economic Interest is attributed to both increased prosecution activity and the increased usage and success of the Political Reform Education Program (PREP). The Intake Unit was also highly successful reducing the number of unaddressed referrals from previous years. Overall, the Enforcement Division opened 1,403 new cases in 2024 which was the highest number of cases opened in a year since 2019.

The Investigations Unit and Prosecutions Unit are primarily responsible for the investigation, review and proper handling of most cases that are opened in the Enforcement Division. Although 1,403 cases were opened as stated above, 1,536 cases were closed in 2024. This was the highest number of cases closed in a year since 2016. Case closures with a monetary penalty increased from 2023 to 2024 by 50%. Aggregate monetary penalties more than doubled in 2024 from the preceding year. Total



finer imposed in 2024 was \$802,238. This was the highest total since 2020. Prosecutions Unit staff also engaged in proactive pre-election outreach efforts during the 2024 primary and general election cycles. Their collaboration efforts with Commission PREP staff achieved a 99% compliance rate in the filing of pre-election campaign statements in response to filing officer referrals.

The Enforcement Division made significant gains in the achievement of aforementioned Policy Directives adopted by the Commission in early 2023. By the end of 2024, the Enforcement Division had reduced pre-2023 cases by more than 80% and had reduced the active case total to 820. This was the lowest number of active cases since 2015. At the end of 2024, the median age of an active case had been reduced to fifteen months meaning that nearly half of all active cases at the end of 2024 had been opened in 2024.

Despite the high volume and intense effort that goes with an election year, the Enforcement Division made continued strides toward the goal of sustainable high performance and efficiency. The Division is proud of its efforts in 2024 and looks forward to another great year in 2025.

## LEGAL DIVISION

In 2024, the Legal Division completed nine regulation projects covering various topics,

including Enforcement penalties, cryptocurrency reporting, the honorarium prohibition, transfer of funds among multiple campaign accounts, and disclaimers for paid social media posts.

The Legal Division's Political Reform Education Program (PREP), which offers online educational courses in lieu of fines for minor violations of the Act, debuted three new courses in 2024. In addition to the existing SEI course, PREP now offers a state candidate campaign course, a local candidate campaign course, and a campaign advertising disclaimer course.

The Legal Division also completed substantial updates to its Campaign Manuals and fact sheets covering topics such as cryptocurrency, county central committees, contribution limits, and gifts. Lastly, the Education and External Affairs Unit launched a digital newsletter that provides information about upcoming webinars, information about updated educational materials, reminders of filing deadlines, notice of extended phone hours information, and other Commission updates. (Subscribe at <https://www.fppc.ca.gov/toolbar/mailling-list.html>)

# APPENDIX A: MAJOR ENFORCEMENT CASES

## LAUNDERED CAMPAIGN CONTRIBUTIONS

**Alex Villanueva, Villanueva for Los Angeles Sheriff 2018, Cine D. Ivery, and Manuel Gomez; FPPC No. 18/1097.**

Alex Villanueva and Alex Villanueva for Los Angeles Sheriff 2018 are represented by Brian Hildreth of Bell, McAndrews & Hiltachk. Cine D. Ivery is represented by Beverly Grossman Palmer of Strumwasser & Woocher, LLP. Manuel Gomez is represented by Kirt J. Hopson. Alex Villanueva for Los Angeles Sheriff 2018 was Villanueva's candidate-controlled committee. Cine D. Ivery served as the Committee's treasurer. In August and September 2018, Gomez made 14 campaign contributions in the names of persons other than themselves to Villanueva for Los Angeles Sheriff 2018, in violation of Government Code Section 84301 (10 counts). The Committee, Villanueva, and Ivery failed to report required occupation and employer information for a contribution received from Gomez, in violation of Government Code Section 84211, subdivision

(f) (1 count). Also, they failed to report similar information for a contribution that was reported as received from Gomez's son-in-law and failed to return the contribution, in violation of Government Code Sections 84211, subdivision (f); 85700; and California Code of Regulations, Title 2, Section 18570 (1 count). Total Penalty: \$57,500.

**North Star Alliances, LLC, Ernesto Morales, and Lauren Morales-Chitay; FPPC No. 20/77.**

Respondents made contributions in the name of another and failed to disclose that they were acting as an intermediary, in violation of Government Code Sections 84301 and 84302 (5 counts). Total Penalty: \$22,500.

## MASS MAILING AT PUBLIC EXPENSE

**North Yuba Water District; FPPC No. 20/917.**

North Yuba Water District was represented by its General Legal Counsel, Paul Boylan. The North Yuba Water District sent seven mass mailings that featured an elected officer at public expense, in violation of Government Code Sections 89001 and 89002 (7 counts). Total Penalty: \$22,000.

**Tuolumne Utilities District; FPPC No. 19/781.**

Between January 1, 2019, and February 28, 2019, Tuolumne Utilities District paid for, and distributed a newsletter to 14,250 residents

that featured a photograph, with the names below, of elected Board of Director members, in violation of Government Code Sections 89001 and 89002 (1 count). Total Penalty: \$2,000.

## CONFLICT OF INTERESTS

### **Anthony Anderson; FPPC No. 21/504.**

Anthony Anderson, as a Battalion Chief for California Department of Forestry and Fire Protection (“CAL FIRE”), participated in governmental decisions regarding CAL FIRE’s contracting with Ron Paris Construction causing a conflict of interest, in violation of Government Code Sections 87100 and 1090 (2 counts). Total Penalty: \$10,000.

### **Shawn Farmer; FPPC No. 20/730.**

Shawn Farmer, a member of the Galt City Council, made a governmental decision involving real property that had a reasonably foreseeable material financial effect on real properties located within 500 feet, including Farmer’s real property financial interest, in violation of Government Code Section 87100 (1 count). Total Penalty: \$3,000.

### **Lynda Hopkins; FPPC No. 22/207.**

Lynda Hopkins, a member of the Sonoma County Board of Supervisors, representing District 5, made a governmental decision that had a reasonably foreseeable material financial effect on a source of income financial interest, in violation of Government Code Section 87100 (1 count). Total Penalty: \$3,000.

### **Armando Jaramillo; FPPC No. 19/419.**

Armando Jaramillo was a public official as a former Systems Integration Analyst for the Imperial County Office of Education (“ICOE”) for purposes of Government Code Section 1090. Jaramillo participated in making six contracts between ICOE and Pixabytes Solutions, Inc., a business owned by Jaramillo, in violation of Government Code Section 1090 (3 counts). Total Penalty: \$15,000.

### **Yu Meng aka Ben Meng; FPPC No. 20/629.**

Meng was represented by Jennie Unger Skelton of Politicom Law LLP. Meng, as Chief Investment Officer for the California Public Employees’ Retirement System (CalPERS), made two governmental decisions that had a reasonably foreseeable material financial effect on Meng’s financial interest, The Blackstone Group Inc., in violation of Government Code section 87100 (2 counts). Total Penalty: \$10,000.

### **Kellie Schneider; FPPC No. 19/1775.**

Kellie Schneider was a former official at the California Earthquake Authority. In that capacity, Schneider had a conflict of interest under Government Code Section 87100 of the Political Reform Act and Government Code Section 1090 when she participated in and authorized a contract between the California Earthquake Authority and her financial interest, WeidnerCA (1 count.) Additionally, Schneider failed to timely report a financial interest on a statement of economic interest, in violation of Government

Code Section 87300 (1 count.)

Total Penalty: \$5,500.

## MISUSE OF CAMPAIGN FUNDS

### **Caserta for Supervisor 2018 and Dominic Caserta; FPPC No. 19/326.**

Dominic Caserta was an unsuccessful candidate for Supervisor for Santa Clara County in the June 5, 2018 Primary Election. Caserta for Supervisor 2018 was Caserta’s candidate-controlled committee. Caserta served as the Committee’s treasurer. The Committee and Caserta made numerous expenditures using campaign funds that were not compliant with the Act’s restrictions on the use of campaign funds as they had no legislative, governmental, or political purpose and were not made with a purpose consistent with the enumerated permissible uses of surplus funds, in violation of Government Code Sections 89510, 89512, and 89519 (3 counts). Further, the Committee and Caserta failed to timely and accurately report activity on a semi-annual campaign statement, in violation of Government Code Section 84211 (1 count), and failed to maintain detailed campaign records for the Committee’s contributions and expenditures for the life of the Committee, in violation of Government Code Section 84104 (1 count). Total Penalty: \$22,500.

### **Friends of John McMahon for SB County Sheriff-Coroner 2018, John McMahon, and Marvin Reiter; FPPC No. 19/1800.**

This matter arose from an audit performed by the Audit Division of the Fair Political Practices

Commission. McMahon was a successful candidate for Sheriff-Coroner in the June 5, 2018 Primary Election. Friends of John McMahon for SB County Sheriff-Coroner 2018 was McMahon’s candidate-controlled committee. Marvin Reiter was the treasurer. McMahon retired from office on July 15, 2021, and the remaining committee funds became surplus on October 14, 2021. However, the Committee, McMahon, and Reiter made several expenditures that were not consistent with the permissible uses of surplus funds, in violation of Government Code Section 89519 (1 count). Total Penalty: \$3,500.

### **Hallinan for Board of Equalization 2018, Hallinan for Supervisor 2020, Tom Hallinan and Hannah Burcaw; FPPC No. 20/861.**

This matter arose from an audit performed by the Audit Division of the Fair Political Practices Commission. Tom Hallinan was an unsuccessful candidate for Board of Equalization in the November 6, 2018 General Election. Hallinan for Board of Equalization 2018 (“2018 Committee”) was Hallinan’s candidate-controlled committee. Additionally, Hallinan was an unsuccessful candidate for Stanislaus County Board of Supervisors in the November 3, 2020 General Election. Hallinan for Supervisor 2020 (“2020 Committee”) was Hallinan’s candidate-controlled committee. Hannah Burcaw served as the Committee’s treasurer for both the 2018 Committee and the 2020 Committee. The 2018 Committee, Hallinan, and Burcaw failed to timely file two semi-annual campaign statements, in violation of Government Code Section 84200

(1 count). The 2018 Committee, Hallinan, and Burcaw impermissibly contributed \$3,000 to the 2020 Committee after the funds had become surplus, in violation of Government Code Section 89519 (1 count). The 2020 Committee, Hallinan, and Burcaw failed to properly disclose receipt of a contribution from the 2018 Committee, in violation of Government Code Section 84211 (1 count). Total Penalty: \$7,500.

## BEHESTED PAYMENTS

### **Christopher Holden; FPPC No. 19/429.**

Christopher Holden is represented by Gary Winuk and Stephen Kaufman of the Kaufman Legal Group. Holden failed to timely file Form 803 behested payment reports regarding approximately 94 charitable payments of \$5,000 or more totaling approximately \$1,576,500, in violation of Government Code Section 82015, subdivision (b)(2)(B)(iii), as in effect prior to 2018, and Government Code Section 84224, as in effect after 2017 (16 counts). Total Penalty: \$24,000.

### **Newsom for Governor 2018 and Gavin Newsom; FPPC Nos. 21/299 and 21/644.**

This matter arose from an audit performed by the Franchise Tax Board's Political Reform Audit Program. Gavin Newsom was a successful candidate for Governor of California in the November 6, 2018 General Election. Newsom for Governor 2018 was Newsom's candidate-controlled committee. The Committee and Newsom failed to timely report subvendor

payments on a pre-election campaign statement, in violation of Government Code Sections 84303, and 84211, subdivision (k) (1 count). Between 2019 and 2024, Newsom failed to timely file behested payment reports from various payors, in violation of Government Code Section 84224 (7 counts). Total Penalty \$13,000.

## CASH AND IN-KIND CONTRIBUTIONS

### **Patrick Jones, Patrick Jones 2019 for Assembly (California Secretary of State I.D. No. 1419426), and Lyndia Kent AKA Lynda Kent; FPPC No. 22/031.**

Patrick Jones was an unsuccessful candidate in the August 27, 2019 Primary Election for the purpose of filling a vacancy in the California State Assembly, District 1. Patrick Jones 2019 for Assembly was his candidate-controlled committee. Lyndia Kent AKA Lynda Kent served as treasurer. The Committee and Kent failed to keep required committee records, in violation of Government Code section 84104 (1 count); and accepted at least 34 cash contributions (in amounts of at least \$100 each), totaling at least \$11,600, in violation of Government Code section 84300, subdivisions (a) and (c) (1 count). Total Penalty: \$10,000.

### **Kern Citizens for Patient Rights, Larry Hiestand, and Jeff Jarvis; FPPC No. 23/819.**

Kern Citizens for Patient Rights was a local general purpose ballot measure committee. Larry Hiestand served as the Committee's

treasurer and Jeff Jarvis served as the Committee's principal officer. The Committee, Hiestand and Jarvis failed to timely file two pre-election campaign statements and one semi-annual campaign statement, in violation of Government Code Sections 84200 and 84200.5 (1 count); and improperly accepted cash contributions of \$100 or more, in violation of Government Code Section 84300 (1 count). Total Penalty: \$5,000.

## CAMPAIGN LATE FILER AND CAMPAIGN BANK ACCOUNT

### **Steve Grasha for Mission Springs Water District 2018, Steve Grasha for Desert Water Agency 2022, and Steve Grasha; FPPC No. 18/1268.**

Steve Grasha was a successful candidate for Mission Springs Water District Board of Directors in the November 6, 2018 and November 8, 2022 General Elections. Steve Grasha for Mission Springs Water District 2018 (the "2018 Committee") and Steve Grasha for Desert Water Agency 2022 (the "2022 Committee") were Grasha's candidate-controlled committee. The 2018 Committee and Grasha failed to timely file five 24-Hour Reports, in violation of Government Code Section 84203 (1 count); two pre-election campaign statements and two semi-annual campaign statements, in violation of Government Code Sections 84200.5, 84200.8, and 84200 (1 count). The 2018 Committee also failed to establish a designated campaign bank account, in violation of Government Code

Section 85201 (1 count), and include the proper advertisement disclosure on mass emails, in violation of Government Code Section 84305, subdivision (c)(1) (1 count). The 2022 Committee and Grasha failed to timely file four 24-Hour Reports, in violation Government Code Section 84203 (1 count), two pre-election campaign statements and one semi-annual campaign statement, in violation of Government Code Sections 84200.5, 84200.8, and 84200. Total Penalty: \$20,000.

### **Long Pham for Assembly 2018, Long Pham, and Mary Pham; FPPC No. 18/569.**

Long Pham was an unsuccessful candidate for State Assembly District 72 in the June 5, 2018 Primary Election. Long Pham for Assembly 2018 was Long's candidate-controlled committee. Mary Pham served as treasurer. The Committee and Mary Pham violated the Act by failing to timely file two pre-election campaign statements, in violation of Government Code Sections 84200.5, 84200.8 and 84215 (1 count), a semi-annual campaign statement, in violation of Government Code Sections 84200 (1 count), one 24-Hour Report, in violation of Government Code Sections 84203 (1 count), failed to establish a designated campaign bank account, in violation of Government Code Section 85201, subdivisions (c)(d) and (e) (2 counts), and failed to maintain adequate records, in violation of Government Code Section 84104 (3 counts). Total Penalty: \$38,500.

**Ramos for City Council 2018, Committee to Elect Daniel Ramos Adelanto City Council 2020, Daniel Ramos, Arley Arsineda; FPPC No. 19/464.**

Daniel Ramos was an unsuccessful candidate for the Victorville City Council in the November 6, 2018 General Election and a successful candidate for the Adelanto City Council, in the November 3, 2020 General Election. Ramos for City Council 2018 (the “Victorville Committee”) and Committee to Elect Daniel Ramos Adelanto City Council 2020 (the “Adelanto Committee”) are Daniel Ramos’ candidate-controlled committees. Arsineda served as the Adelanto Committee’s treasurer. The Committees, Daniel Ramos, and Arsineda failed to timely file a Statement of Organization, in violation of Government Code Section 84103 (1 count); sixteen semi-annual campaign statements, in violation of Government Code Section 84200 (8 counts), and four pre-election campaign statements, in violation of Government Code Section 84200.5 (4 counts). Additionally, the Adelanto Committee, Daniel Ramos, and Arsineda failed to establish, maintain, and utilize a campaign bank account, in violation of Government Code Section 85201 (1 count). Total Penalty: \$37,500.

**CAMPAIGN LATE FILER, RECORDKEEPING, CASH AND IN-KIND CONTRIBUTIONS**

**Kern Neighborhoods for Responsible Regulation in Support of Measure J and Tim Blakeley; FPPC No. 18/976.**

Kern Neighborhoods for Responsible Regulation in Support of Measure J was a primarily formed committee in support of Measure J, a measure on the ballot in the November 6, 2018 General Election. The Committee’s acting treasurer and principal officer was Tim Blakeley. The Committee and Blakeley failed to timely file two semi-annual campaign statements, in violation of the Government Code Section 84200 (1 count), failed to timely file a pre-election campaign statement, in violation of Government Code Section 84200.5, subdivision (a) and 84200.8, subdivision (b) (1 count), failed to timely file a 24-Hour Report, in violation of Government Code Section 84203 (1 count) and failed to accurately report contributions, in violation of Government Code Section 84211, subdivision (f) (1 count). Additionally, the Committee and Blakeley failed to keep accurate records, in violation of Government Code Section 84104 (2 counts), received cash contributions of \$100 or more, in violation of Government Code Section 84300, subdivision (a) (1 count) and made cash expenditures of \$100 or more, in violation of Government Code Section 84300, subdivision (b) (1 count). Total Penalty: \$29,000.

**CAMPAIGN LATE FILER**

**Kieu Hoang; FPPC No. 20/203.**

Kieu Hoang is a major donor and independent expenditure committee. Hoang failed to timely file four semi-annual campaign statements, three 24-Hour Reports, and a 24-Hour Independent Expenditure Report, in violation of

Government Code Sections 84200, 84203, and 84204 (8 counts). Total Penalty: \$30,000.

**Anna Song and Friends of Anna Song for County Board of Education 2020; FPPC No. 20/950.**

Anna Song was an unsuccessful incumbent candidate for Santa Clara County Board of Education, Trustee of Area 5, in the November 3, 2020 General Election. Friends of Anna Song for County Board of Education for 2020 is Song’s candidate-controlled committee. Song served as the Committee’s treasurer. The Committee and Song failed to timely file eight semi-annual campaign statements, in violation of Government Code Section 84200 (4 counts). Additionally, the Committee and Song failed to timely file four pre-election campaign statements, in violation of Government Code Sections 84200.5 and 84200.8, and Regulation 18405 (3 counts). Further, the Committee and Song failed to timely file eleven 24-hour reports, in violation of Government Code Sections 84203 and 84203.3 (8 counts). Total Penalty: \$63,500.

**Think Long Committee, Inc., Sponsored by Nicolas Berggruen Institute Trust (501c4), Nicolas Berggruen Institute Trust, and James Sutton; FPPC No. 20/569.**

Think Long Committee, Inc., Sponsored by Nicolas Berggruen Institute Trust (501c4) was represented by James Harrison of Olson Remcho, LLP. Think Long Committee, Inc., Sponsored by Nicolas Berggruen Institute Trust (501c4), was a primarily formed ballot measure committee.

James Sutton served as the Committee’s treasurer. Nicolas Berggruen Institute Trust was a major donor committee for the calendar year 2019. Think Long Committee, Inc., Sponsored by Nicolas Berggruen Institute Trust (501c4), failed to timely file one pre-election campaign statement and two 24-Hour Reports in violation of Government Code Sections 84200.5, 84200.8, and 84215 (3 counts). Nicolas Berggruen Institute Trust failed to timely file one 24-Hour Report, in violation of Government Code Section 84203 (1 count). Total Penalty: \$12,000.

**RECORDKEEPING**

**Fiona Ma for State Treasurer 2018, Fiona Ma, and James Santos; FPPC No. 22/195.**

This matter arose from an audit performed by the Franchise Tax Board’s Political Reform Audit Program. Fiona Ma was a successful candidate for California State Treasurer in the June 5, 2018 Primary Election and November 6, 2018 General Election. Fiona Ma for State Treasurer 2018 was Fiona Ma’s candidate-controlled committee. James Santos served as the Committee’s treasurer. The Committee, Ma, and Santos failed to timely disclose and itemize subvendor payments, in violation of Government Code Sections 84303 and 84211 (1 count). Additionally, the Committee, Ma, and Santos failed to maintain campaign records for subvendor payments, in violation of Government Code Section 84104 (1 count); and failed to timely disclose individual credit card charges,

in violation of Government Code Section 84211 and Regulation 18421.9 (1 count). Total Penalty: \$11,500.

## STATEMENT OF ECONOMIC INTERESTS LATE FILER

### Augusto Caudillo; FPPC No. 22/191.

Augusto Caudillo, a Planning Commissioner to the City of Lompoc between January 20, 2021, and April 13, 2023, failed to timely file an Assuming Office, a 2021 Annual, a 2022 Annual,

and a Leaving Office Statement of Economic Interest, in violation of Government Code Sections 87200, 87202, 87203, and 87204 (4 counts). Total Penalty: \$16,000.

# APPENDIX B: LEGISLATION

Thirteen bills amending the Political Reform Act, and one bill amending Section 1091, were passed by the Legislature and signed by the Governor in 2024. Each bill took effect on January 1, 2025, except as noted below.

### [AB 1170 \(Valencia\)](#) – Electronic Filing of Statements of Economic Interests (Form 700s)

AB 1170 required officials whose filing officer is the FPPC to file their statements of economic interests using the FPPC’s electronic filing system.

### [AB 2001 \(Gallagher\)](#) – Minor and Cleanup Changes to the PRA

AB 2001 made several minor and cleanup changes to the PRA.

### [AB 2041 \(Bonta\)](#) – Use of Campaign Funds for Security Expenses

AB 2041 expanded the authority for candidates and elected officers to use campaign funds for security expenses. The bill took effect September 22, 2024.

### [AB 2355 \(Carrillo and Cervantes\)](#) – Disclaimer for Campaign Advertisements that use Artificial Intelligence

AB 2355 required campaign committees to include a disclaimer statement on campaign advertisements that were created or manipulated with artificial intelligence.

### [AB 2573 \(M. Fong and Lee\)](#) – Gifts: Services of a Fellow

AB 2573 clarified that the services of a fellow provided by certain organizations to the Legislature are not gifts under the PRA.

### [AB 2631 \(Mike Fong\)](#) – FPPC Local Ethics Training Program

AB 2631 made the FPPC’s free, online local ethics training program a permanent program in statute.

### [AB 2803 \(Valencia\)](#) – Use of Campaign Funds for Legal Defense: Criminal Convictions

AB 2803 prohibited campaign funds from being used to pay for the legal expenses of a

candidate or elected officer who is found guilty of certain felonies.

### **SB 948 (Limon and Zbur) – Treatment of General Election Contributions**

SB 948 established and clarified rules for how general election funds may be treated when a candidate withdraws from the primary or when the candidate wins the election outright in the primary.

### **SB 1027 (Menjivar) – Redaction of Bank Account Information on Statements of Organization**

SB 1027 required redaction of certain bank account information on public copies of committees' Statements of Organization. Additional redaction of the names of persons authorized to obtain bank account records will start once the new Cal-Access Replacement System, the state campaign and lobbying reporting platform, is certified by the Secretary of State.

### **SB 1111 (Min) – Section 1090: Conflicts of Interest in Governmental Contracts: Financial Interests of Public Officer's Child**

SB 1111 required a public officer to disclose the interest and recuse themselves from voting if the public officer's child has an interest in a government contract that is before that officer's body for a decision. This provision becomes operative January 1, 2026.

### **SB 1156 (Hurtado) – Financial Disclosures for Groundwater Sustainability Agencies**

SB 1156 required certain officials with local Groundwater Sustainability Agencies to file their Statements of Economic Interests directly with the FPPC using the FPPC's electronic filing system.

### **SB 1181 (Glazer) and SB 1243 (Dodd) – Contributions to Agency Officers: Disqualification**

SB 1181 (Glazer) and SB 1243 (Dodd) made several changes that narrow the application of Section 84308, which governs the disqualification requirements and contribution limits for officials in agency proceedings.

### **SB 1476 (Blakespear) – Conflict of Interest Provisions and Disclosures: State Bar of California**

SB 1476 clarified that the conflict of interest requirements under the PRA apply to members of the Board of Trustees and designated employees of the State Bar of California, who must file Statements of Economic Interests consistent with the State Bar's Conflict of Interest Code.



# APPENDIX C: REGULATIONS

## Substantive Regulatory Changes Adopted by the Commission in 2024

**Regulation 18227.5** was amended to clarify what payments are taken into account when determining a general purpose committee's filing jurisdiction. Only contributions to a candidate, elected officer or committee, and independent expenditures made to support or oppose a candidate or measure requiring supplemental disclosure pursuant to Section 84211(k)(5) are included.

**Regulations 18237 and 18421.2** were amended to clarify that cryptocurrency holdings and certain funds, including exchange traded funds (ETFs), are not considered an investment, as defined under the Political Reform Act. Campaigns must report any cryptocurrency contributions as monetary contributions.

**Regulations 18360.1, 18360.2 and 18360.3** expanded and adjusted the Commission's existing Warning Letter and Streamline Programs and Political Reform Education Program (PREP), including by rewriting the population thresholds for campaign violations, expanding and adding criteria for qualification in PREP by violation

type, removing rigid settlement amounts, and adding new categories eligible for the Streamline Program.

**Regulation 18410** was amended to require a committee to disclose the names of persons authorized to obtain committee bank records on the committee's Form 410.

**Regulation 18450.10** was adopted to clarify the application of new disclosure requirements for advertisements posted on a website or social media application by a paid third-party "influencer" where it appears the content is the speaker's thoughts, opinion, or message rather than that of the candidate or committee.

**Regulation 18534** was updated to allow recipient committees, such as general purpose committees, to temporarily transfer contributions from the committee's primary bank account into a higher interest-bearing account prior to expenditure in a similar way to how candidate-controlled campaign committees have historically been permitted.

**Regulation 18703** was amended to enable application of the “public generally exception” to the conflict of interest prohibition to circumstances where the governmental decision at issue is made by a government entity that manages an airport or harbor and the decision broadly affects all persons with a permit, license or use entitlement from the government entity.

**Regulation 18537.1** was amended to remove language defining “subsequent election for the same elective state office” for purposes of the statute on carry over of contributions, in response to the passage of SB 948 (Limon), which also included the definition.

**Regulation 18932.3** was updated to amend the definition of “predominant activity” in order to expand the exception to the honorarium prohibition, permitting an official to receive payment for a speech when the activity of the official’s bona fide business, trade, or profession is not predominantly making speeches.

**Regulation 18991, 18993, and 18994** were amended to exclude certain jurisdictions from the audit draw process under Regulation 18993 to avoid duplicative audits and clarify the regulations’ application to audits performed by the Commission.

## ONLINE RESOURCES

The FPPC website has many educational resources.

Visit Our Website to Access a Digital Copy of this Report: <https://fppc.ca.gov/about-fppc/annual-report.html>



### All Learning Resources

<https://fppc.ca.gov/learn.html>

### Campaign and Lobbying Manuals

<https://fppc.ca.gov/forms/all-fppc-manuals.html>

Includes detailed guidance for state and local candidates, campaign committees, and lobbyists.

### Fact Sheets

<https://fppc.ca.gov/media/factsheets.html>

Includes quick and easy information on several subjects and answers to commonly asked questions.

### Campaign Rules

<https://fppc.ca.gov/learn/campaign-rules.html>

Includes several resources for campaigns, including a Candidate Toolkit for new candidates and campaign advertisement disclosure charts.

### Financial Conflict of Interest Rules

<https://fppc.ca.gov/learn/conflicts-of-interest-rules.html>

Guidance relating to the prohibition on participating in government decisions in which an official has a financial conflict of interest.

### Pay-to-Play Limits and Prohibitions

<https://fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html>

Guidance for public officials who receive contributions from parties seeking a contract, license, permit, or other entitlement for use from the official’s agency.

## The Political Reform Act

<https://fppc.ca.gov/the-law/the-political-reform-act.html>

Includes a copy of the Act, enforcement decision summaries, and other information updated yearly.

## FPPC Regulations

<https://fppc.ca.gov/the-law/fppc-regulations.html>

Find all regulations, a list of newly amended or added regulations, and links to provide public comment on pending regulation changes.

## Advice on the PRA

Informal (email and telephone): <https://fppc.ca.gov/advice/get-advice.html>

Formal (advice letter and opinions): <https://fppc.ca.gov/advice/formal-advice.html>

## Webinars and Video Tutorials

<https://fppc.ca.gov/learn/training-and-outreach.html>

Request a webinar or workshop and access training videos.

## Sign Up for Mailing Lists

<https://fppc.ca.gov/toolbar/mailling-list.html>

Sign up for various mailing lists, including press releases, agenda postings, and other updates.

## Submit a Complaint

<https://fppc.ca.gov/enforcement/electronic-complaint-system.html>

## Complaint and Case Information Portal

<https://fppc.ca.gov/enforcement/complaint-and-case-information-portal.html>

Find the status of enforcement cases and complaints.

## Search the Website

<https://fppc.ca.gov/search0.html>

Search for advice letters, behested payments, enforcement case resolutions, and more.

# CONTACT US

## General Information

(916) 322-5660

## Advice

1-866-ASK-FPPC \*1

[Advice@fppc.ca.gov](mailto:Advice@fppc.ca.gov)

## Request a Public Record

(916) 445-2772

[CPRA@fppc.ca.gov](mailto:CPRA@fppc.ca.gov)

## Media Inquiries and Requests

(916) 322-7761

[Press@fppc.ca.gov](mailto:Press@fppc.ca.gov)

## Comment on Agenda Items

[CommAsst@fppc.ca.gov](mailto:CommAsst@fppc.ca.gov)

## FPPC's Form 700 Electronic Filing System:

1-866-ASK-FPPC \*2

[Form700@fppc.ca.gov](mailto:Form700@fppc.ca.gov)

## Request a Speaker

(916) 327-8269


## Request a Training Webinar or Workshop

[seminars@fppc.ca.gov](mailto:seminars@fppc.ca.gov)

Visit [www.fppc.ca.gov](http://www.fppc.ca.gov) for more information.







Fair Political Practices Commission  
1102 Q Street, Suite 3050, Sacramento, CA 95811  
(916) 322-5660 · [www.fppc.ca.gov](http://www.fppc.ca.gov)