

News from the FPPC



California Fair Political Practices Commission
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For Immediate Release: February 28, 2013

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FPPC Enforcement Decisions: February 28, 2013

The following are enforcement decisions approved by the Fair Political Practices Commission at its regular monthly meeting held on Thursday, February 28, 2013. Decisions are listed by category and include a brief summary of each case and the total amount of any administrative fine or fines in each case.

Additional information on each of the enforcement cases below can be found in the February agenda on the FPPC website at www.fppc.ca.gov. FPPC agendas are distributed and posted on the agency website at least 10 days prior to each monthly meeting.

The web version of the agenda includes links to the stipulations agreed to by the commission and by the individuals and organizations subject to the fines, or the default decisions proposed to the commission. Exhibits in support of the stipulations and proposed default decisions are also available on the website. If you are unable to access the FPPC website, or need further assistance, please call the FPPC communications office at (916) 322-7761.

Conflict of Interest Violations

California law states that, absent an exception, a public official may not make, participate in making or in any way attempt to use his or her official position to influence a governmental decision in which he or she knows or has reason to know he or she has a financial interest. The following officials made, participated in making, or attempted to influence a governmental decision:

Manuel Lopez was the Deputy Director of the Administrative Services Division of the California Department of Parks and Recreation. In this capacity, Mr. Lopez implemented a prohibited leave buyback program and cashed out approximately 524 hours of his own leave time for payment in the approximate amount of \$28,647. This amounted to making governmental decisions in which Mr. Lopez knew he had a financial interest. **\$7,000 fine.**

Randy Mark was the Chief District Operator for the Grizzly Lake Community Services District. In this capacity, covering the period June 2010, through January 2011, Mark signed or initialed dozens of equipment rental contracts between his wife's business and the District. This amounted to participation in making a series of governmental decisions in which he had a financial interest. **\$4,000 fine.**

Chris Carlotti, in his capacity as an employee of the Department of Water Resources, participated in nine governmental decisions in which he knew or had reason to know he had a financial interest. Specifically, Mr. Carlotti participated in nine governmental decisions involving potential contracts, totaling \$7,028.25, with a vendor within 12 months of receiving \$1,050 in gifts from that vendor. **\$3,000 fine.**

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Campaign Reporting Violations

League of California Cities CITIPAC aka League of California Cities CITIPAC, Supporting Proposition 22 and Dan Harrison, Treasurer. League of California Cities CITIPAC (formerly League of California Cities CITIPAC, Supporting Proposition 22) is a general purpose committee that was formerly a primarily formed committee supporting Proposition 22 on the 2010 General Election. Dan Harrison was, at all times relevant to this case, the committee's treasurer. Prior to the 2010 General Election, the respondents failed to timely report contributions on Late Contribution Reports; failed to report contributions received on Election Cycle Reports; failed to report a contribution of \$5,000 or more; failed to timely report contributions received on their Preelection Statement covering the period October 1, 2010, through October 16, 2010; and, received cash contributions of \$100 or more. **\$14,000 fine.**

Kern County Young Republicans Voting Guide, Kern County Young Republicans PAC, and Bryan Williams, Treasurer. Kern County Young Republicans Voting Guide ("KCYRVG") is a slate mailer organization and Kern County Young Republicans PAC ("KCYRPAC") is a state general purpose recipient committee sponsored by the Kern County Young Republicans. Bryan Williams was the treasurer for both entities. For the reporting period ending May 22, 2010, KCYRVG and Mr. Williams failed to timely report subvendor information for disbursements totaling approximately \$27,020. Also, on or about June 3, 2010, KCYRPAC made an independent expenditure in the approximate amount of \$5,978, but KCYRPAC and Mr. Williams failed to report the expenditure by filing a late independent expenditure report within 24 hours. Additionally, KCYRPAC and Mr. Williams were required to disclose the candidate who received the benefit of the foregoing independent expenditure on a semi-annual campaign statement that was filed for the period ending June 30, 2010, but failed to do so. Also, during the reporting period ending June 30, 2010, KCYRVG produced and sent a slate mailer supporting various candidates, but KCYRVG and Mr. Williams failed to report required information about several of the candidates who did not pay for the support of the slate mailer. Additionally, on or about October 29, 2010, KCYRPAC made an independent expenditure in the approximate amount of \$13,604, but KCYRPAC and Mr. Williams failed to report the expenditure by filing a late independent expenditure report within 24 hours. **\$11,000 fine.**

Santa Barbara County Lincoln Club and Cory Bantilan. Santa Barbara County Lincoln Club, a general purpose recipient committee and its treasurer Cory Bantilan, failed to timely file semi-annual campaign statements covering the periods January 1, 2011, through June 30, 2011, due August 1, 2011, July 1, 2011, through December 31, 2011, due January 31, 2012, and January 1, 2012, through June 30, 2012, due July 31, 2012. This is the second time the FPPC has brought an enforcement action against these respondents for failing to file semi-annual campaign statements. **\$6,000 fine.**

George Eads and Committee to Elect George Eads Marina Coast Water District November 2, 2010. George Eads ran for a director seat on the Marina Coast Water District in 2010. Committee to Elect George Eads Marina Coast Water District November 2, 2010 was his campaign committee. During the course of the campaign, the respondents sent out three mass mailers that did not list the street address and city of the committee. They also failed to establish a campaign bank account and Mr. Eads deposited campaign contributions and made campaign expenditures from his personal bank account. Additionally, they failed to maintain detailed accounts, records, bills, and receipts necessary to prepare campaign statements and to establish campaign statements were properly filed. **\$5,500 fine.**

Californian's Against Corrupt Politicians and Alex Sanchez, Treasurer. Californian's Against Corrupt Politicians, a city general purpose committee, and its treasurer, Alex Sanchez, failed to timely file a preelection statement covering the period February 26, 2012, through March 24, 2012, due March 29, 2012, with the La Puente City Clerk. **\$2,000 fine.**

Mick Gleason for Supervisor 2012, Mick Gleason, and Solomon Rajaratnam, Treasurer. Mick Gleason, his candidate controlled committee, Mick Gleason for Supervisor 2012, and the committee's treasurer Solomon Rajaratnam, failed to timely report twelve subvendor payments, totaling \$31,848.56, made between March 18, 2012, and June 30, 2012. **\$2,000 fine.**

Damon J. Dunn, Damon J. Dunn for Secretary of State 2010 committee, and Kelly Lawler, Treasurer. Damon J. Dunn was an unsuccessful candidate for Secretary of State in the November 2, 2010 General Election. Damon J. Dunn for Secretary of State 2010 was his candidate-controlled committee and Kelly Lawler served as the committee's treasurer. They failed to timely report subvendor information for payments totaling approximately \$231,804, on a semi-annual campaign statement filed for the reporting period ending December 31, 2010. **\$2,250 fine.**

Kim DeSerpa, Friends of Kim DeSerpa for PVUSD School Board 2010, and Kim DeSerpa, Treasurer. Kim DeSerpa, as a candidate for and officeholder of, Santa Cruz County's Pajaro Valley Unified School District Board, failed to timely file the semi-annual campaign statement covering the period January 1, 2012, through June 30, 2012, due July 31, 2012, with the Santa Cruz County Clerk/Elections. **\$200 fine.**

Escondido Secondary Teachers Association and Liz Granatowski, Treasurer. Escondido Secondary Teachers Association and its treasurer, Liz Granatowski, failed to timely file the semi-annual campaign statement covering the period January 1, 2012, through June 30, 2012, due July 31, 2012, with the San Diego County Registrar of Voters. **\$200 fine.**

Matthew Herold, Herold for Assembly 2012, and Matthew Herold, Treasurer. Matthew Herold, as a candidate for California State Assembly in 2012, failed to timely file the Form 460 campaign statement covering the periods July 31, 2012, through September 30, 2012, due October 5, 2012, and October 1, 2012, through October 20, 2012, due October 25, 2012, with both the Secretary of State and the San Diego County Registrar of Voters. **\$800 fine.**

Jack DeLiddo for Ripon School Board, Jack DeLiddo, and Jayme Curtiss, Treasurer. Jack DeLiddo was elected to a four-year term on the Ripon Unified Board in 2008. Jack DeLiddo for Ripon School Board was his campaign committee and Jayme Curtiss was the treasurer for the committee. They failed to timely file semi-annual campaign statements covering the periods January 1, 2009, through June 30, 2009, due July 31, 2009, July 1, 2009, through December 31, 2009, due February 1, 2010, January 1, 2010, through June 30, 2010, due August 2, 2010, and July 1, 2010, through December 31, 2010, due January 31, 2011. **\$800 fine.**

James M. Kelly, Jim Kelly for Grossmont Union High School Board for 2010, and James M. Kelly, Treasurer. James M. Kelly, as a candidate and officeholder for member of San Diego County's Grossmont Union High School Board, failed to timely file the semi-annual campaign statement covering the period January 1, 2012, through June 30, 2012, due July 31, 2012, with the San Diego County Registrar of Voters. **\$200 fine.**

Irella Perez for School Board and Irella Perez. Irella Perez for School Board, a committee controlled by candidate Irella Perez, failed to file the semi-annual as a semi-annual campaign statement covering the period January 1, 2012, through June 30, 2012, due July 31, 2012. **\$200 fine.**

Gonzalves for Merced Irrigation District, Kevin Gonzalves and Jennifer Bohl, Treasurer. Gonzalves for Merced Irrigation District, a committee controlled by candidate Kevin Gonzalves, and its treasurer Jennifer Bohl, failed to file the Form 460 as a pre-election campaign statement covering the period October 1, 2012, through October 20, 2012, due October 25, 2012, in connection with the November 6, 2012 election with the County of Merced. **\$200 fine.**

San Francisco Democratic County Central Committee and Tom Hsieh, Treasurer. San Francisco Democratic County Central Committee, a state general purpose committee, and its treasurer Tom Hsieh, failed to file paper and electronic semi-annual campaign statements in a timely manner for the period covering August 16, 2009, through October 3, 2009, due October 22, 2009. **\$400 fine.**

Pacific Western Bank. Pacific Western Bank, as a state major donor committee, failed to timely file the Form 461 campaign statement covering the period January 1, 2010, through December 31, 2010, due January 31, 2011, with the Secretary of State. **\$400 fine.**

Hubert H. Humphrey Democratic Club and Christopher Duvali. Hubert H. Humphrey Democratic Club, a state general purpose committee, and its treasurer Christopher Duvali, failed to file, in paper format, a semi-annual campaign statement covering the period July 1, 2011, through December 31, 2011, due January 31, 2012, and failed to file, in electronic format, a semi-annual campaign statement for the period July 1, 2011, through December 31, 2011, due January 31, 2012. **\$400 fine.**

Lobbying Reporting Violations

California law requires lobbying entities to file registration forms and quarterly reports to provide the public with specified information. The following failed to timely file the required forms or failed to include all required information:

AltaMed Health Services Corporation, a California lobbyist employer, timely filed quarterly lobbyist employer reports covering the period July 1, 2010, through September 30, 2012; however, they failed to disclose a reportable activity expense, namely, the salary of an employee who was also a state candidate, during each of the applicable reporting periods in calendar years 2010, 2011, and 2012. **\$3,000 fine.**

Michael Endicott, a lobbyist and the responsible officer for the lobbying firm that bears his name, failed to file a quarterly lobbying firm report for each of the seven reporting periods covering October 1, 2010, through June 30, 2012, with the Secretary of State. **\$24,500 fine.**

Harbor Trucking Association failed to timely file the Lobbyist Employer Report Form 635 covering the periods October 1, 2011, through December 31, 2011, due January 31, 2012, and January 1, 2012, through March 31, 2012, due April 30, 2012, with the Secretary of State. **\$400 fine.**

Statement of Economic Interests Violations

California law requires elected officials, certain board members and governmental employees, and consultants employed by governmental entities to complete and file Statements of Economic Interests (SEIs or Form 700s). SEIs serve a dual purpose: they make a filer aware of personal economic interests relative to a governmental decision, and they are an important disclosure document for the public and media. The following individuals failed to timely file or failed to include all economic interests that were required to be disclosed in his or her SEI:

Cortez Quinn has been a California Assembly District Director at all times relevant to the complaint and an elected member of the Board of Directors for the Twin Rivers School District since 2007. As a District Director with the California State Assembly, Mr. Quinn failed to disclose a gift of \$4,000 and loans totaling approximately \$2,064 from Sherilene Chycoski on the 2010 Annual Statement of Economic Interests covering the period January 1, 2010, through December 31, 2010, due April 1, 2011; failed to disclose loans totaling approximately \$48,943.49 from Sherilene Chycoski on the 2011 Annual Statement of Economic Interests covering the period January 1, 2011, through December 31, 2011, due April 2, 2012; and, accepted a gift from Sherilene Chycoski in the amount of \$4,000, which exceeded the \$420 gift limit. As a member of the Board of Directors for the Twin Rivers School District, covering the period December, 2010 through April, 2011, Mr. Quinn received personal loans totaling \$16,007.49 from an employee of the Twin Rivers School District, and on or about February 24, 2011, he received a personal loan totaling \$35,000 from an employee of the Twin Rivers School District. **\$14,000 fine.**

Michael Morgan, former member of the City Council in the City of Trinidad, failed to timely file the 2010 Annual Statement of Economic Interests covering the period January 1, 2010, through December 31, 2010, due April 1, 2011. **\$1,500 fine.**

Khaim Morton, as an Assistant Consultant for the California State Senate, failed to timely file the 2011 Annual Statement of Economic Interests covering the period January 1, 2011, through December 31, 2011, due April 2, 2012. **\$200 fine.**

Kenneth King, a member of the Marin County Service Area Advisory Board, failed to timely file the 2011 Annual Statement of Economic Interests covering the period January 1, 2011, through December 31, 2011, due April 2, 2012. **\$200 fine.**

Patricia Cantrall was a County Supervisor in the County of Modoc and also served on the Northeast Plateau Air Basin Pollution Control District. Ms. Cantrall failed to file the 2010 Annual Statement of Economic Interests covering the period January 1, 2010, through December 31, 2010, due April 1, 2011, in connection with her position with the Northeast Plateau Air Basin Pollution Control District. **\$200 fine.**

Jake Sloan, as a Planning Commissioner for the County of Contra Costa Planning Commission, failed to timely file the 2011 Annual Statement of Economic Interests covering the period January 1, 2011 through December 31, 2011, due April 2, 2012. **\$200 fine.**

Chris Welsh, Orange County Airport Commissioner, failed to timely file the 2011 Annual Statement of Economic Interests covering the period January 1, 2011, through December 31, 2011, due April 2, 2012. **\$400 fine.**

Mass Mailing Violation

California law requires that mass mailings include complete disclosure statements with specified information. The following failed to display a complete disclosure statement:

San Jose Reform Committee Supporting Rose Herrera. San Jose Reform Committee Supporting Rose Herrera for City Council 2012, formed primarily to support Rose Herrera on September 20, 2012, made independent expenditures which caused mass mailings to be sent in support of Rose Herrera for City Council and in opposition of her opponent, Jimmy Nguyen, all of which failed to display a top contributor of \$50,000 or more during the 12 month period prior to the expenditures, from the San Jose Fiscal Reforms, Mayor Reed, Chamber PAC and Issues Mobilization PAC Proponents. **\$2,500 fine.**

Late Contribution Violations

California law requires that when contributions of \$1,000 or more are made during the final days of an election – the time between the last campaign statement required to be filed and the end of the election – late contribution reports must be filed within 24 hours of making or receiving the “late” contribution. The following failed to file a late contribution report as required:

California League of Conservation Voters State Committee and Michael Hawk, Treasurer. This matter originated as a Franchise Tax Board audit. The respondents made five contributions amounting to \$11,000 during the late contribution reporting periods in connection with the June 8, 2010, August 17, 2010 and November 2, 2010, elections and failed to timely report each contribution. **\$1,650 fine.**

Service Employees International Union Local 721 CTW, CLC State & Local and Robert Schoonover, Treasurer. This matter originated as a Franchise Tax Board audit. Service Employees International Union Local 721 CTW, CLC State & Local made 15 contributions amounting to \$64,320 during the late contribution reporting periods in connection with six separate elections and failed to timely report each contribution. **\$8,022 fine.**

PowerPAC.org Voter Fund and Lisa Le, Treasurer. PowerPAC.org Voter Fund was the sponsored committee of PowerPAC.org and Lisa Le was treasurer of the committee at all times relevant. PowerPAC.org and Lisa Le failed to disclose required information about a contributor of \$100 or more in a Late Independent Expenditure Report. **\$3,000 fine.**

Major Donor Reporting Violation

A major donor is an individual or entity who makes contributions totaling \$10,000 or more in a calendar year and is required to file campaign reports detailing how much was contributed and to whom. The following failed to file major donor reports as required by law:

Sunovion Pharmaceuticals, Inc. and Anthony Magnetti. Sunovion Pharmaceuticals, Inc. and its responsible officer, Anthony Magnetti, failed to timely file a semi-annual campaign statement disclosing contributions totaling \$12,422. **\$523 fine.**

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