



FAIR POLITICAL PRACTICES COMMISSION

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NOTICE AND AGENDA Commission Meeting¹

**428 J Street, Suite 800
Sacramento, CA 95814**

**Thursday, November 10, 2011
10:00 AM**

Welcome and Introduction

Ann Ravel, FPPC Chair

PUBLIC COMMENT

1. Public Comment.

This portion of the meeting is reserved for comment on items not on the agenda. Under the Bagley-Keene Act, the Commission cannot act on items raised during public comment, but may respond briefly to statements made or questions posed; request clarification; or refer the item to staff.

PROPOSED CONSENT CALENDAR Items 2 through 21

2. Approval of October 13, 2011 Commission meeting minutes.

¹You can obtain further information about the meeting by contacting the Commission Assistant, 428 J Street, Suite 620, Sacramento, CA, 95814, Tel. 916-322-5745. Written comments on agenda items should be submitted to the Commission no later than 12:00 p.m. the day before the meeting in order to afford the Commissioners adequate time to fully consider the comments. The fax number for comment letters is 916-322-6440.

The agenda and related documents are posted on the FPPC website at www.fppc.ca.gov. Materials submitted by the public regarding each agenda item will be made available at the meeting and on the website.

Members of the public may listen to the meeting by phone by calling (888) 751-0624; access code is 723284.

The meeting location is accessible to the disabled. Persons who, due to a disability, need assistance in order to participate in this meeting should, prior to the meeting, contact the Commission Assistant at 916-322-5745 (voice), 916-322-6440 (facsimile) or in writing. TTY/TDD and Speech-to-Speech users may dial 7-1-1 for the California Relay Service to submit comments on an agenda item or to request special accommodations for persons with disabilities. Please allow a reasonable period of time between the request and the meeting date.

Campaign Reporting Violation – Streamline:

- 3. In the Matter of Carmen Avalos, Carmen Avalos for Assembly 2010, FPPC No. 10/912.** Staff: Commission Counsel Zachary W. Norton. Respondent Carmen Avalos was a candidate for election to the 50th Assembly District in 2010, and treasurer for the Carmen Avalos for Assembly 2010 committee. Respondent failed to timely file a semiannual campaign statement for the reporting period of October 18, 2009, through December 31, 2009, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$200.**
- 4. In the Matter of Carmen Avalos, Avalos for Trustee, FPPC No. 10/917.** Staff: Commission Counsel Zachary W. Norton. Respondent Carmen Avalos was a candidate for election to the Cerritos Community College District Board, and treasurer for the Avalos for Trustee committee. Respondent failed to timely file a semiannual campaign statement for the reporting period of October 18, 2009, through December 31, 2009, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$200.**
- 5. In the Matter of Robert J. Evans, FPPC No. 10/661.** Staff: Senior Commission Counsel Angela Brereton, and Special Investigator Sandra Buckner. Respondent Robert J. Evans, was an unsuccessful candidate for Attorney General in the November 2, 2010, general election, who raised and spent less than \$1,000 for his campaign. Respondent failed to file a short form campaign statement for calendar year 2010 by the March 22, 2010, due date, in violation of Government Code Sections 84200.5 and 84206 (1 count). **Total Proposed Penalty: \$800.**
- 6. In the Matter of Los Angeles League of Conservation Voters and Moe Stavnezer, Treasurer, FPPC No. 11/338.** Staff: Commission Counsel Bridgette Castillo and Special Investigator Leon Nurse-Williams. Respondent Los Angeles League of Conservation Voters was a county general purpose committee with Respondent Moe Stavnezer serving as treasurer. Respondents failed to timely file two semi-annual campaign statements, one for the reporting period January 1, 2010, through June 30, 2010, due August 2, 2010, and one for the reporting period July 1, 2010, through December 31, 2010, due January 31, 2011, in violation of Government Code Section 84200 (2 counts). **Total Proposed**

Penalty: \$400.

7. **In the Matter of Mountain View Professional Firefighters Political Action Committee and Melton Wong, Treasurer, FPPC No. 11/107.** Staff: Senior Commission Counsel Neal Bucknell, Special Investigator Annaraine Diaz, and Political Reform Consultant Adrienne Korchmaros. Respondents Mountain View Professional Firefighters Political Action Committee and Melton Wong, the committee treasurer, failed to timely file electronic campaign statements for all reporting periods from July 1, 2009, through June 30, 2011, in violation of Government Code Section 84605 (1 count). **Total Proposed Penalty: \$400.**

8. **In the Matter of Blanca E. Rubio, FPPC No. 10/1052.** Staff: Political Reform Consultant Adrienne Korchmaros. The respondent, current Los Angeles County Baldwin Park Unified School District Governing Board Member Blanca E. Rubio, failed to timely file the Form 470 campaign statement covering the period January 1, 2010, through December 31, 2010, due July 31, 2010, with the County of Los Angeles, in violation of Government Code Section 84206 (1 count). **Total Proposed Penalty: \$200.**

9. **In the Matter of Women’s National Political Caucus San Gabriel Valley, and Debra Hurd, Treasurer, FPPC No. 10/321.** Staff: Commission Counsel Milad Dalju and Political Reform Consultant Teri Rindahl. Women’s National Political Caucus San Gabriel Valley and its treasurer, Debra Hurd, failed to file a semi-annual campaign statement for the July 1, 2010, through December 31, 2010, reporting period, due January 31, 2011, in violation of Government Code Section 84200. **Total Proposed Penalty: \$200.**

Conflict of Interest:

10. **In the Matter of Gregory Fox, FPPC No. 10/798.** Staff: Commission Counsel Bridgette Castillo and Special Investigator Beatrice Moore. As a member of the Saratoga Cemetery District Board of Trustees, Respondent Gregory Fox failed to disclose his ownership interest in two undeveloped properties on his annual Statements of Economic Interests (“SEI”) for the years 2006, 2007, 2008, and failed to timely disclose his ownership interest in these properties on his 2009 SEI, in violation of Government Code Sections 87300 and 87302 (4 counts).

Further, Respondent Fox participated in and made governmental decisions on three occasions to develop an undeveloped parcel, referred to as the Sister's parcel, owned by the Saratoga Cemetery District, which is located within 500 feet of one of Respondent Fox's undeveloped properties, in violation of Government Code Section 87100 (3 counts). **Total Proposed Penalty: \$13,000.**

Mass Mailing Violations:

11. **In the Matter of San Bernardino Community College District, FPPC No. 11/472.** Staff: Commission Counsel Zachary W. Norton and Special Investigator Mark Weber. Respondent San Bernardino Community College District sent a newsletter on or about March 15, 2011, at public expense, which featured elected board members, in violation of Government Code section 89001 (1 count). **Total Proposed Penalty: \$2,000.**

Statement of Economic Interests – Failure to File – Streamline:

12. **In the Matter of Lee Cherry FPPC No. 11/480** Staff: Chief of Enforcement Gary Winuk, and Law Clerk Bridgette Gallagher. City of Oakland employee Lee Cherry failed to timely file an annual Statement of Economic Interests for the reporting period of January 1, 2009, through December 31, 2009, due April 1, 2010, in violation of Government Code Section 87300. **Total Proposed Penalty: \$200.**
13. **In the Matter of Nina Horne, FPPC No. 11/548.** Staff: Political Reform Consultant Teri Rindahl and Law Clerk Kyle Levy. Respondent Nina Horne, also known as Leona Horne, a City of Oakland Fund for Children and Youth Commissioner, failed to file an annual Statement of Economic Interests for the reporting period of January 1, 2009, through December 31, 2009, due April 1, 2010, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**
14. **In the Matter of Gloria Jeffery, FPPC No. 11/529.** Staff: Political Reform Consultant Teri Rindahl and Law Clerk Kyle Levy. Respondent Gloria Jeffery, a City of Oakland Central City East Project Area Committee member, failed to file an annual Statement of Economic Interests for the reporting period of January 1, 2009, through December 31, 2009, due April 1, 2010, in violation of Government

Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

15. **In the Matter of Virginia Kiraly, FPPC No. 11/845.** Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Virginia Kiraly, Commissioner for the State of California Economic Development Commission, failed to timely file an annual Statement of Economic Interests for the reporting period of January 1, 2010, through December 31, 2010, due April 1, 2011, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**
16. **In the Matter of Emmanuel Martinez, FPPC No. 11/248.** Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Emmanuel Martinez, Council Member for the City of Coachella, failed to timely file an annual Statement of Economic Interests for the reporting period of January 1, 2009, through December 31, 2009, due April 1, 2010, in violation of Government Code Section 87203 (1 count). **Total Proposed Penalty: \$200.**
17. **In the Matter of Veronica Martinez, FPPC No. 11/576.** Staff: Chief of Enforcement Gary Winuk and Law Clerk Alisha Heilman. Respondent Veronica Martinez, City of Oakland Family/Community Services Organizer, Head Start Program, failed to timely file an annual Statement of Economic Interests for the reporting period of January 1, 2009, through December 31, 2009, due April 1, 2010, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**
18. **In the Elisa Mazen, FPPC No. 11/835.** Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Elisa Mazen, Consultant for the Public Employees' Retirement Board, failed to timely file an annual Statement of Economic Interests for the reporting period of January 1, 2010, through December 31, 2010, due April 1, 2011, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**
19. **In the Matter of George McDaniel, FPPC No. 11/563.** Staff: Chief of Enforcement Gary Winuk and Law Clerk Alisha Heilman. Respondent George McDaniel, City of Oakland Board Member, Workforce Investment Board, failed to timely file an annual Statement of Economic Interests for the reporting period of January 1, 2009, through December 31, 2009, due April 1, 2010, in violation of

Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

20. **In the Matter of Ron Owens, FPPC No. 11/541.** Staff: Political Reform Consultant Teri Rindahl and Law Clerk Kyle Levy. Respondent Ronald C. Owens, Oakland Measure 'Y' Board Member, failed to timely file an annual Statement of Economic Interests for the reporting period of January 1, 2009, through December 31, 2009, due April 1, 2010, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**
21. **In the Matter of Stacy Thompson, FPPC No. 11/533.** Staff: Political Reform Consultant Teri Rindahl and Law Clerk Kyle Levy. Respondent Stacy Thompson, Oakland Head Start Board Member, failed to timely file an annual Statement of Economic Interests for the reporting period of January 1, 2009, through December 31, 2009, due April 1, 2010, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

GENERAL ITEMS 22 through 26

Re-Hearing:

22. **In the Matter of Frank Molina and Strategic Solutions Advisors; FPPC No. 09/807.** Staff: Chief of Enforcement Gary Winuk and Program Specialist Bob Perna. Respondent Frank Molina, a registered California lobbyist and Respondent Strategic Solutions Advisors, a California lobbying firm, failed to timely file quarterly lobbyist and lobbying firm reports from January 1, 2007, through December 31, 2009, in violation of Government Code Sections 86113 and 86114 (12 counts). **Total Proposed Penalty: \$30,000.**
23. **In re Costanzo Opinion Request (Our File No. O-11-178).** Staff: Assistant General Counsel John W. Wallace. The Commission will consider whether to issue an opinion addressing whether two members of the Selma City Council voted in past decisions in which they had conflicts of interest. Since the matter concerned a past vote, and conflict-of-interest issues are covered in Commission regulations and advice letters that could have been consulted at that time, the General Counsel, as Acting Executive Director, denied the request. The requestor seeks a review of this denial by the Commission.

- 24. Amendment of Regulations 18360, 18361 and 18361.4 and Adoption of Regulations 18361.11 and 18316.6.** Staff: Enforcement Division Chief Gary Winuk and Commission Counsel Sukhi K. Brar. This proposal includes amendments to Regulations 18360, 18361, 18361.4 and adoption of Regulations 18361.11, 18316.6, all related to Enforcement procedures. The areas of improvement include: (1) codification of the current practice of allowing potential respondents the ability to communicate with the FPPC before a determination to investigate an enforcement matter is made, (2) codification of the current practice of assigning the General Counsel or an attorney in the Legal Division to hear probable cause proceedings, (3) amendments allowing discovery in probable cause proceedings for respondents, (4) a new regulation implementing procedures for default decisions, and (5) a new regulation focusing on treasurer liability for committee violations that would allow the Enforcement Division the discretion to hold the party who violated the Act in limited circumstances solely accountable, focusing mainly on major donor committees.
- 25. Adoption of Amendments to Regulations, 18940 through 18950.4.** Staff: Commission Counsel William J. Lenkeit and General Counsel Zackery P. Morazzini. Staff proposes to revise and update the gift regulations for overall consistency and clarity, and to make substantive changes to take into account the “personal benefit” language in the definition of gift, along with codifying exceptions previously provided in Commission opinions and staff advice letters for “acts of neighborliness,” and “bona-fide dating relationship.” New exceptions for “acts of human compassion” and “long term friendships” are also being proposed. Additional changes are proposed to the home hospitality exception and modification of the valuation rule for tickets to non-profit and political fundraising events. Finally, the travel rules have been consolidated and simplified.
- 26. Discussion Item. Campaign Fraud Workshop.** Staff: General Counsel Zackery P. Morazzini. Discussion of issues relating to campaign contributions and the use of Legal Defense Funds in the wake of the recent accounts of widespread campaign fraud.

STAFF REPORTS – Items 27 through 32

- 27. Legislative Report.** Staff: Legislative Coordinator, Tara Stock
- 28. Litigation Report.** Staff: General Counsel, Zackery P. Morazzini
- 29. Legal Division.** Staff: General Counsel, Zackery P. Morazzini
- 30. Enforcement Division.** Staff: Chief of Enforcement, Gary Winuk
- 31. Technical Assistance Division.** Staff: Chief of T.A.D., Lynda Cassady
- 32. Administration Division.** Staff: Chief of Administration, Tina Bass

CLOSED SESSION – Item 33

- 33. Pending Litigation (Gov. Code § 11126(e)(1)).**
ProtectMarriage.com, et al. v. Debra Bowen, et al. (United States District Court, Eastern District of California, Case No. 2:09-cv-00058- MCE-DAD).

The next Commission meeting is scheduled for Thursday, December 8, 2011 at 10:00 AM. Location: 428 J Street, Suite 800, Sacramento, CA 95814.