1 2	STACEY FULHORST, Executive Director City of San Diego Ethics Commission 1010 Second Avenue, Suite 1530 San Diego, CA 92101		
3 4	Telephone: (619) 533-3476 Facsimile: (619) 533-3448		
5	Petitioner		
6	REFORE THE CI	ΓΥ ΟΕ SAN DIECO	
7	BEFORE THE CITY OF SAN DIEGO ETHICS COMMISSION		
8			
9	In re the Matter of:	Case No.: 2013-46	
10	)	STIPULATION, DECISION, AND	
11	SAN DIEGO AND IMPERIAL COUNTIES	ORDER	
12	Respondent.		
13	)		
14 15	STIPULATION		
16	THE PARTIES STIPULATE AS FOLLOWS:		
17	1. Petitioner Stacey Fulhorst is the Executive Director of the City of San Diego Ethics		
18	Commission [Ethics Commission]. The Ethics Commission is charged with a duty to administer,		
19	implement, and enforce local governmental ethics laws contained in the San Diego Municipal		
20	Code [SDMC] relating to, among other things, the provisions of the Municipal Lobbying		
21	Ordinance, SDMC section 27.4001, et seq.		
22	2. At all times mentioned herein, the s	San Diego and Imperial Counties Labor Council	
23	AFL-CIO [Labor Council] was an organization lobbyist registered with the Office of the City		
24	Clerk. The Labor Council is referred to herein as "Respondent."		
25	3. This Stipulation will be submitted for consideration by the Ethics Commission at its		
26	next scheduled meeting, and the agreements contained herein are contingent upon the approval of		
27	the Stipulation and the accompanying Decision and Order by the Ethics Commission.		
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4. This Stipulation resolves all factual and legal issues raised in this matter by the
 Ethics Commission without the necessity of holding an administrative hearing to determine
 Respondent's liability.

5. Respondent understands and knowingly and voluntarily waives any and all 4 procedural rights under the SDMC, including, but not limited to, a determination of probable 5 6 cause, the issuance and receipt of an administrative complaint, the right to appear personally in 7 any administrative hearing held in this matter, the right to confront and cross-examine witnesses 8 testifying at the hearing, the right to subpoen a witnesses to testify at the hearing, and the right to 9 have the Ethics Commission or an impartial hearing officer hear this matter. Respondent agrees to hold the City of San Diego harmless from any and all claims or damages resulting from the 10 Commission's investigation, this stipulated agreement, or any matter reasonably related thereto. 11 Respondent further agrees that the terms of this Stipulation constitute compliance with the 12 provisions of SDMC section 26.0450 in that the Stipulation includes a recitation of facts, a 13 reference to each violation, and an order. 14

6. Respondent acknowledges that this Stipulation is not binding upon any other law
enforcement or government agency and does not preclude the Ethics Commission from referring
this matter to, cooperating with, or assisting any other law enforcement or government agency
with regard to this or any other related matter.

7. The parties agree that in the event the Ethics Commission refuses to accept this
 Stipulation, it shall become null and void. Respondent further agrees that in the event the Ethics
 Commission rejects the Stipulation and a full evidentiary hearing before the Ethics Commission
 becomes necessary, no member of the Ethics Commission or its staff shall be disqualified because
 of prior consideration of this Stipulation.

## **Summary of Law and Facts**

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8. The Lobbying Ordinance requires organization lobbyists to file quarterly disclosure
reports no later than the last day of the months of April, July, October, and January, covering the
preceding calendar quarter. SDMC §§ 27.4015, 27.4016. Information required to be disclosed on
quarterly reports includes a description of each municipal decision the organization's lobbyists

attempted to influence, the outcome sought, the identity of each lobbyist who lobbied City
Officials on the municipal decision, and the identity of City Officials lobbied. In addition,
information required to be disclosed on quarterly reports includes campaign contributions of \$100
or more made by the organization's owners, compensated officers, or lobbyists to City candidates.
SDMC § 27.4017. These disclosure requirements are the foundation of the City's lobbying laws
because they ensure that the public receives timely information about compensated efforts to
influence the City's decision-making processes.

9. On January 17, 2013, Respondent registered as an organization lobbyist for the 2013
calendar year with the Office of the City Clerk.

10 10. Respondent did not file a quarterly report for the third quarter of 2013 on or before
 11 October 31, 2013, despite several reminders from the City Clerk's staff.

11. On December 20, 2013, the Commission staff contacted Respondent's representative
 who agreed to promptly file Respondent's third quarter disclosure report; however, the report was
 not filed until January 9, 2014.

15 12. The third quarter disclosure report filed by Respondent on January 9, 2014, disclosed
that one of Respondent's lobbyists made a \$150 campaign contribution to a City candidate, and
that Respondent's lobbyists engaged in campaign fundraising activities for a committee primarily
formed to support a City candidate, but did not contain information regarding Respondent's
lobbying contacts during the reporting period. Investigative efforts subsequently undertaken by
Commission staff revealed that the information on Respondent's third quarter disclosure report
was incomplete.

13. After Respondent's representative was notified that its third quarter disclosure report
was incomplete, Respondent filed an amended report on March 10, 2014, to disclose its lobbying
efforts associated with the Prevailing Wage Ordinance, the Barrio Logan Community Plan, and
the Living Wage Ordinance, and to add two additional campaign contributions totaling \$650 from
its lobbyists to City candidates. After another inquiry from the Commission's staff, Respondent
filed another amendment on March 19, 2014, disclosing an additional lobbying contact with a
City Councilmember concerning the Prevailing Wage Ordinance.

1		<u>Counts</u>	
2	Count 1 - Violation of SDMC section 27.4016		
3	14. I	Respondent failed to timely file a 2013 third quarter disclosure report as required by	
4	SDMC sectio	n 27.4016. Respondent's quarterly disclosure report for the third quarter of 2013	
5	was due on O	ctober 31, 2013, but Respondent did not file it until January 9, 2014, ten weeks late.	
6		Count 2 - Violations of SDMC section 27.4017	
7	15. I	Respondent failed to disclose all of the information required by SDMC section	
8	27.4017 when	n it filed its 2013 third quarter disclosure report on January 9, 2014, and when it filed	
9	an amendment to this report on March 10, 2014. In particular, Respondent failed to disclose its		
10	lobbying activities and all of the campaign contributions made by its lobbyists.		
11		<b>Factors in Mitigation</b>	
12	16.	At the time the 2013 third quarter disclosure report was due, Respondent was	
13	undergoing a	transition with new staff members. In response to this enforcement action,	
14	Respondent h	as taken corrective measures to ensure future compliance, including (1) consulting	
15	with counsel regarding its filing obligations; (2) creating a calendaring system for filing		
16	deadlines; and (3) implementing a system for properly tracking lobbying contacts.		
17		<u>Conclusion</u>	
18	17. 1	Respondents agree to take necessary and prudent precautions to ensure compliance	
19	with all provi	sions of ECCO in the future.	
20	18. I	Respondents acknowledge that the Ethics Commission may impose increased fines	
21	in connection with any future violations of the City's campaign laws.		
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	STIPULATION, DECISION, AND ORDER		

1	19. Respondent agrees to pay a fine in the amount of \$3,000 for violating SDMC		
2	sections 27.4016 and 27.4017. This amount must be paid by check or money order made payable		
3	to the City Treasurer no later than June 11, 2014. Respondent acknowledges that if the fine is not		
4	timely paid in full, the Commission may refer the collection of the fine to the City Treasurer's		
5	Collection Division, which may pursue any or all available legal remedies to recover late		
6	penalties, interest, and costs, in addition to seeking the outstanding balance owed.		
7			
8	DATED:	[REDACTED]	
9	DATED	STACEY FULHORST, Executive Director	
10		ETHICS COMMISSION, Petitioner	
11		[REDACTED]	
12	DATED:		
13		RICHARD BARRERA, on behalf of Respondent San Diego and Imperial Counties Labor Council AFL-CIO	
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15			
16		DECISION AND ORDER	
17	The Ethics Commission considered the above Stipulation at its meeting on <u>June 12</u> , , 2014.		
18	The Ethics Commission hereby approves the Stipulation and orders that, in accordance with the		
19	Stipulation, Respondent pays a fine in the amount of \$3,000.		
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21	DATED:	[REDACTED]	
22		JOHN C. O'NEILL, Vice Chair SAN DIEGO ETHICS COMMISSION	
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		STIPULATION, DECISION, AND ORDER	
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