



**Minutes for Meeting of  
Thursday, February 8, 2018**

**Item 1: Call to Order**

Commission Chair Cochran called the meeting to order at 5:00 p.m.

**Item 2: Roll Call**

**Present** – Commission Chair Deborah Cochran, Commission Vice Chair Sid Voorakkara, and Commissioners Bill Baber, Fred Kosmo, Alex Kreit, Joe Leventhal, and Dave Potter

**Staff** – Executive Director Stacey Fulhorst, General Counsel Christina Cameron, Education Program Manager Stephen Ross, Investigative Program Manager Kristina Gagné, and Program Coordinator Victoria Velasquez

**Item 3: Approval of Commission Minutes of January 11, 2018**

Motion:	Approve Minutes
Moved/Seconded:	Potter/Leventhal
Vote:	Carried Unanimously

**Item 4: Non-Agenda Public Comment**

None

**Item 5: Commissioner Comment**

None

**Item 6: Executive Director Comment**

Ms. Fulhorst provided an update regarding the Commission's office space at the Executive Complex. On January 26, 2018, the City directed employees not to enter the building following the discovery of asbestos in construction

debris. After cleaning and testing, City staff were permitted to briefly enter the building to retrieve important work-related materials. The City is in the process of relocating all City employees who worked in the building, including Commission staff. In the meantime, the staff has been working from home since the afternoon of January 26, 2018, with the exception of Ms. Velasquez who also works periodically from a cubicle set up for her in the City's Real Estate Assets Department. Ms. Fulhorst commended Mr. Ross and Ms. Velasquez on their successful efforts to minimize disruption to the Commission's services during this difficult time.

**Item 7: General Counsel Comment**

None

**Item 8: Proposed Amendments to Election Campaign Control Ordinance**

Ms. Fulhorst provided a recap of the Commission's prior discussions concerning the option of requiring primarily formed recipient committees to disclose their \$10,000+ donors in emails to the Commission for posting on the Commission's website. She noted that at the January meeting Commissioner Leventhal suggested employing an alternative procedure during the 90 day pre-election period using 24-hour contribution disclosure reports (Forms 497). In particular, he asked whether a committee could essentially check a box in the City's electronic filing system (Netfile) when submitting its Forms 497 to alert the Commission of its \$10,000 donors in lieu of notifying the Commission through an email.

Ms. Fulhorst reported that staff subsequently conferred with the City Clerk's office, which in turn conferred with Netfile before advising that it is not currently possible to implement Commissioner Leventhal's proposal. She explained that the Netfile system uses the state's Cal-Access data format, which relies on data submitted on various state disclosure forms. The option contemplated by Commissioner Leventhal would necessitate the development of new functionality in the state system. In addition, Ms. Fulhorst noted that the Form 497, which can be used to report contributions by multiple donors, does not report the aggregate amount contributed by any single donor and therefore does not have the capacity to necessarily signal when a particular donor has crossed the \$10,000 threshold. Therefore, it would not be an effective mechanism to achieve the result contemplated by Commissioner Leventhal. In other words, Ms. Fulhorst stated, even if the Netfile system could be configured to transmit Form 497 data to the Commission, the filer would still have to supplement the transmittal with an email to provide additional information regarding which donors had crossed the \$10,000 threshold during the applicable time period.

Commissioner Baber confirmed that, because the Form 497 does not include an aggregate total from each contributor, it can't be used to notify the Commission when donors reach or exceed the \$10,000 threshold. He also commented favorably on the simplicity of the email notice requirement set forth in the draft amendments. In response to his request, Ms. Fulhorst confirmed that the email notice would require only the donor's name (and identification number if the donor is a political committee). There is no requirement that a committee rank its donors by amount or provide updated information as rankings change.

Commissioner Voorakkara asked what information would be available on the website linked to the advertisements. Ms. Fulhorst responded that the website would contain a list of donors that have reached the \$10,000 threshold for each committee. She noted that during the past several election cycles the staff has used Tableau software to collect campaign data from the Netfile system for display on the Commission's website and will consider consolidating that effort with the disclosure of the \$10,000+ donors.

Ms. Fulhorst informed the Commission that although the FPPC has not yet completed its rule-making process for implementing AB249, there are no outstanding issues that need resolution for purposes of the Commission's policy decisions. The one remaining issue concerns a disagreement between FPPC staff and at least one of the authors of AB249 regarding quantity thresholds for certain advertising disclaimers. In particular, the author believes that every ad produced in a quantity of one or more must have a disclosure, in lieu of the traditional requirements that impose a 200 quantity threshold for campaign literature and a 500 call threshold for telephone calls. Ms. Fulhorst noted that if the FPPC ultimately decides on a quantity of one the City will have to incorporate the same requirement because local jurisdictions may not impose rules that are less restrictive than state law.

Ms. Fulhorst identified three non-substantive changes to the draft amendments that were made since the last meeting and asked if the Commissioners were ready to approve the proposed amendments and forward them to the City Council Rules Committee. Commission Chair Cochran commented that several Commissioners have expressed a desire to reach out to the regulated community for input and suggested that the Commission hold off on final approval until the next meeting in March. Ms. Fulhorst asked the Commissioners to remember that current scheduling contemplates that the new laws will be in place for the November general election, and added that the Commission's final approval in March is key to maintaining this timeline.

Commissioner Potter asked when the City Attorney will review the Commission's proposed amendments. Ms. Fulhorst advised that they will

commence their review when the proposed amendments are considered by the City Council Rules Committee.

**Item 9: Adjourn to Closed Session**

Commission Chair Cochran adjourned the meeting to closed session at approximately 5:40 p.m. She stated the Commission would reconvene into open session following the conclusion of closed session in order to report any action taken during the closed session portion of the meeting.

**Reconvene to Open Session**

Commission Chair Cochran called the meeting back into open session at approximately 6:00 p.m.

**Reporting Results of Closed Session Meeting of February 8, 2018**

Ms. Cameron reported the results of the closed session meeting of February 8, 2018:

**Item-1: Conference with Legal Counsel (1 potential matter)**

**Case No. 2017-21 – Disclosure of Economic Interests**

Motion:	Approve Stipulation
Moved/Seconded:	Potter/Voorakkara
Vote:	Carried Unanimously

**Adjournment**

The meeting adjourned at approximately 6:05 p.m.

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Deborah Cochran, Chair  
Ethics Commission

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Victoria Velasquez, Program Coordinator  
Ethics Commission

***THIS INFORMATION WILL BE MADE AVAILABLE IN ALTERNATIVE FORMATS UPON REQUEST.***

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