STACEY FULHORST, Executive Director
City of San Diego Ethics Commission
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Petitioner

BEFORE THE CITY OF SAN DIEGO
ETHICS COMMISSION

In re the Matter of: 

PROCOPIO, CORY, HARGREAVES & SAVITCH LLP, 

Respondent. 

STIPULATION, DECISION, AND ORDER

STIPULATION

THE PARTIES STIPULATE AS FOLLOWS:

1. Petitioner Stacey Fulhorst is the Executive Director of the City of San Diego Ethics Commission [Ethics Commission]. The Ethics Commission is charged with a duty to administer, implement, and enforce local governmental ethics laws contained in the San Diego Municipal Code [SDMC] relating to, among other things, the provisions of the Municipal Lobbying Ordinance, SDMC section 27.4001, et seq.

2. At all times mentioned herein, Procopio, Cory, Hargreaves & Savitch, LLP [PCHS] was a lobbying firm registered with the Office of the City Clerk. PCHS is referred to herein as “Respondent.”

3. This Stipulation will be submitted for consideration by the Ethics Commission at its next scheduled meeting, and the agreements contained herein are contingent upon the approval of the Stipulation and the accompanying Decision and Order by the Ethics Commission.

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STIPULATION, DECISION, AND ORDER
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 procedural rights under the SDMC, including, but not limited to, a determination of probable cause, the issuance and receipt of an administrative complaint, the right to appear personally in any administrative hearing held in this matter, the right to confront and cross-examine witnesses testifying at the hearing, the right to subpoena witnesses to testify at the hearing, and the right to 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 Commission’s investigation, this stipulated agreement, or any matter reasonably related thereto. Respondent further agrees that the terms of this Stipulation constitute compliance with the provisions of SDMC section 26.0450 in that the Stipulation includes a recitation of facts, a reference to each violation, and an order.

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**

8. The City’s Lobbying Ordinance requires lobbying firms to file quarterly reports and disclose information regarding their lobbying and related activities, including the campaign contributions of $100 or more made to City candidates by the firm’s owners, officers, and lobbyists. SDMC § 27.4017.
9. On January 6, 2015, Respondent registered as a lobbying firm for the 2015 calendar year with the Office of the City Clerk.

10. On July 28, 2015, Respondent filed a disclosure report covering the period from April 1 through June 30, 2015, and disclosed fifteen contributions to City candidates totaling $4,850. Respondent’s second quarter disclosure report did not include one additional contribution to a City candidate in the amount of $550 that was made during the reporting period. On May 19, 2016, in response to a request from Commission staff, Respondent filed an amended quarterly report to disclose this contribution.

11. On January 26, 2016, Respondent filed a disclosure report covering the period from October 1 through December 31, 2015, and disclosed nine contributions to City candidates totaling $1,600. Respondent’s fourth quarter disclosure report did not include two additional contributions to City candidates totaling $625 that were made during the reporting period. On May 19, 2016, in response to a request from Commission staff, Respondent filed an amended quarterly report to disclose these contributions.

Counts

Counts 1 and 2 - Violation of SDMC section 27.4017

12. Respondent failed to disclose all of the information required by SDMC section 27.4017 when it filed its 2015 second quarter disclosure report on July 28, 2015, and its 2015 fourth quarter report on January 26, 2016. In particular, as described above in Paragraphs 10 and 11, Respondent failed to disclose all of the campaign contributions made by its owners, officers, and lobbyists to City candidates.

Factors in Aggravation

13. Respondent was the subject of a previous Commission enforcement action involving the failure to disclose all of the campaign contributions made by its owners, officers, and lobbyists, and paid a $500 fine in this case. Subsequent to the enforcement action, Respondent received two additional warning letters concerning its failure to disclose all of the campaign contributions made by its owners, officers, and lobbyists.
Factors in Mitigation

14. Respondent fully cooperated with the Commission’s investigation.

Conclusion

15. Respondent agrees to take necessary and prudent precautions to ensure compliance with all provisions of the City’s Lobbying Ordinance in the future.

16. Respondents acknowledge that the Ethics Commission may impose increased fines in connection with any future violations of the City’s campaign laws.

17. Respondent agrees to pay a fine in the amount of $500 for violating SDMC section 27.4017. This amount must be paid by check or money order made payable to the City Treasurer no later than July 8, 2016. The submitted payment will be held pending Commission approval of this Stipulation and execution of the Decision and Order portion set forth below.

[REDACTED]

DATED:__________________

STACEY FULHORST, Petitioner
SAN DIEGO ETHICS COMMISSION

[REDACTED]

DATED:__________________

PROCOPIO, CORY, HARGREAVES & SAVITCH LLP, Respondent
By: Robert Russell, Jr.

DECISION AND ORDER

The Ethics Commission considered the above Stipulation at its meeting on July 14, 2016.
The Ethics Commission hereby approves the Stipulation and orders that, in accordance with the Stipulation, Respondent pay a fine in the amount of $500.

[REDACTED]

DATED:__________________

CLYDE FULLER, Chair
SAN DIEGO ETHICS COMMISSION