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8 **BEFORE THE FAIR POLITICAL PRACTICES COMMISSION**

9 **STATE OF CALIFORNIA**

10
11 In the Matter of

12
13 CALIFORNIA WASTE SOLUTIONS,
14 INC. and ANDY DUONG,

15 Respondents.

FPPC Case No. 19/931

16
17 **REPORT IN SUPPORT OF A FINDING
OF PROBABLE CAUSE**

Hearing Date: TBA
Hearing Time: TBA
Hearing Location: Commission Offices
1102 Q Street, Suite 3000
Sacramento, CA 95811

18 **INTRODUCTION**

19 This case was opened as a joint investigation with the Oakland Public Ethics Commission
20 (“PEC”).

21 Respondent Andy Duong (“Duong”) works for Respondent California Waste Solutions, Inc.
22 (“CWS”). His job title is “Purchasing Agent and Public Relations.” CWS is a family owned business
23 operated by Duong’s father David Duong. CWS has service contracts with the City of Oakland and the
24 City of San Jose. In addition to his role at CWS, Duong operates KultMix, a Vietnamese-American
25 fusion restaurant in Oakland, as well as has affiliations with other business ventures.

26 The Political Reform Act (the “Act”)¹ prohibits contributions made in the name of another. In
27 this matter, between at least 2016 and 2018, CWS, the true source of at least 93 contributions to multiple

28 ¹The Act is contained in Government Code sections 81000 through 91014. All statutory references are to the
Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are
contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory

1 local campaign committees, through Duong acting as CWS’s agent, reimbursed campaign contributions
2 made at his behest, falsely using the names of intermediaries or “straw donors” instead of disclosing
3 CWS as the true source of the contributions. These campaign contributions largely consisted of
4 contributions made to local Oakland and San Jose city council candidates. Duong reimbursed these
5 campaign contributions largely in cash, when acting in his role as an agent for CWS. This chain of
6 activity is commonly referred to as “laundering” campaign contributions.

7 In the alternative, Duong was the true source of at least 93 contributions to multiple local
8 campaign committees when he created a campaign contribution laundering scheme to benefit CWS,
9 reimbursing campaign contributions made at his behest, using the names of intermediaries instead of his
10 own.

11 SUMMARY OF THE LAW

12 The Act and its regulations are amended from time to time. The discussion below regarding
13 jurisdiction, the standard for finding probable cause, and the contents of the probable cause report
14 includes references to current law. Unless otherwise note, all other legal references and discussions of
15 law pertain to the Act’s provisions as they existed at the time of the violations in this case.

16 Jurisdiction

17 The Fair Political Practices Commission (the “Commission”) has primary responsibility for the
18 impartial, effective administration and implementation of the Act.² This includes enforcement through
19 administrative prosecution.³ However, before the Commission’s Enforcement Division may commence
20 administrative prosecution by filing/serving an Accusation, a hearing officer (either the General Counsel
21 of the Commission or another attorney in the Commission’s Legal Division) must determine whether
22 there is probable cause that supports a reasonable belief or strong suspicion that one or more violations
23 of the Act occurred.⁴ Any finding of probable cause is required by law to be announced publicly, which
24 includes the posting of a summary of the allegations on the Commission’s website.⁵ After a finding of
25

26 _____
27 references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

28 ² Section 83111.

³ Section 83116.

⁴ Sections 83115.5 and 83116; Regulations 18361, subd. (b), and 18361.4.

⁵ Regulation 18361.4, subd. (g).

1 probable cause, the Commission may then hold a hearing to determine what violations have occurred—
2 and levy an administrative penalty of up to \$5,000 for each violation.⁶

3 **Standard for Finding Probable Cause**

4 For the hearing officer to make a finding of probable cause, it is only necessary that he or she be
5 presented with evidence that sufficiently supports a reasonable belief or strong suspicion that the Act has
6 been violated.⁷ Probable cause may only be found if the Respondents were notified of the violations at
7 least 21 days prior to the hearing officer’s consideration of the alleged violations.⁸

8 **Contents of the Probable Cause Report**

9 The probable cause report is required to contain a summary of the law and evidence that supports
10 a finding of probable cause that each alleged violation of the Act has occurred, as well as a description
11 of any exculpatory evidence indicating a violation alleged in the report did not occur. The evidence
12 recited in the probable cause report may include hearsay.⁹

13 **Need for Liberal Construction and Vigorous Enforcement of the Political Reform Act**

14 When enacting the Act, the people of California found and declared that previous laws regulating
15 political practices suffered from inadequate enforcement by state and local authorities.¹⁰ For this reason,
16 the Act is to be construed liberally to accomplish its purposes.¹¹

17 **Prohibitions: Making Contributions in the Name of Another Person**

18 Section 81002, subdivision (a) provides that “receipts and expenditures in election campaigns
19 shall be fully and truthfully disclosed in order that the voters may be fully informed and improper
20 practices may be inhibited.” Timely and truthful disclosure of the source of campaign contributions is
21 an essential part of the Act’s mandate.

22 In order to obtain disclosure of the true source of campaign contributions, the Act provides that
23 “no contribution shall be made, directly or indirectly, by any person in a name other than the name by
24 which such person is identified for legal purposes.”¹²

25 ⁶ Section 83116; Regulation 18361.4, subd. (g).

26 ⁷ Regulation 18361.4, subd. (a).

27 ⁸ Section 83115.5.

28 ⁹ Regulation 18361.4, subd. (b).

¹⁰ Section 81001, subd. (h).

¹¹ Section 81003.

¹² Section 84301.

1 When a person makes a contribution on behalf of another, that person's intermediary relationship
2 with the actual donor must be disclosed to the recipient of the contribution, and the recipient's campaign
3 filings must disclose both the intermediary and the actual donor.¹³

4 **Local Contribution Limits**

5 Many local jurisdictions have local contribution limits. Local contribution limits restrict the
6 amount of money a person can contribute to a candidate. Campaign contribution laundering is more
7 common in areas with contribution limits, when individuals are attempting to curry favor with
8 candidates and circumvent the contribution limits by reimbursing individuals to make campaign
9 contributions on their behalf.

10 In 2016, the local contribution limit for the Oakland City Council election was \$700.¹⁴

11 In 2016, the local contribution limit for the Milpitas City Council election was \$250.¹⁵

12 In 2018, the local contribution limit for the Oakland City Council election was \$800 per election
13 for candidates who agreed to a spending limit.¹⁶

14 In 2018, the local contribution limit for the San Jose City Council election was \$600 per person
15 per election.¹⁷

16 In 2018, the local contribution limit for the Santa Clara County Board of Supervisors election
17 was \$1,000.¹⁸

18 **Local Prohibitions with Contractors with the City of Oakland**

19 No person who contracts or proposes to contract with or who amends or proposes to amend
20 such a contract with the City of Oakland for the rendition of services, for the furnishing of any
21 material, supplies, commodities or equipment to the City, for selling or leasing any land or building to
22

23 ¹³ Section 84302.

24 ¹⁴ The Oakland Campaign Reform Act includes contributions limits, which are subject to a cost of living adjustment
each year by the City Clerk. In 2016, the applicable contribution limit for Oakland City Council was \$700. (Oakland
Municipal Code, Section 3.12.050.)

25 ¹⁵ In 2016, the applicable contribution limit for the Milpitas City Council was \$250. (Milpitas Ordinance, Section I-
210-4.10.)

26 ¹⁶ In 2018, the applicable contribution limit for Oakland City Council was \$800. (Oakland Municipal Code, Section
3.12.050.)

27 ¹⁷ In 2018, the applicable contribution limit for San Jose City Council was \$600 per person per election. (San Jose
Ordinance, Section 12.06.210.)

28 ¹⁸ In 2018, the applicable contribution limit for the Santa Clara County Board of Supervisors was \$1,000. (Santa
Clara County Ordinance Sec. A35-2.)

1 the City, or for purchasing or leasing any land or building from the City, whenever the value of such
2 transaction would require approval by the City Council shall make any contribution to the Mayor, a
3 candidate for Mayor, a City Councilmember, a candidate for City Council, the City Attorney, a
4 candidate for City Attorney, the City Auditor, a candidate for City Auditor, or committee controlled
5 by such elected City Official or candidate at any time between commencement of negotiations and one
6 hundred eighty (180) days after the completion or the termination of negotiations for such contract.¹⁹

7 **Fraudulent Concealment**

8 No administrative action alleging a violation of any provisions of the Act shall be commenced
9 more than five years after the date on which the violations occurred, unless the person alleged to have
10 violated the Act engaged in fraudulent concealment of his or her acts or identity, in which case the five-
11 year period shall be tolled for the period of concealment.²⁰ A person is engaged in fraudulent
12 concealment when that person knows of material facts related to his or her duties under the Act and
13 knowingly conceals them in performing or omitting to perform those duties, for the purpose of
14 defrauding the public of information to which it is entitled under the Act.²¹

15 **JOINT INVESTIGATION**

16 According to a tip from a private citizen to the PEC, a joint and ongoing investigation was
17 initiated into CWS and Duong's involvement in an elaborate campaign contribution laundering scheme.
18 This is an ongoing investigation; therefore, evidence may reveal that this campaign contribution
19 laundering scheme was larger than what is contained in this Probable Cause Report, including that this
20 scheme continued prior to 2016 and after 2018 as well. However, the FPPC Enforcement Division is
21 issuing this Probable Cause Report to toll the statute of limitations for the violations stated here.

22 For Counts 23-35, reimbursed campaign contributions that were received by the Friends of
23 Desley Brooks committee between June 1, 2016, through June 30, 2016 – all are past the 5-year statute
24 of limitations. However, these contributions were fraudulently concealed from the public. Not only is
25 purposefully seeking to make a campaign contribution in the name of another individual inherently
26

27 _____
28 ¹⁹ Oakland Municipal Code, Section 3.12.140.

²⁰ Section 91000.5, subd. (b).

²¹ Id.

1 fraudulently concealing the identity of the true source of the campaign contribution, none of these
2 contributions were disclosed on the relevant campaign statements as required.

3 **SUMMARY OF THE EVIDENCE**

4 CWS is a large commercial and residential recycling company, who provides recycling services
5 to the City of Oakland and the City of San Jose, has had ongoing negotiations during the relevant times
6 with the City of Oakland regarding land use, and has an interest in providing recycling services to
7 additional cities in the bay area, including a failed bid to provide services in Milpitas. CWS is owned
8 and operated by David Duong, the father of Duong. According to Duong, he has worked at CWS since
9 at least 2010 as a Purchasing Agent and in Public Relations. By definition, Duong's duties include
10 promoting the public image of CWS.

11 Although Duong has affiliations with other businesses as well as CWS, the evidence obtained,
12 detailed below, supports that an elaborate campaign contribution laundering scheme was orchestrated
13 for the benefit of CWS, to curry favor with candidates and provide more access to candidates. This
14 scheme included Duong seeking individuals to make political contributions, for the most part at the
15 maximum local contribution limit, and reimbursing these individuals for these campaign contributions.
16 The evidence also supports that Duong solicited friends to help find additional individuals, including
17 their family and friends, willing to make campaign contributions and reimbursing these campaign
18 contributions as well.

19 All but one of the campaign committees targeted were in jurisdictions with local contribution
20 limits. Duong and CWS circumvented the local contribution limits by finding individuals to make
21 contributions in their own names and reimbursing the contribution. Not only is this a typical campaign
22 contribution laundering scheme, but inherently fraudulently conceals the true source of the
23 contributions. While Duong and CWS concealed the true source of the contributions, Duong ensured the
24 targeted candidates were aware of his commitment to raise money for their campaign by attending
25 candidate fundraisers, bringing individuals to campaign fundraisers, at times hosting campaign
26 fundraisers, providing the committees and candidates with multiple checks at these campaign
27 fundraisers, communicating directly with the candidates and committees and pledging a commitment to
28 gather a certain monetary amount to specific candidates and their committees.

1 In further aggravation, at all relevant times, the City of Oakland had a prohibition of any
2 campaign contributions on contactors providing services to the City of Oakland that would require the
3 Oakland City Council approval. Many of the targeted committees were for candidates running for
4 Oakland City Council during times CWS had ongoing negotiations of the purchase and lease of land for
5 CWS recycling facilities. The evidence detailed below shows that CWS and Duong had discussions
6 regarding funding the support of candidates, including supporting Oakland City Council candidates at a
7 time they were prohibited from making the campaign contributions in their own name.

8 **Contribution Limits**

9 Many local jurisdictions have local contribution limits. Local contribution limits restrict the
10 amount of money a person can contribute to a candidate. Campaign contribution laundering is more
11 common in areas with contribution limits, when individuals are attempting to curry favor with
12 candidates and circumvent the contribution limits by reimbursing individuals to make campaign
13 contributions on their behalf.

14 In 2016, the local contribution limit for the Oakland City Council election was \$700. This
15 contribution limit applied to contributions made to: Larry Reid for Oakland City Council 2016; Dan
16 Kalb for Oakland City Council; Rebecca Kaplan for Oakland City Council 2016; Viola Gonzales for
17 City Council 2016 and Friends of Desley Brooks (2016). Each of the reimbursed campaign contributions
18 for these committees were for the maximum contribution of \$700.

19 In 2016, the local contribution limit for the Milpitas City Council election was \$250. This
20 contribution limit applied to Neighbors for Anthony Phan 2016-City Council. Each of the reimbursed
21 campaign contributions for this committee was for the maximum contribution of \$250.

22 In 2018, the local contribution limit for the Oakland City Council election was \$800 per election
23 for candidates who agreed to a spending limit. This contribution limit applied to: Desley Brooks for
24 Oakland City Council 2018; Abel Guillen for Oakland City Council 2018; and Sheng Thao for Oakland
25 City Council 2018. Most of the reimbursed campaign contributions for these committees were for the
26 maximum contribution of \$800.

1 In 2018, the local contribution limit for the San Jose City Council election was \$600 per person
2 per election. This contribution limit applied to Tam Nguyen for San Jose City Council 2018. Each of the
3 reimbursed campaign contributions for this committee was for the maximum contribution of \$600.

4 In 2018, the local contribution limit for the Santa Clara County Board of Supervisors election
5 was \$1,000. This contribution limit applied to Don Rocha for County Supervisor 2018. Each of the
6 reimbursed campaign contributions for this committee was for the maximum contribution of \$1,000.

7 All of the campaign committees identified were targets of the CWS and Duong campaign
8 contribution laundering scheme.

9 **Background**

10 According to the CWS website, "California Waste Solutions, Inc. is Northern California's
11 premiere recycling company serving East & South Bay communities. We provide high quality
12 commercial and residential recycling services to more than 3 million customers on a weekly basis."
13 Further, the website states, "the Duongs have established the largest recycling company in Northern
14 California, employing over 300 union and non-union workers directly from the communities they
15 serve." Duong works for CWS as "Purchasing Agent and Public Relations." CWS is a family-owned
16 business operated by Duong's father David Duong. CWS has been in business for about 30 years.

17 Duong is affiliated with multiple other businesses as well, including but not limited to: KultMix,
18 a restaurant located in Oakland; Jam Global Group, which sells vaporizers online; Ambit Resource
19 Group, a recycling business; and the former Sancha Bar/Music Café, a tea and coffee house with a
20 separate area for karaoke that was located in Oakland.

21 CWS has service contracts with the City of Oakland and the City of San Jose. According to the
22 CWS website, CWS has had a contract to provide services to the City of Oakland since 1992 and with
23 the City of San Jose since 2002.

24 According to the Oakland City Council minutes in September 2014, the Oakland City Council
25 approved the contracts with CWS after a tense battle with another waste management business for the
26 contract. According to the Oakland City Council meeting minutes in June 2016, a resolution was passed
27 which authorized an exclusive negotiating agreement between the City of Oakland and CWS regarding
28 recycling facilities on the former Oakland Army Base. In 2016, 2018, 2020 and 2021, according to

1 Oakland City Council meeting minutes, the Oakland City Council approved exclusive negotiating
2 agreements with CWS while negotiating a relocation of the recycling center. The Oakland City Council
3 has more recently, in June 2020, discussed the possibility of selling approximately 12 acres of land and
4 leasing 2.3 acres of public land to CWS. In 2021, the Oakland City Council approved the relocation of
5 the recycling center. As such, CWS has had ongoing business with both the City of Oakland and the
6 City of San Jose during the campaign contribution laundering periods identified in this report.
7 Additionally, CWS sought to enter into contracts in multiple cities in the Bay Area during the identified
8 campaign contribution laundering periods.

9 Duong is the Purchasing Agent and Public Relations agent for CWS. He has a strong social
10 media presence with many photos of himself and local, statewide and federal politicians on sites such as
11 Instagram and Facebook. According to witness testimony and correspondence between Duong and
12 various candidates, Duong attends and occasionally throws political fundraisers. According to witness
13 testimony, Duong frequently bundles multiple checks for political candidates, and many of these checks
14 are provided to the candidate at candidate fundraisers.

15 **Interviews with Witnesses**

16 On September 30, 2020, Kevin Jiang (“Jiang”) was interviewed for this investigation. Jiang
17 stated that he met Duong through a mutual friend, Marvin Thang (“Thang”). Jiang, Duong and Thang
18 started a company and worked together on a business venture selling vaporizers online, under the
19 business JAM Global Group. According to Jiang, JAM stood for Jiang, Andy Duong and Marvin Thang.
20 At times, they conducted business at the CWS Offices. Jiang and Duong became social friends as a
21 result.

22 According to Jiang, in 2016, Duong talked to Jiang about making a political contribution while
23 they were at Duong’s office located at CWS. When he told Duong he could not afford to make a
24 political contribution, Jiang stated that Duong offered to reimburse him for the political contribution.
25 Jiang stated he believed this was a favor for a friend, so he got his checkbook, wrote the check which he
26 gave to Duong and Duong reimbursed him the same amount in cash from money he had in his wallet.
27 Jiang stated he did not want to jeopardize his business relationship with Duong. Once the vaporizer
28 business failed, Jiang stated he limited communication with Duong as he did not like the way he treated

1 people. According to Jiang, he participated in a scheme, at Duong's request, to find individuals to make
2 political contributions to specific candidates identified by Duong and reimbursed these individuals for
3 the political contributions with cash provided by Duong. According to Jiang, he witnessed Duong obtain
4 the cash primarily from a drawer located in Duong's CWS office. This scheme is discussed in further
5 detail below, from 2016 through 2018.

6 According to Jiang, Duong later asked if he had any friends that would be willing to write
7 contribution checks for reimbursement from Duong. Duong explained this was an arrangement to
8 fundraise for candidates. According to Jiang, Duong asked for two to five checks at a time. Jiang asked
9 both his family and friends to write contribution checks and informed them they would be reimbursed
10 for the amount of the checks. According to Jiang, none of these individuals were aware that the
11 reimbursements were from Duong.

12 Jiang stated he typically asked his family and friends for political campaign contributions to
13 candidates Duong identified, either verbally or via text. In general, Jiang stated Duong would text the
14 wording needed for the payee portion of the check and the amount Duong was requesting. Duong also
15 asked for some additional information regarding these political campaign contributions, regarding the
16 intermediaries' employment. Jiang provided this information to Duong either verbally, via text or wrote
17 it on a piece of paper. Jiang stated he did not know why this information was required. Jiang informed
18 the intermediaries that they would be reimbursed. According to Jiang, once he collected the checks, he
19 delivered them to Duong, many times at Duong's CWS office. Jiang stated he informed Duong that the
20 intermediaries needed reimbursement quickly. Although Duong explained that the contribution checks
21 are not typically cashed by the candidates right away, Jiang stated that he typically was reimbursed by
22 Duong the same day he delivered the checks. In turn, Jiang reimbursed the intermediaries within a day
23 or two, using the cash he received from Duong. According to Jiang, he never used his own money to
24 reimburse any of the intermediaries. According to Jiang's bank account statements during the relevant
25 time periods, Jiang did not have sufficient funds available to reimburse these campaign contributions.

26 According to Jiang, Duong had cash in a drawer in his CWS office. In general, only Duong and
27 Jiang were in the office when he received reimbursement. This is largely where Duong retrieved the
28 cash, which was given to Jiang to reimburse the intermediaries for their political campaign

1 contributions. On one occasion, Duong went to an ATM to withdraw cash which was given to Jiang for
2 reimbursements.

3 On many occasions, Duong asked Jiang to collect checks quickly, since he did not have enough
4 checks. According to Jiang, he provided checks to Duong usually within a day or two of Duong's
5 requests. At times, Jiang has also accompanied Duong when picking up checks from different
6 individuals. However, Jiang had not observed Duong reimbursing individuals when he picked up these
7 checks.

8 According to Jiang, Duong attended many of the political fundraisers and liked when people
9 attended with him. Jiang, Thang, Duong and another friend Sen Saechao ("Saechao") all attended
10 political fundraising events with Duong at times.

11 According to Jiang, Duong asked him to go to the CWS offices after multiple subpoenas were
12 issued in connection with this case. Duong asked if Jiang had received a subpoena. Jiang had not
13 received a subpoena at that point. According to Jiang, Duong explained that multiple people had
14 received subpoenas about the "check stuff." Duong told Jiang that his significant other's father ignored
15 the subpoena. Later, after Jiang had received a subpoena, Duong told Jiang not to worry about it and
16 said he would have his lawyers look into it. Duong then set up a dinner with Jiang, Thang and Saechao.
17 Jiang believed they all were involved in gathering checks, but did not remember the specific discussion
18 at that dinner and was not aware of specifics regarding Thang and Saechao's participation.

19 In response to a subpoena for communications between Jiang and Duong, Jiang produced some
20 text messages from 2018. According to one of these text messages on May 21, 2018, Jiang asked,
21 "Andy, do you still need them for desley? Cause its past the date Lemme know quick." Duong
22 responded, "Lol all of them Help me raise Im serious." Jiang responded, "Ok." Duong replied, "Also
23 TN too bro Whatever you can." Jiang replied, "Yeah working on it." In a continuing conversation on
24 May 23, 2018, Duong said, "Hey bro, 4 for AG is cool Done deal Need DB n TN." In what appears to
25 be the same text chain from a new screen shot, Duong texts, "Yo u can the company and title per donor?
26 Thanks so much for raising supporters!"

27 In another, undated text chain, Jiang stated, "Hey You still need me tonight? I got 4/4 for ag and
28 db." Duong responded, "What u mean need?" Jiang replied, "Abel event is tonight right? Do you want

1 me to come with? Or can I just drop off the checks to you?" Duong replied, "Event is tmr." Jiang
2 responded that he would try to get more checks. Duong replied, "Ok But I need u to attend tmr." Jiang
3 responded, "Prolly be able to get 6-7 Ok Then imma go get my haircut today and suit pressed Cool
4 Just making sure I'll see you tomorrow! Let you know how many checks I can get tonight."

5 Consistent with these text messages, on or about May 22 through May 26, 2018, the Desley
6 Brooks for Oakland City Council 2018 committee reported receiving a contribution from Kevin Jiang,
7 Anh Kim Le, Nancy Kim Le, Kenny Truong, Sylvia Leung Wong and Judy Liu, all in the amount of
8 \$800, the Oakland contribution limit at the time for a city council candidate in 2018. Jiang admitted to
9 being reimbursed for his contribution and reimbursing the remainder from cash he received from Duong.

10 On or about June 8 through June 30, 2018, the Abel Guillen for Oakland City Council 2018
11 committee reported receiving a contribution from Kevin Jiang, Anh Kim Le, Nancy Kim Le, Kenny
12 Truong, Sylvia Leung Wong and Ivana Mac, all in the amount of \$800, the Oakland contribution limit at
13 the time for a city council candidate for 2018. Jiang admitted to being reimbursed for his contribution
14 and reimbursing the remainder from cash he received from Duong.

15 On or about June 1, 2018, the Tam Nguyen for San Jose City Council 2018 committee reported
16 receiving a contribution from Kevin Jiang and Judy Liu, in the amount of \$600 each, the San Jose
17 contribution limit at the time for a city council candidate in 2018. Jiang admitted to being reimbursed for
18 his contribution and reimbursing the other contributor from cash he received from Duong.

19 During the interview, Jiang admitted to facilitating a minimum of 34 of Duong's reimbursements
20 of political campaign contributions to himself, his family and friends.

21 According to interviews of each, Anh Kim Le, Jennifer Mach, Tony Yu, Kenny Truong, Nancy
22 Kim Le, Ivana Mac, Sylvia Leung Wong, Tuan Lenh, Saechao and Kim Huong Vietnamese Cuisine all
23 admitted to receiving reimbursements from either Jiang or Duong for political campaign contributions
24 made. Further, Jiang admitted to reimbursing with cash provided by Duong the following for political
25 campaign contributions made: his mother Judy Liu, a family friend Huo Zeng, the boyfriend of Jennifer
26 Mach Thomas Mei, a friend Connie Ly and a relative Marianne Jiang.

27 On June 27, 2019, Hop Nguyen ("Nguyen") was interviewed in connection with this
28 investigation. Nguyen was the owner of Kim Huong Vietnamese Cuisine, a former restaurant in

1 Oakland. According to Nguyen, this restaurant changed ownership, is now called KultMix and is
2 operated by Duong. According to Nguyen, Duong asked Nguyen to provide him with blank checks in
3 exchange for cash. Duong did not explain why he needed the blank checks, but that it was common for
4 people to do favors for each other in the Vietnamese culture. Nguyen stated that he provided three blank
5 but signed Kim Huong Vietnamese Cuisine business checks and accepted the cash in return for the
6 anticipated amount Duong needed. According to Nguyen, after the opening of KultMix, Duong and
7 Nguyen became involved with litigation over the restaurant. During this time, Nguyen learned his
8 checks were used to make political campaign contributions. According to Nguyen, Duong's handwriting
9 was on the checks in the payee and amount portions of the checks.

10 On October 22, 2019, Tuan Lenh ("Lenh") was interviewed in connection with this investigation.
11 Duong is Lenh's sister-in-law's nephew. Lenh refers to Duong as his cousin. Lenh admitted to receiving
12 reimbursement for political campaign contributions made at the behest of Duong. More specifically,
13 Lenh stated that Duong asked him to make three political contributions. Lenh admitted he was
14 reimbursed for two political contributions and possibly reimbursed for the third political contribution
15 when Duong paid for bills when they went out.

16 On July 28, 2021, Saechao was interviewed in connection with this investigation. Saechao stated
17 he has been friends with Duong for many years. According to Saechao, Duong urged him to invest in his
18 business, Ambit Resource Group. Saechao stated that Duong was eager to obtain a loan. According to
19 Saechao, Duong told Saechao if he took the loan, he would help pay it off if the investment in Ambit
20 Resource Group did not become profitable. According to Saechao, he took out the loan and provided the
21 proceeds to Duong. Duong paid off the loan with monthly payments.

22 According to Saechao, during this time, Duong asked him to make political contributions.
23 Saechao made a contribution to Rebecca Kaplan for Oakland City Council 2018 on or about February
24 15, 2018, in the amount of \$700. This contribution was paid back through the payment of the loan.

25 **CWS Correspondence**

26 According to correspondence provided as the result of a subpoena, an internal CWS email sent
27 by Duong to his father and owner of CWS, David Duong, on September 20, 2016. The subject line
28 included "2016 Political Analysis." The email, in its entirety, stated:

1 “Here are my final analysis for 2016 double elections year in whom we shall support and most
2 likely going to win. They are all among in groups that will be best beneficial for us in the long
3 run. Please see my recommendation below.

4 1. Eric Swalwell-Current Congressman for D15 whom you met in D.C. asking for your support
5 of \$2,700. Only personal check or credit card accepted. This sponsorship will include you as a
6 host for his upcoming event featuring Mar-n O’ Malley whom ran for USA President in the
7 primary election.

8 2. Mae Torlakson- Current elected as Contra Costa County regional park director and educator.
9 She is a wife of Tom Torlakson whom known to be elected in many terms all around political
10 careers from state senate to current CA State Superintendent of Public Instructions. Tom served
11 as CA Governor by law if Jerry Brown is away from state. Mae is running for State Assembly
12 D14 and will be the first Asian-American female state assembly. She is well influence in the API
13 community and has great open opportunities in which further relationship can be established
14 from states to federal officials. She is seeking for \$2,000 sponsorship for her final campaign
15 reports.

16 3. Asian Pacific Islander Caucus League of California Cities Executive Director Annie Lam
17 whom is a wife of Anthony Rendon currently Speaker of the State Legislative is asking us to
18 sponsor \$2,000 for their upcoming League of California Cities event in which those board
19 members are all currently elected officials from cities to counties to state all well around. This is
20 a huge event to support along with the political group.

21 4. Rob Bonta is currently up for a re-election and asking if CWS can sponsor his biggest
22 fundraising coming up at a premium level of \$4,100. Rob Bonta has always been very supportive
23 of us and has a bright potential in the near future. He is one of the best ally to ever support and
24 will deliver whatever we ask for when help needs in the future.

25 5. Alamedans United Super Pac whom has major influenced all over the Alameda County. They
26 are team with Hillary Clinton, Barbara Lee to councils all the way down to school boards. They
27 are seeking for \$2,000 donations in doing an independent expenditure in which will help all the
28 candidates that they are supporting. This will give us a huge acknowledgment at a cost of \$2,000.

1 6. Jael Myrick-Current Richmond council member whom is youngest and aggressive within not
2 only the city itself but to federals. He is seeking support of \$1,000 on his re-election. He is a
3 great person to keep a close relationship with for near future projects and opportunities within
4 the Richmond to Contra Costa area.

5 7. Ken Chew-Mayor of Moraga running for Alameda County Bart whom asking for support of
6 \$1,000. His political career is wide open and will be in the long haul. He will definitely be very
7 useful within the county down the line.

8 8. Nate Miley currently served as the Alameda County Supervisors in need of a support \$1,000.
9 He has served as supervisors for many years along with Wilma Chan, Keith Carson, and Richard
10 Valle. They have huge impacts within the African-Americans communities in such like Elihu
11 Harris, Barabara Lee, have huge impacts within the African-Americans communities in such like
12 Elihu Harris, Barabara Lee, Lynefe McElhaney, and Kamala Harris.

13 9. Oakland At Large Seat Race- Top 3 candidates that we need to look into are Rebecca Kaplan,
14 Peggy Moore, and Bruce Quan. I can discuss with Kristina and get your approval for supports as
15 we should split some budget to other two candidates since this race will be a tough one.

16 I have trimmed down the amount of sponsorships that all the elected officials/candidates have
17 asked for. All of the above people are strong and relationship well established in our hands. I
18 highly suggest we support them all based on my 2016 outcome political analysis. Please approve
19 these as soon as you can. Thank you, Andy Duong.”

20 On October 6, 2016, Duong sent a similar email to David Duong with the subject line “2016
21 Final Political Analysis.” In this email, Duong included “Bao Nguyen For Congress asking for max
22 donation of \$2,700 for his final runoff.” He removed his recommendation for support of Nate Miley and
23 added, “Oakland District 5 council race Viola whom is running against Noel Gallo.”

24 These emails show that CWS reviewed candidates and sought to support candidates. It is
25 important to note that CWS was, and is, a contractor of services and had ongoing negotiations in 2016,
26 2018, 2020 and 2021 for the purchase and lease of land for the recycling facility in the City of Oakland,
27 which prohibits CWS from making contributions to support local Oakland City Council candidates
28 when the value of the contract would require approval from the Oakland City Council. These

1 negotiations were with the Oakland City Council, who approved the relocation of the recycling facility
2 in 2021. None of the contributions made to the local Oakland City Council candidates identified in this
3 report were made in the name of CWS. Further, cash was kept in Duong's CWS office drawer, which
4 was used for reimbursements.

5 On October 5, 2016, Phuc Hong Tran ("Tran"), the President of the Vietnamese Chamber of
6 Commerce, forwarded an email message to Duong from Dan Kalb, a candidate asking for support, with
7 the subject line "I'm serious-I have a real opponent-and I need your help-please read on..." On October
8 5, 2016, Duong responded to Tran with David Duong cc'd, asking Tran to call him back.

9 On December 13, 2016, Duong sent an email through his CWS email account to David Duong,
10 Victor Duong, Kristina Duong, Johnny Duong and Michael Duong, with the subject line "Holidays Gift
11 for Elected Officials." This email states "Every year CWS have a small Holidays give away appreciation
12 to the elected officials. Are we passing any gifts this year? If so, usually who does the budgeting and
13 purchases? Thanks, Andy."

14 On January 22, 2018, Tran sent an email to Duong, with David Duong cc'd, with the subject line,
15 "Information of the Donors for Desley Brooks" which stated:

16 "Hi Andy,

17 Per your request:

- 18 1) Phuc Hong Tran, Business Owner (Phuc H. Tran Insurance Agency)
19 412 8th St, STE. D, Oakland, CA 94607
- 20 2) Ky Vo Troung, Business Owner (Alameda Auto Body, Inc.)
21 1814 Everett St, Alameda, CA 94501
- 22 3) Them Ngoc Tran, Business Owner (Tran Floors Inc.)
23 1724 24th Ave, Oakland, CA 94601
- 24 4) Anthony Pham, Business Owner (Alpha Design, Inc.)
25 926 E.10th St, Oakland, CA 94601
- 26 5) Christine Nguyen, Self-Employed)Child Care Services)
27 926 E.10th St, Oakland, CA 94606

28

1 I don't know:

2 -Mark Hung Tran

3 -Phuong Lan Huynh

4 -California Friendly Laundromat, LLC

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6 Contact me if you have any questions. Thanks!

7 All the best,

8 Phuc H. Tran.”

9 This email shows that CWS continued its involvement with fundraising in 2018, also including
10 the owner of CWS, David Duong.

11 These communications show that Duong and CWS discussed funding the support of candidates
12 for the benefit of CWS, including local candidates in which CWS was prohibited from making campaign
13 contributions. Further, the communications show that Duong and David Duong sought required
14 contributor information that is required to be provided to the campaign committee.

15 **Records and Correspondence with Candidate Committees**

16 Few contributor cards were provided as a result of subpoenas issued to candidate committees that
17 received laundered contributions. Additionally, the Friends of Desley Brooks committee for 2016 failed
18 to disclose any of the suspected laundered contributions on any campaign statements.

19 According to an internal “Abel Guillen for City Council 2018” email between Duong and Abel
20 Guillen, an Oakland City Council member from 2014-2018, on September 5, 2017, Guillen received a
21 pledge from Duong to raise an undetermined amount of money for Guillen’s committee. On September
22 9, 2017, Guillen sent a text message to his committee staff which reads:

23 “From Andy Duong:

24 Here are few folks that will come to your lobster feed event today.

25 -Kevin Jiang

26 -Sen Saechao

27 -Ken Chew

28 -Phuc Tran

1 -Ky Troung.”

2 Both Kevin Jiang and Sen Saechao have admitted to reimbursements, with Jiang admitting to
3 reimbursing others as well, with money from Duong. On September 9, 2017, the Guillen committee also
4 received a \$200 contribution from Connie Ly, whom Jiang has admitted to reimbursing with money
5 from Duong.

6 On October 4, 2017, Guillen sent an email to his staff, asking about an update on the pledged
7 contributions to his re-election committee. On October 5 and 6 2017, Jiang asked Ivana Mac (“Mac”) if
8 she “can write me another check?” According to the text chain, on October 6, 2017, Jiang told Mac “Pay
9 to: Abel Guillen for Oakland City Council 2018 for: Donation. \$800. I’ll come get it before I go to vh.
10 In an about 15.”

11 According to Abel Guillen for City Council 2018 campaign statements, the committee received
12 four contributions on November 2, 2017. Jiang admitted to reimbursing these contributions with money
13 provided by Duong, including an \$800 contribution from Mac.

14 An internal Sheng Thao for Oakland City Council 2018 committee email dated June 13, 2018,
15 from Laurie Earp stated: “FINANCE COMMITTEE- who are we going to ask to serve on the Finance
16 Committee-to agree to raise \$5,000-\$10,000+ each? Have you spoke with Andy Duong about \$20,000
17 by June 30th? let me know when I should follow up with him, please.” Soon after, between June 20
18 through June 29, 2018, 14 contributions were provided to the Sheng Thao for Oakland City Council
19 2018 committee, seven of which were admitted reimbursements by or on behalf of Duong.

20 An email sent by Lynette Gibson McElhaney to Larry Reid, Casey Farmer and Brigitte Cook,
21 dated August 17, 2018, identifying an “invitation-only gathering” held on August 23, 2018, stated
22 “When you RSVP, please include the name and donation information for your guests. This will help
23 tracking your pledge goals and properly prepare access credentials.” The email included the invitation,
24 which named multiple hosts, including Duong, for a 50th Birthday Celebration for Oakland
25 Councilmember Lynette Gibson McElhaney, to benefit her Lynette Gibson McElhaney Legal Defense
26 Fund committee.

1 The correspondence with candidates and their committees show how active Duong was in
2 fundraising for campaign committees and hosting fundraisers, even at times when CWS was prohibited
3 from making contributions in their own name.

4 **Interviews with Candidates**

5 On July 13, 2021, Anthony Phan (“Phan”) was interviewed in connection with this investigation.
6 Phan, a current Milpitas City Councilmember elected in 2016, stated he hired a fundraiser named
7 Mehran Khodabandeh (“Khodabandeh”) to assist with raising money for his 2016 campaign. According
8 to Phan, Khodabandeh organized a fundraiser on October 19, 2016. Phan provided Khodabandeh with
9 two contacts, Phuc Tran, the President of the Oakland Vietnamese Chamber of Commerce, and Duong.
10 According to Phan, he met Tran at an event where he discussed Phan’s city council campaign. Phan
11 stated that he is a family friend of Duong’s and has known him since 2013 or 2014. For this particular
12 event, Duong was the point person for Khodabandeh in setting up the October 2016 fundraiser. Phan
13 stated he paid for the drinks for the fundraiser, while the people who attended paid for their own food.
14 According to Phan, almost all of the attendees at the event resulted from Duong’s contacts. At the
15 fundraiser, Phan, Duong, Khodabandeh and Tran made presentations and asked for contributions. Phan
16 stated he received contributions from this event, but did not keep all of the envelopes. He later realized
17 he did not have occupation and employer information for many of the contributions from Duong’s
18 associates. He reached out to Duong for this required information because he was aware many of the
19 people at the event were Duong’s associates. According to Phan, Duong stated he would obtain the
20 required information but failed to do so. As a result, Phan made up some of the occupation and employer
21 information.

22 According to Phan, Duong did not make any contributions to his city council campaign in 2016
23 because CWS had bid for the Milpitas waste management contract and Duong did not want to give the
24 impression that he was trying to interfere with that decision. However, Phan stated he did receive a
25 contribution from JAM Global. Phan was aware it was a company Duong created separate from CWS,
26 but believed it was acceptable since the business had multiple owners, so the contribution was not from
27 Duong. According to Phan, Duong has hosted a few fundraisers that he has attended, including for Rob
28 Bonta and Jim Oddie. Phan has attended fundraisers with Duong at times.

1 On November 16, 2020, Assemblymember Ash Kalra (“Kalra”) was interviewed in connection
2 with this investigation. Kalra is a current Assemblymember and candidate for the same office in 2016
3 and 2018, and was previously a San Jose City Councilmember. According to Kalra, he met Duong
4 through his uncle, Victor Duong, and his father, David Duong. According to Kalra, Victor Duong
5 organized fundraising events for his candidacy in 2016 and 2018. He was unable to attend the 2016
6 fundraiser, but did attend the 2018 fundraiser. According to Kalra, Duong and David Duong were in
7 attendance. Kalra stated that Duong discussed his business, the Sancha Bar/Music Café. Kalra stated he
8 understood Duong was an owner of this business.

9 Kalra provided text messages from Duong, which included an invitation from Duong to Kalra for
10 an October 26, 2017 AAPA Annual Scholarship Dinner, featuring Nancy O’Malley, the Alameda
11 County District Attorney. Duong stated that his father, David Duong, was going to receive the
12 “Community Advocate Award” and Duong stated it would be an honor if Kalra could be present as his
13 VIP guest. According to Kalra, Duong invited him to an event for CWS and the Oakland Vietnamese
14 Chamber of Commerce, which he attended. Kalra provided text messages between himself and Duong,
15 dated December 2, 2017, where Duong invited Kalra to the Vietnamese Chamber Annual Dinner on
16 December 8, 2017 at 7pm. Another text chain dated January 17, 2018, included an invite from Duong to
17 Kalra to celebrate California Waste Solutions 25th Anniversary on January 24, 2018. The text messages
18 provided by Kalra also included; Kalra inviting Duong to a fundraiser on November 2, 2017; discussions
19 in October 2017 about Duong’s karaoke club, known as Sancha Bar, where Duong tells Kalra to let him
20 know when he would like to visit so he can set it up “real good for you”. Duong also sent a photo of the
21 karaoke room. According to Kalra, he had lunch with Duong years ago but did not discuss campaign
22 contributions.

23 These interviews show the amount of access Duong had to candidates, the fact that he hosted
24 fundraisers even when he did not make any campaign contributions himself and the amount of
25 knowledge Duong had regarding not making contributions during a time CWS was bidding for a
26 contract. Further, Duong had the opportunity to promote another business, the Sancha Bar.

1 **Bank Records and Interviews Supporting Reimbursement of Intermediaries**

2 Based on a review of the records of the committees that received laundered contributions and
3 interviews of candidates, Duong is known as a bundler. More specifically, he is known to promote
4 certain candidates and deliver multiple checks at a time to the different committees. Few of the
5 intermediaries provided any contributor cards or received any response from any of the committees for
6 their contribution. Further, most of the contribution checks from intermediaries were delivered by
7 Duong to the candidates at fundraisers, with few of the intermediaries attending the fundraisers.

8 Based on subpoenas for communications issued to the multiple candidate committees, Duong
9 corresponded with multiple committees about contributions via his CWS email and via text message.
10 Further, multiple contributions that were delivered by Duong at fundraisers included the same or similar
11 handwriting in the payee lines, although it appeared to be a different handwriting from the rest of the
12 check. This handwriting appears to be similar to the handwriting Nguyen stated was Duong's
13 handwriting. Many of these checks included the occupation and employment information written on the
14 back of the check and were delivered on the same day.

15 Based on subpoenas issued to multiple intermediaries, some of the intermediaries did not have
16 enough money in their bank accounts to cover the contributions made. In these bank accounts, typically
17 cash was deposited within a day or two to cover these contributions. Many of these checks also had
18 similar handwriting in the payee section on the checks for multiple intermediaries, which did not appear
19 consistent with other handwriting on the checks. Further, some of the contribution checks were delivered
20 with either a post-it note including required contributor information or this required information written
21 on the checks themselves. Also, this information was provided via text and emails. These are all
22 indicators of suspicious activity, and consistent with typical campaign contribution laundering activity.

23 More specifically, Charlie Ngo ("Ngo") was a manager at the Sancha Bar/The Music Café, who
24 made multiple contributions at times when he did not have sufficient funds in his bank account for the
25 contribution check to clear the bank. Ngo wrote a contribution check to Friends of Desley Brooks, dated
26 June 11, 2016, in the amount of \$700. This contribution was not reported by the Friends of Desley
27 Brooks committee. According to his bank records, Ngo had \$49.58 on June 11, 2016. However, the bank
28 records reflect he made a cash deposit of \$950 three days later. According to the Re-Elect Larry Reid for

1 Council 2016 committee records, Ngo made a contribution that was received by the committee on or
2 about September 12, 2016, in the amount of \$700. This contribution check was dated September 1,
3 2016. According to his bank records, Ngo had \$2.14 in his account on September 1, 2016. Three days
4 after the contribution check was written, Ngo deposited \$700 into his bank account.

5 Further, Ngo made a contribution to the Desley Brooks for City Council 2018 committee, falsely
6 reported as received by "Charlie Ng," dated and received by the committee on May 23, 2018 in the
7 amount of \$800. According to bank records, Ngo had \$5.32 in his bank account on May 23, 2018. He
8 made multiple cash deposits over the course of the following week.

9 Lastly, Ngo made a contribution check dated December 15, 2017 to Rebecca Kaplan for Oakland
10 City Council 2018. This contribution check was reported as received on February 15, 2018 in the
11 amount of \$700. According to Rebecca Kaplan for Oakland City Council 2018 committee records, a
12 post-it note in a different handwriting includes Ngo's contributor information. According to Ngo's bank
13 records, he also wrote a \$600 contribution check to Tam Nguyen for San Jose City Council 2018 on the
14 same day. The bank records show Ngo deposited a \$2,000 cash deposit the day before writing the two
15 checks. Without the \$2,000 deposit, he would have had \$280.45 in his account.

16 Ping Ping Chen ("Chen") is Duong's partner, Yesica Zhang's, mother. According to Chen's bank
17 records, she made a contribution to Re-Elect Larry Reid for Council 2016 dated September 6, 2016 in
18 the amount of \$700. According to her bank records, she deposited \$800 in cash two days after making
19 this contribution. Additionally, Chen wrote a campaign contribution dated December 16, 2017 to Kaplan
20 for Oakland City Council 2016 in the amount of \$700. On the same day, she wrote a contribution check
21 to the Tam Nguyen for San Jose City Council 2018 committee in the amount of \$600. According to her
22 bank statements, she deposited cash in the amount of \$1,000 and \$300 in the two weeks after the
23 contributions were made.

24 Silvia Zhang ("Zhang") is Duong's partner, Yesica Zhang's, sister. In an interview, Zhang
25 admitted she made political contributions at her sister's request to help Duong, but stated she was not
26 reimbursed. However, Zhang admitted she had no knowledge of the candidates that she made
27 contributions to and her contributions are part of a cluster of suspect contributions.

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1 Phuc Hong Tran (“Tran”) is President of the Oakland Vietnamese Chamber of Commerce.
2 According to Tran’s bank records, he made a contribution to Re-Elect Dan Kalb Oakland City Council
3 2016 in a check dated October 20, 2016 in the amount of \$700. On the same day, he made a contribution
4 to Neighbors for Anthony Phan 2016-City Council in the amount of \$250. These two contributions
5 totaled \$950. According to his bank records, Tran deposited \$1,000 cash into his account on October 20,
6 2016. Further, Tran made a contribution to the Lynette Gibson McElhaney Legal Defense Fund in a
7 check dated August 21, 2018 in the amount of \$5,000. According to his bank statements, although Tran
8 had sufficient funds to cover this contribution, Tran deposited \$5,000 cash into his bank account on the
9 same day he made the contribution. Further, Tran has sought support for candidates and has bundled
10 some contribution checks as seen in his email providing contributor information to Duong and David
11 Duong. Multiple checks appear to be written in his handwriting from other contributors. Tran stated that
12 he has filled in the contributor information for other people’s contributions because they write slow.

13 Yesica Zhang is Duong’s partner. According to her mother Chen and her sister Zhang, she has
14 solicited contributions on behalf of Duong. Miaoci Chen is Yesica Zheng’s sister and Wei Quan Zhang
15 is Yesica Zhang’s father. Wei Quan Zhang’s check appears to have different handwriting on the payee
16 line of the check. All of the contributions checks from Yesica Zhang’s family are considered suspicious
17 checks for reimbursement.

18 Marvin Thang (“Thang”) is a business partner and friend of Duong. According to his bank
19 records, Thang made a contribution to the Lynette Gibson McElhaney Legal Defense Fund in a check
20 dated August 19, 2018 in the amount of \$3,000. According to his bank records, he only had \$618.15 in
21 his account on August 19, 2018. According to his bank records, Thang deposited \$3,000 cash into his
22 bank account on August 24, 2018. Further, the employer/occupation information on the Lynette Gibson
23 McElhaney Legal Defense Fund was incorrectly reported on campaign statements. It is unclear how the
24 employer/occupation information was obtained.

25 Jiao Li (“Li”) was a manager at Chatime, a related business to Sancha Bar/Music Café and
26 ARDA, according to the owner of Chatime Mon Kil Quan (“Quan”). According to campaign statements
27 and committee records, Li contributed to the Friends of Desley Brooks and the Re-Elect Dan Kalb
28 Oakland City Council 2016 on the same day, June 29, 2016, and both in the amount of \$700 each. Mon

1 Kil Quan admitted that the checks were in his handwriting. Further, the date originally written on the
2 check for the Re-Elect Dan Kalb Oakland City Council 2016 was crossed out and a new date of October
3 20, 2016 was written in this section. These checks are part of a cluster of suspicious checks and are
4 consistent with the pattern of campaign contribution laundering.

5 Teamac Imports, Inc. was a Hayward based company owned by Quan, who is also a manager at
6 Sancha Bar/Music Café. This business is no longer in business. All contribution checks are made out in
7 Mon Kil Quan's handwriting, which he admitted to writing at Duong's request and provided them to
8 Duong. He also admitted to filling out Li's contribution checks above. Quan denies any reimbursement.
9 These checks are part of a cluster of suspicious checks and are consistent with the pattern of campaign
10 contribution laundering.

11 Anna Wong was the secretary of the Oakland Vietnamese Chamber of Commerce and girlfriend
12 of Tran, the president. Anna Wong admitted that many of her contribution checks were filled out by
13 Tran.

14 ARDA, LLC, in 2018, was a company owned by Wai Nug Tang, although the paperwork is
15 unclear. Quan admitted to investigators that he was one of the owners at the time political contributions
16 were made. ARDA, LLC also did business as Sancha Bar, The Music Case and Chatime. Quan admitted
17 he wrote the contribution check to the Lynette Gibson McElhaney Legal Defense Fund in the amount of
18 \$5,000 dated August 20, 2018. Quan stated that he received permission from the owners to make this
19 contribution after Duong solicited this check and he gave the contribution check to Duong, as he had
20 done with other contribution checks. According to the ARDA LLC bank records, \$5,000 cash in \$100
21 bills was deposited into the account the same day the check was written.

22 Kim Tuyen Thi Tran wrote a contribution check to the Re-Elect Dan Kalb Oakland City Council
23 2016 dated October 20, 2016 in the amount of \$700. This check included different handwriting that
24 appeared similar to Phuc Hong Tran's writing.

25 VIOLATIONS

26 Through the execution of the above-described campaign contribution laundering scheme, CWS
27 was the true source of the following campaign contributions, with Duong acting as the agent for CWS,
28 in violation of Government Code sections 84301 and 84302. In the alternative, Duong was the true

1 source of the following campaign contributions when he reimbursed the campaign contributions, in
2 violation of Government Code section 84301.

3 **Larry Reid for Oakland City Council 2016:**

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COUNT	DATE REPORTED RECEIVED	INTERMEDIARY	AMOUNT
1	9/12/16	Judy Liu (through Jiang)	\$700
2	9/12/16	Ivana Mac (through Jiang)	\$700
3	9/12/16	Tony Yu (through Jiang)	\$700
4	9/12/16	Silvia Zhang	\$700
5	9/12/16	Ping Ping Chen	\$700
6	9/12/16	Charlie Ngo	\$700
7	9/12/16	Mon Kil Quan	\$700
8	9/12/16	Teamac Imports, Inc.	\$700
		Total:	\$5,600

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13 **Dan Kalb for Oakland City Council:**

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COUNT	DATE REPORTED RECEIVED	INTERMEDIARY	AMOUNT
9	10/20/16	Jiao Li	\$700
10	10/20/16	Teamac Imports, Inc.	\$700
11	10/20/16	Anna Wong	\$700
12	10/20/16	Kim Tuyen Thi Tran	\$700
13	10/24/16	Huo Zeng (through Jiang)	\$700
14	10/24/16	Phuc Hong Tran	\$700
		Total:	\$4,200

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1 **Neighbors for Anthony Phan 2016-City Council in Milpitas:**

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COUNT	DATE REPORTED RECEIVED	INTERMEDIARY	AMOUNT
15	10/17/16	Charles Ngo	\$250
16	10/17/16	Yesica Zhang	\$250
17	10/17/16	Ping Ping Chen	\$250
18	10/19/16	Silvia Zhang	\$250
19	10/19/16	Phuc Hong Tran	\$250
		Total:	\$1,250

9 **Viola Gonzales for City Council 2016**

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COUNT	DATE REPORTED RECEIVED	INTERMEDIARY	AMOUNT
20	10/17/16	Charles Ngo	\$700
21	10/17/16	Silvia Zhang	\$700
22	10/17/16	Ping Ping Chen	\$700
		Total:	\$2,100

16 **Friends of Desley Brooks (2016):**

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COUNT	DATE ON THE CHECK ²²	INTERMEDIARY	AMOUNT
23	6/1/16	Miaoci Chen	\$700
24	6/2/16	Wei Quan Zhang	\$700
25	6/11/16	Charlie Ngo	\$700
26	6/29/16	Jiao Li	\$700
27	6/29/16	Teamac Imports, Inc.	\$700
28	6/29/16	Ivana Mac (through Jiang)	\$700
29	6/29/16	Thomas Mei (through Jiang)	\$700
30	6/29/16	Yesica Zhang	\$700
31	6/29/16	Silvia Zhang	\$700
32	6/30/16	Judy Liu (through Jiang)	\$700
33	6/30/16	Connie Ly (through Jiang)	\$700
34	6/30/16	Marianne Jiang (through Jiang)	\$700

28 ²²None of the listed contributions were disclosed on the committee campaign statements. As such, the date on the check is listed for these counts.

35	6/30/16	Huo Zeng (through Jiang)	\$700
		Total:	\$9,100

Desley Brooks for Oakland City Council 2018:

COUNT	DATE REPORTED RECEIVED	INTERMEDIARY	AMOUNT
36	7/5/17	Phuc Hong Tran	\$800
37	7/5/17	Anna Wong	\$800
38	5/21/18	Marvin Thang	\$800
39	5/22/18	Nancy Kim Le (through Jiang)	\$800
40	5/23/18	Charlie Ngo	\$800
41	5/23/18	Anh Kim Le (through Jiang)	\$800
42	5/24/18	Kenny Truong (through Jiang)	\$800
43	5/26/18	Kevin Jiang	\$800
44	5/26/18	Judy Liu (through Jiang)	\$800
45	5/28/18	ARDA, LLC	\$800
46	5/29/18	Tuan F Lenh	\$800
47	6/23/18	Sylvia Leung Wong (through Jiang)	\$800
		Total:	\$9,600

Abel Guillen for Oakland City Council 2018:

COUNT	DATE REPORTED RECEIVED	INTERMEDIARY	AMOUNT
48	9/9/17	Connie Ly (through Jiang)	\$200
49	9/9/17	Phuc Hong Tran	\$250
50	11/2/17	Anh Kim Le (through Jiang)	\$800
51	11/2/17	Nancy Kim Le (through Jiang)	\$800
52	11/2/17	Ivana Mac (through Jiang)	\$800
53	11/2/17	Jennifer Mach (through Jiang)	\$800
54	6/8/18	Kenny Truong (through Jiang)	\$800
55	6/8/18	Sylvia Leung Wong (through Jiang)	\$800
56	6/30/18	Kevin Jiang	\$800

57	6/30/18	Kim Huong Vietnamese Cuisine	\$800
58	6/30/18	Phuc Hong Tran	\$550
59	6/30/18	ARDA, LLC	\$800
		Total:	\$8,200

Sheng Thao for Oakland City Council 2018:

COUNT	DATE REPORTED RECEIVED	INTERMEDIARY	AMOUNT
60	6/30/18	Kevin Jiang	\$500
61	6/30/18	Anh Kim Le (through Jiang)	\$800
62	6/30/18	Nancy Kim Le (through Jiang)	\$800
63	6/30/18	Tuan F Lenh	\$800
64	6/30/18	Sen C. Saechao	\$800
65	6/30/18	Kenny Truong (through Jiang)	\$800
66	6/30/18	Kim Huong Vietnamese Cuisine	\$800
67	6/30/18	Phuc Hong Tran	\$800
68	6/30/18	Teamac Imports, Inc.	\$800
69	9/24/18	Anna Wong	\$800
70	8/29/19	Anna Wong	\$600
71	9/3/19	Mon Kil Quan	\$800
72	9/3/19	Teamac Imports, Inc. ²³	\$800
		Total:	\$9,900

Tam Nguyen for San Jose City Council 2018:

COUNT	DATE REPORTED RECEIVED	INTERMEDIARY	AMOUNT
73	12/17/17	Ping Ping Chen	\$600
74	12/17/17	Charlie Ngo	\$600
75	6/1/18	Kevin Jiang	\$600
76	6/1/18	Tuan F Lenh	\$600
77	6/1/18	Judy Liu (through Jiang)	\$600
78	6/1/18	Marvin Thang ²⁴	\$600

²³ Teamac Imports, Inc, was no longer in business when this contribution was made.

²⁴ This check was dated 5/21/18. He wrote 2 political contribution checks totaling \$1,400 on this day. There were insufficient funds in this bank account until a \$2,000 wire transfer from Duong was made into the account on 5/30/18.

79	6/1/18	ARDA, LLC	\$600
		Total:	\$4,200

Don Rocha for County Supervisor 2018:

COUNT	DATE REPORTED RECEIVED	INTERMEDIARY	AMOUNT
80	9/13/17	Nancy Kim Le (through Jiang)	\$1,000
81	9/14/17	Ivana Mac (through Jiang)	\$1,000
82	9/14/17	Connie Ly (through Jiang)	\$1,000
		Total:	\$3,000

Rebecca Kaplan for Oakland City Council 2016:

COUNT	DATE REPORTED RECEIVED	INTERMEDIARY	AMOUNT
83	10/21/16	Mon Kil Quan	\$700
84	2/15/18	Judy Liu (through Jiang)	\$700
85	2/15/18	Ivana Mac (through Jiang)	\$700
86	2/15/18	Charlie Ngo	\$700
87	2/15/18	Ping Ping Chen	\$700
88	2/15/18	Sen C. Saechao	\$700
89	2/22/18	Mon Kil Quan	\$700
		Total:	\$3,500

Lynette Gibson McElhanev Legal Defense Fund:

COUNT	DATE REPORTED RECEIVED	INTERMEDIARY	AMOUNT
90	8/23/18	Kim Huong Vietnamese Cuisine	\$2,000
91	8/23/18	Marvin Thang	\$3,000
92	8/23/18	Phuc Hong Tran	\$5,000
93	8/23/18	ARDA, LLC	\$5,000
		Total:	\$15,000

The amount of laundered contributions listed above totals \$76,250.

1 **EXCULPATORY INFORMATION**

2 CWS and Duong have no prior enforcement history.

3 **CONCLUSION**

4 Probable cause exists to believe Respondents, California Waste Solutions, Inc. and Andy Duong,
5 or, in the alternative, Andy Duong violated the Act as detailed above. The Enforcement Division
6 respectfully requests an order finding probable cause pursuant to Section 83115.5 and Regulation
7 18361.4.

8
9 Dated: September 8, 2021

10 Respectfully Submitted,

11 **FAIR POLITICAL PRACTICES COMMISSION**
12 Angela J. Brereton
13 Enforcement Chief

14 *Bridgette Castillo*

15

By: Bridgette Castillo
16 Senior Commission Counsel
17 Enforcement Division