

## **Diane Harkey (CA-49) Research Book**

The following report contains research on Diane Harkey, a Republican challenger in California's 49<sup>th</sup> Congressional District. Research for this book was completed by the Democratic Congressional Campaign Committee's Research Department in April 2018.

By accepting this report, you are accepting responsibility for all information and analysis included. Therefore, it is your responsibility to verify all claims against the original documentation before you make use of it.

Make sure you understand the facts behind our conclusions before making any specific charges against anyone.

# Table of Contents

|  |     |
|--|-----|
| Table of Contents .....                                      | 2   |
| Thematics .....  | 3   |
| Out For Herself: Ponzi Schemes & Elder Abuse .....           | 4   |
| Out For Herself: Typical Politician Climbing The Ladder..... | 25  |
| Out For Herself: Bad At Her Job.....                         | 36  |
| Out For Herself: Swamped With Special Interest Cash .....    | 56  |
| Key Visuals .....  | 71  |
| Personal & Professional History .....                        | 76  |
| Biography.....   | 77  |
| Personal Information.....                                    | 82  |
| Personal Finance .....                                       | 88  |
| Political Career.....  | 92  |
| Ethics.....  | 130 |
| Relationships.....   | 208 |
| Donald Trump .....   | 222 |
| Issues.....  | 223 |
| Agriculture Issues.....                                      | 224 |
| Arts & Quality Of Life Issues .....                          | 225 |
| Budget Issues .....  | 226 |
| Civil Rights & Liberties .....                               | 236 |
| Consumer Issues.....   | 239 |
| Crime & Public Safety Issues.....                            | 242 |
| Defense Issues.....  | 250 |
| Economy & Jobs .....   | 251 |
| Education Issues.....  | 258 |
| Election & Campaign Finance Issues.....                      | 262 |
| Energy Issues .....  | 267 |
| Environmental Issues .....                                   | 272 |
| FEMA And Disaster Relief Issues .....                        | 281 |
| Gun Issues .....   | 283 |
| Health Care Issues.....                                      | 284 |
| Housing Issues .....   | 294 |
| Immigration & Border Issues.....                             | 297 |
| Labor.....   | 305 |
| LGBT Issues .....  | 313 |
| State Issues .....   | 319 |
| Seniors' Issues.....   | 328 |
| Tax Issues.....  | 336 |
| Transportation Issues .....                                  | 348 |
| Women's Issues .....   | 364 |

---

# Thematics

---

## Out For Herself: Ponzi Schemes & Elder Abuse

### Significant Findings

- ✓ *Harkey invested in her husband's business that a court found liable for elder abuse and deceptive business practices described by plaintiffs as a "Ponzi scheme."*
- ✓ *In 2009, Harkey's husband and his company, Point Center Financial, were sued by its investors, which included many retirees, for operating a "classic Ponzi scheme" in hard money lending.*
- ✓ *In 2013, a jury initially found Dan Harkey liable for \$10 million in damages for "malice, oppression, or fraud" in breach of fiduciary duty.*
- ✓ *Dan Harkey was found guilty of eleven cases of elder abuse – and then counter-sued the victims.*
- ✓ *Harkey tried to deny any involvement with the company but had previously disclosed she was a corporate officer & invested in her husband's company.*
- ✓ *Plaintiffs accused Harkey of using money earned from the company to finance her political campaigns.*
  - ✓ *Harkey claimed contributions to her own campaign came from her income & her wealth from her banking career. But later admitted "sometimes" the contributions came from "my income. Sometimes it was his income. Sometimes it's both of our incomes."*
- ✓ *Harkey was dismissed in the lawsuit but the court ordered Harkey's wages to be garnished to pay the settlement. In response, Harkey claimed she was separated from her husband.*

### **Harkey Invested In Her Husband's Business Which A Court Found Liable For Elder Abuse And Deceptive Business Practices Described By Plaintiffs As A "Ponzi Scheme"**

#### **2009: Harkey's Husband And His Company, Point Center Financial, Were Sued By Its Investors, Which Included Many Retirees, For Operating A "Classic Ponzi Scheme" In Hard Money Lending**

---

#### **Harkey's Husband, Dan J. Harkey, Was President Of Point Center Financial, Inc.**

---

**Harkey's Husband, Dan J. Harkey, Was President Of Point Center Financial, Inc.** "Diane L. Harkey Age: 53 Birthplace: Joliet, Ill. Years in California: 43 years Years in Dana Point: 25 years Family Married to Dan J. Harkey, Mortgage Banker, President of Point Center Financial, Inc. located in San Juan Capistrano. One daughter, Jaclyn, age 20, Business Major at USC. (Plus 3 horses and 3 cats)." [Orange County Register, 12/9/04]

---

#### **A Lawsuit Accused Dan Harkey Of Taking More Than \$15 Million From Dozens Of Investors While Operating A "Classic Ponzi Scheme"**

---

**HEADLINE: "Orange County Real Estate Lender Dan Harkey Is Accused Of Bilking Investors"** [Los Angeles Times, [2/18/09](#)]

**2009: A Lawsuit Accused Dan Harkey, Of Taking More Than \$15 Million From Dozens Of Investors.** "Was it the real estate downturn, or were people misled into a risky investment scheme? That's the question at the center of

a lawsuit filed Tuesday that accuses Orange County real estate lender Dan J. Harkey of bilking dozens of investors out of more than \$15 million.” [Los Angeles Times, [2/18/09](#)]

**Lawsuit: Dan Harkey Exaggerated The Value Of Properties To Lull Investors Into A False Sense Of Security.** “The lawsuit accuses Dan Harkey of using slick marketing techniques -- including mass mailings and DVDs of sales meetings -- to attract investors in short-term, high-interest loans to real estate developers. It contends that Harkey exaggerated the value of the properties used as collateral by borrowers, making the individual investments appear much safer than they were. Dan Harkey denied wrongdoing, saying any losses were related directly to the downturn in the real estate and financial markets.” [Los Angeles Times, [2/18/09](#)]

**Lawsuit: Dan Harkey Operated A “Classic Ponzi Scheme.”** “The lawsuit also alleges that Harkey operated a ‘classic Ponzi scheme’ by renewing short-term loans and using new investors' money to pay off investors who chose not to renew. One example cited by the plaintiffs was a loan for construction of a proposed shopping center in Riverside County called Murietta Commons. [...] Harkey called the Ponzi scheme allegation ‘nonsense,’ noting that no agency had filed any allegations against him. Point Center has no record of discipline with the state Department of Real Estate, records show.” [Los Angeles Times, [2/18/09](#)]

**Lawsuit: Point Center Made Millions Charging Broker Fees And Left Investors With Foreclosed Properties Significantly Less Than What They Have Invested.** “The lawsuit, filed in Orange County Superior Court in Santa Ana, claims that Point Center made millions of dollars by charging broker fees upfront to borrowers, allowing the company to profit regardless of whether the loans were repaid. When the borrowers defaulted, the lawsuit alleges, the investors were often left with foreclosed properties worth a fraction of the money they had invested.” [Los Angeles Times, [2/18/09](#)]

**The Suit Cited A \$19.3 Million Loan In Palm Springs For A Development Project, Which Fell Through In The Housing Crisis.** “The suit cites a \$19.3-million loan in 2006 to Burnett Development Corp., which planned to build 451 homes surrounding a golf course at the Palm Springs Country Club. The loan was made near the peak of the real estate boom, but conditions soon changed. Burnett Development defaulted on the loan in 2007 and Point Center foreclosed, according to court records. Burnett officials could not be reached. The now-closed country club has fallen into such disrepair that the city of Palm Springs filed a lawsuit last year -- naming individual Point Center investors as defendants -- seeking immediate repairs to a property filled with weeds, polluted ponds and graffiti. ‘I was shocked. I thought this was being properly handled by Point Center Financial,’ said Terry Holdt, an investor and one of the plaintiffs in Tuesday's lawsuit. ‘I knew the intention was to develop the property. I didn't realize it hadn't gone very far.’” [Los Angeles Times, [2/18/09](#)]

**The Suit Also Cited A Development In Carpinteria In Which Point Center Claimed To Investors It Had Secured All Approvals When It Had Not.** “The lawsuit also cited Point Center's \$10-million loan in 2005 to a company that planned to build luxury oceanfront homes in Carpinteria. In a summary of the project distributed to prospective investors, Point Center said the property owner had ‘spent the past seven years securing California Coastal Commission approval’ and needed only final approval from the city of Carpinteria. The developers, brothers Paul and Richard Ehline, personally guaranteed the loan, according to the Point Center summary. The summary advertised an ‘estimated minimum’ return of 23.5%. It sounded like a good opportunity to Carlsbad Realtor Jim Haiduck, who said he invested \$200,000 in the project based on assurances by Harkey's staff that nearly all approvals had been secured. But the Coastal Commission had not approved the project, the lawsuit alleges. In 2007, Ehline Development Corp. defaulted on the loan, Point Center foreclosed and the Ehlines filed for bankruptcy protection. The brothers listed \$120 million in bad debt in their bankruptcy filings, including \$43.6 million of debt on four separate Point Center loans. ‘This was just a clear case of misrepresentation,’ Haiduck said. ‘We just don't know where the money went. Now it's in foreclosure.’” [Los Angeles Times, [2/18/09](#)]

**Lawsuit: Point Center Financial Made Millions By Collecting Fees Upfront That Allowed Harkey To Profit Off Bad Loans, Of Which Dan Harkey Claimed 60% Of Loans Defaulted Or Foreclosed.** “The lawsuit claims that Harkey made millions by collecting his fees upfront, allowing him to profit even if the loans went unpaid and investors lost money. The real estate crash littered Point Center's books with bad loans. Harkey has said that 60

percent of the company's loans have defaulted or been foreclosed. The lawsuit puts the figure at 85 percent.” [Orange County Register, [3/17/09](#)]

---

## **Dan Harkey Blamed Losses On The Recession**

---

**Dan Harkey Denied Any Wrongdoing And Said Any Losses Were Related To The Recession.** “Dan Harkey denied wrongdoing, saying any losses were related directly to the downturn in the real estate and financial markets.” [Los Angeles Times, [2/18/09](#)]

---

## **Dan Harkey And Point Center Engaged In Hard Money Lending In Which Lenders Provide Loans For High-Risk Projects**

---

**HEADLINE: “Lawsuit Against O.C. Lender Illustrates Dangers Of 'Hard-Money' Lending”** [Los Angeles Times, [5/4/09](#)]

**Dan Harkey And Point Center Engaged In Hard Money Lending; In Which Lenders Provide Loans For High-Risk Projects.** “The allegations center on a little-known and lightly regulated segment of the real estate industry known as ‘hard-money’ lenders. These lenders often provide financing for high-risk projects that banks won't touch, such as speculative housing developments. Wealthy individuals looking for outsized returns often provide the investment capital. The lawsuit alleges that many investors were retired people who entrusted Dan Harkey and Point Center with their life savings.” [Los Angeles Times, [2/18/09](#)]

**Hard-Money Lenders Rely On The Value Of The Property As Collateral.** “Hard-money lenders rely almost exclusively on the value of property used as collateral, expecting to profit when loans are repaid or to foreclose when they're not.” [Los Angeles Times, [5/4/09](#)]

**Harkey Said In A Good Economy, He Paid Investors 9% Annually But Downturns In The Housing Market Could Leave Investors With Properties Worth Far Less Than What They Invested.** “In a good economy, investors can make significant gains. Harkey said he paid investors 9% annually, sometimes more. With those hefty payouts comes risk. If the real estate market crashes, hard-money lenders can end up with foreclosed properties suddenly worth far less than the money they lent. And investors, once confident that their loans to developers were backed up by property, can find that their holdings are now of little value.” [Los Angeles Times, [5/4/09](#)]

**Since Federal Regulators Did Not Oversee Hard-Money Loans, Lenders Were Responsible To Act In The Best Interests Of Investors.** “The estimated billions of dollars in hard-money loans fall outside the purview of regulators like the Federal Reserve and the Office of Thrift Supervision, putting significant responsibility on lenders to act in the best interests of investors.” [Los Angeles Times, [5/4/09](#)]

---

## **The Suit Claimed Many Of The Investors Were Retirees Who Invested Their Life Savings In Point Center’s High-Risk Projects**

---

**The Suit Claimed Many Of The Investors Were Retirees Who Gave Dan Harkey Their Life Savings For High-Risk Projects.** “The allegations center on a little-known and lightly regulated segment of the real estate industry known as ‘hard-money’ lenders. These lenders often provide financing for high-risk projects that banks won't touch, such as speculative housing developments. Wealthy individuals looking for outsized returns often provide the investment capital. The lawsuit alleges that many investors were retired people who entrusted Dan Harkey and Point Center with their life savings.” [Los Angeles Times, [2/18/09](#)]

**By 2013, Six Of The Plaintiffs Had Died.** “The impending bankruptcy filing will delay a lawsuit that was filed in November 2008. Since then, six of the 80 plaintiffs have died, lead plaintiff Lloyd Charton said.” [Orange County Register, [2/15/13](#)]

**The Lead Plaintiff In The Case, Who Also Was A Neighbor Of The Harkeys, Claimed Dan Harkey Told Him That Dan Harkey Gave \$1 Million To Diane Harkey's Campaign.** "Lloyd Charton, a retired attorney who is the lead plaintiff, is a neighbor of the Harkeys in Dana Point's seaside Ritz Cove neighborhood. Charton said Dan Harkey told him he gave \$1 million for his wife's campaign." [Orange County Register, [2/18/09](#)]

**Lloyd Charton, A Neighbor To The Harkeys, Was In The Suit Against Harkey.** "Leading the charge against the Harkeys is retired attorney Lloyd Charton. He lives a few doors away from them in the seaside Ritz Cove tract of Dana Point. Charton, who said he was personally recruited by Harkey, invested \$630,000. Charton was a high-profile lawyer, representing fugitive UC Irvine fertility Dr. Ricardo Asch, among others. He has remained a lightning rod in this case. The defense is promising to introduce his 2008 emails to the Harkeys in which he appeared to imply that he would embarrass Diane Harkey politically if they did not quickly settle." [Orange County Register, [9/17/12](#)]

**July 2004: Charton Donated \$100 To Harkey's City Council Campaign.** [City of Dana Point, [7/21/04](#)]

**October 2004: Charton Donated \$100 To Harkey's City Council Campaign.** [City of Dana Point, [10/4/04](#)]

**2008: The Lead Plaintiff Allegedly Implied He Would Embarrass Harkey Politically If The Case Were Not Settled Quickly.** "Charton was a high-profile lawyer, representing fugitive UC Irvine fertility Dr. Ricardo Asch, among others. He has remained a lightning rod in this case. The defense is promising to introduce his 2008 emails to the Harkeys in which he appeared to imply that he would embarrass Diane Harkey politically if they did not quickly settle." [Orange County Register, [9/17/12](#)]

**Sherryl Wiseman Lost \$600,000 In Point Center: "The Money Was Supposed To Go To My Grandchildren's Education, So He Stole From My Grandchildren."** "With signs in hand and a determination to reach as many potential voters as possible, a half dozen residents from across the county protested Tuesday evening outside Assemblywoman Diane Harkey's annual holiday party. Protesters said Harkey's husband, Dan Harkey, had cheated them out of millions of dollars in investments. 'The money was supposed to go to my grandchildren's education, so he stole from my grandchildren,' said Huntington Beach resident Sherryl Wiseman, standing outside the party, which was held at Norm Reeves Acura. Wiseman, 68, said she invested \$600,000 in Harkey's company, Point Center Financial, and lost it." [Orange County Register, [12/17/13](#)]

**HEADLINE: "Protesters Gather Outside Diane Harkey's Holiday Party"** [Orange County Register, [12/17/13](#)]





[Orange County Register, [12/17/13](#)]

**Susan Schleede Said She Lost Half A Million Dollars In Point Center Financial.** “Laguna Niguel resident Susan Schleede said she invested and lost half a million dollars in Dan Harkey's company. ‘I do not want Diane Harkey in office,’ Schleede, 64, said. ‘We want to communicate to the public the experiences we had in dealing with her husband's company.’” [Orange County Register, [12/17/13](#)]

**Ray And Karla Bille Invested \$500,000 From An IRA Savings But Had To Sell Their Home “Because We Couldn’t Afford To Live There.”** “Kurt Sipolski and Ray and Karla Bille, all of Palm Desert, are among more than 40 plaintiffs who sued Harkey, husband of Assemblywoman Diane Harkey, R-Dana Point, for fraud and were relieved with the guilty verdict issued Thursday. [...] ‘None of it came from the developers. It came from new investors. That's a true Ponzi scheme,’ said Ray Bille, 81, of the money he made the first few years with Point Center Financial. Ray and Karla Bille invested about \$500,000 between 2005 and 2007 from an IRA savings. ‘We had to sell our house in Indian Ridge because we can't afford to live there. I've lost hundreds of hours of sleep thinking why did I put so many eggs in one basket,’ said Ray Bille.” [Desert Sun, 7/12/13]

**2013: Thomas Berean, An Investor, Testified That Dan Harkey Personally Assured Berean About His Investment.** “Orange County investor Thomas Berean, who invested \$1.2 million in the mortgage pool, took the witness stand. Benice asked Berean if he'd read the statement that the investments were ‘speculative.’ ‘I was given personal assurances by Dan Harkey,’ Berean replied, ‘that they were window dressing that the lawyers insisted on putting in there. I met with him personally.’ No, Berean admitted in response to a follow-up question from Benice, he had never sent Harkey an email confirming their mutual understanding that the ‘speculative’ language in the official documents was just ‘window-dressing.’ ‘We had a handshake,’ Berean said. ‘In my father's day, a man's word was his bond.’” [Orange County Register, [5/8/13](#)]

**Wanda And Robert Wells, Both Retired, Invested \$2.2 Million In Point Center And Lost Almost All Of It.** “Plaintiffs Wanda and Robert Wells of Newport said they invested almost \$2.2 million in Point Center and lost almost all of it. The couple, both of whom are retired, said they were grateful they had not lost all of their savings or their home, as others had. Wanda Wells said she didn't trust Diane Harkey to make decisions involving taxpayer



money because the Harkeys had derived income from the now-bankrupt Point Center.” [Orange County Register, [3/1/13](#)]

**Steve Cash Was An Investor Who Put In \$600,000 Into Point Center.** “Steve Cash is a San Diego investor who put \$600,000 into Point Center. He describes the Harkeys as ‘a crime family’ and accuses the government of ‘aiding and abetting crimes against me’ by doing nothing.” [Orange County Register, [9/17/12](#)]

**2009: Donna Wall, A Real Estate Broker, Said She Had To Postpone Her Retirement Plans Indefinitely As She Believed She Lost All Of \$176,000 Investment In Point Center.** “‘I believe Dan Harkey fraudulently took money from Point Center investors to support his and his wife's lifestyle, including her political campaign,’ said investor Donna Wall, one of the plaintiffs in the lawsuit against the Harkeys. The Corona del Mar real estate broker, who said she's had to postpone her planned retirement indefinitely, suspects she's lost all of her \$176,000 Point Center investments and that some of that money has gone to Diane Harkey's political career.” [Orange County Register, [3/17/09](#)]

**Donna Wall: “I Believe Dan Harkey Fraudulently Took Money From Point Center Investors To Support His And His Wife's Lifestyle, Including Her Political Campaign.”** “‘I believe Dan Harkey fraudulently took money from Point Center investors to support his and his wife's lifestyle, including her political campaign,’ said investor Donna Wall, one of the plaintiffs in the lawsuit against the Harkeys. The Corona del Mar real estate broker, who said she's had to postpone her planned retirement indefinitely, suspects she's lost all of her \$176,000 Point Center investments and that some of that money has gone to Diane Harkey's political career.” [Orange County Register, [3/17/09](#)]

**2009: Arnold Goldman, Then 78, Took Out A Reverse Mortgage Against His Home Because Of \$600,000 He Invested In Point Center But Expressed Confidence In Dan Harkey Saying, “I Have Faith In Him Until Anyone Proves Otherwise.”** “Arnold Goldman, 78, had to take out a reverse mortgage against his Encino home because of the roughly \$600,000 he has invested in bad Point Center loans. Still, he's not prepared to blame it on Harkey. He said the real estate downturn is the problem and there's only one cure: time for the market to recover. ‘I have faith in him until anyone proves otherwise,’ Goldman said. ‘I truly feel this will pull through when the economy changes. The collateral will have some value. I expect I'll get everything back.’” [Los Angeles Times, [5/4/09](#)]

**Kurt Sipolski, Part Of The Suit Against Point Center, Wrote A Letter To The Editor To The Desert Sun And Said, “No Dividends Have Been Paid To Investors.”** “Now, there's mud being slung in the Desert Sun. The investor's letter, below: ‘I sympathize with nearby residents about the decrepit condition of Palm Springs Country Club in the article by Marcel Honoré. It is a blight. I know, since I am one of the reluctant owners. I and other investors in Point Center Financial have been fruitlessly trying to reason with owners Dan Harkey and his wife and officer in the company, Republican Assemblywoman Diane Harkey with no resolution. [...] No dividends have been paid to investors and our attempts at withdrawal of funds have been stonewalled. Often, taxes, fees, fines and upkeep have not been paid, much to our consternation. We are in the lengthy and exhaustive process of suing. I see no resolution for the local residents except with the replacement of the Harkeys with a competent manager to look out for the interests of investors and neighbors. Perhaps 2010 will be the year investment companies realize they have a moral and legal obligation to their investors and communities - or be made to. Kurt Sipolski Palm Desert’” [OC Weekly, [1/11/10](#)]

**Sipolski, A Retired Publisher Handicapped By Polio Who Lives On Social Security Of \$612 A Month, Had Invested Most Of His Life Savings With Harkey.** “One of the plaintiffs is Kurt Sipolski of Palm Desert, a retired publisher who lives on Social Security of \$612 a month. He invested most of his life savings with Harkey. ‘I asked for it back two years ago, and at that time, he said he wasn't able to do it; however, shortly afterward, he bought a Lear jet and made another multimillion-dollar bad loan,’ Sipolski said. ‘I explained I was handicapped by polio, that it was hard for me to walk, and that was my life savings,’ he said. ‘It fell on deaf ears. Absolutely heartless.’” [Arizona Republic via Newspapers.com, [1/23/10](#)]

**Sipolski On Asking His Money Back: “I Asked For It Back Two Years Ago, And At That Time, He Said He Wasn’t Able To Do It; However, Shortly Afterward, He Bought A Lear Jet And Made Another Multimillion-Dollar Bad Loan.”** “One of the plaintiffs is Kurt Sipolski of Palm Desert, a retired publisher who lives on Social Security of \$612 a month. He invested most of his life savings with Harkey. ‘I asked for it back two years ago, and at that time, he said he wasn’t able to do it; however, shortly afterward, he bought a Lear jet and made another multimillion-dollar bad loan,’ Sipolski said. ‘I explained I was handicapped by polio, that it was hard for me to walk, and that was my life savings,’ he said. ‘It fell on deaf ears. Absolutely heartless.’” [Arizona Republic via Newspapers.com, [1/23/10](#)]

**Sipolski: “I Explained I Was Handicapped By Polio, That It Was Hard For Me To Walk, And That Was My Life Savings. It Fell On Deaf Ears. Absolutely Heartless.”** “One of the plaintiffs is Kurt Sipolski of Palm Desert, a retired publisher who lives on Social Security of \$612 a month. He invested most of his life savings with Harkey. ‘I asked for it back two years ago, and at that time, he said he wasn’t able to do it; however, shortly afterward, he bought a Lear jet and made another multimillion-dollar bad loan,’ Sipolski said. ‘I explained I was handicapped by polio, that it was hard for me to walk, and that was my life savings,’ he said. ‘It fell on deaf ears. Absolutely heartless.’” [Arizona Republic via Newspapers.com, [1/23/10](#)]

**Sipolski Invested \$194,900 And Was Awarded \$17,000 For Elder Abuse And \$48,000 For Breach Of Fiduciary Obligation Which He Said Might “Keep Me From Losing” His House Of 24 Years.** “Sipolski invested \$194,900 into two different projects and was awarded by the jury \$17,000 for elder abuse and \$48,000 for breach of fiduciary obligation, Grant said. He said the award for elder abuse would probably increase, though. [...] ‘This is a great start, and it may keep me from losing the house I have had in Palm Desert for 24 years,’ Sipolski said of the guilty verdict. However, he wonders how much of the award money he will actually see. Sipolski sold an apartment complex he used to own off El Paseo and used that money to invest with Point Center Financial. He’d had success with prior trust deed investments, and so after participating in a seminar at a resort in Palm Desert, signed up. ‘They were very convincing,’ he said. ‘We had faith in somebody and found we were misled.’ Since losing his investments, he’s had to live off his social security retirement of \$620 a month.” [Desert Sun, 7/12/13]

**2014: Dan Harkey Sued Sipolski For At Least \$50 Million To Which He Said, “Right Now, I’m Not Quite Sure About Where I’m Going To Go.”** “Kurt Sipolski, who says he now lives nearly from hand to mouth, is being sued for at least \$50 million by the same person who he says drained his retirement options in a failed real estate deal. ‘Right now, I’m not quite sure about where I’m going to go,’ said Sipolski, 67, of Palm Desert, speaking about his lack of legal defense options. Several years ago, Sipolski invested about \$150,000 into a real estate development deal led by Dan J. Harkey, CEO of Point Center Financial out of Orange County. Last summer, Sipolski was one of about 40 plaintiffs who sued Harkey, husband of Assemblywoman Diane Harkey, R-Dana Point, for fraud.” [Desert Sun, [8/10/14](#)]

**Harkey’s Suit Alleged Sipolski Was Part Of A “Malicious Scheme... To Destroy Plaintiff’s Credibility.”** “The suit alleges Sipolski and others ‘conceived a malicious scheme in or about 2007-2008 and continuing to date to destroy Plaintiff’s (Harkey’s) credibility and reputation in the private lending business.’ ‘The key element in the scheme was to persuade other PCF (Point Center Financial) investors to become plaintiffs in a merciless fraud action filed against Plaintiff (Harkey); and to thereafter distribute the meritless action to the media or Internet in an attempt to destroy Plaintiff,’ the lawsuit continues. Harkey is asking for damages no less than \$50 million, punitive damages, indemnity including attorney’s fees and costs, among other awards.” [Desert Sun, [8/10/14](#)]

**Sipolski On Dan Harkey And Dan Harkey’s Lawsuit Against Sipolski: “And He Certainly Knows That I’m Living On A Very Limited Income, And There’s No Way I Can Even Spare A Quarter.”** “Sipolski, who walks with a cane because of childhood polio, now lives on \$654 a month in Social Security, according to a recent article in USA Today. ‘And he (Harkey) certainly knows that I’m living on a very limited income, and there’s no way I can even spare a quarter,’ Sipolski told The Desert Sun on Thursday. ‘Basically, you are home bound. My car is an 11-year-old Saturn. You can’t upgrade anything. Chores I would have hired people to do,

like gardening, I have to do myself. The swimming pool I need for exercise. Taking care of the pool is on my back. Most of the time, I have to use a cane or crutches,' he told USA Today." [Desert Sun, [8/10/14](#)]

**Dan Harkey's Attorney: "All Of The Defendants... Are Now Being Sued, As Is Mr. Harkey's Right... As Is Mr. Harkey's Wife, Diane Harkey, To Recoup The Fees And Damages They Suffered As A Consequence Of... About 35 People Wrongfully Suing Mr. Harkey."** "He's just one of about 35 defendants that we're suing,' said Jeffrey S. Benice, Harkey's attorney, referring to Sipolski. 'All of the defendants who pursued Mr. Harkey for six years, purposely, who lost, are now being sued, as is Mr. Harkey's right, and the other third parties that were wrongfully sued, as is Mr. Harkey's wife, Diane Harkey, to recoup the fees and damages they suffered as a consequence of this group of people - about 35 people wrongfully suing Mr. Harkey. 'Mr. Harkey is just pursuing his legal claims under the existing agreements that were all in place that governed the rights of the parties,' Benice added." [Desert Sun, [8/10/14](#)]

---

**Investors Filed Complaints With The SEC, Which Opened An Investigation But By 2012, The SEC, State Department Of Real Estate, And State Department Of Corporations All Investigated But Took No Action**

---

**Investors Filed Complaints With The SEC And FBI.** "Investors say they also filed complaints with the Securities and Exchange Commission, the California Department of Real Estate and the FBI. Officials with those agencies declined to comment." [Los Angeles Times, [2/18/09](#)]

**HEADLINE: "SEC Probes O.C. Real Estate Lender Point Center Financial"** [Los Angeles Times, [2/25/09](#)]

**The SEC Opened An Investigation Into Point Center Financial And Issued A Subpoena For Records From The Company.** "The Securities and Exchange Commission has opened an investigation into an Orange County real estate lending company owned by the husband of a California state assemblywoman, it was reported today. In an e-mail to his firm's roughly 3,000 investors, Point Center Financial Inc. President Dan J. Harkey disclosed that the SEC had subpoenaed records from the firm last week, the Los Angeles Times reported. In an interview, Harkey said the SEC was seeking thousands of pages of documents in connection with a \$25-million investment pool that funded construction loans. He predicted the SEC would find no irregularities in his company's loan pool, noting that the California Department of Real Estate took no action after a similar review." [Los Angeles Times, [2/25/09](#)]

**Dan Harkey Called The SEC Investigation Routine.** "The lawsuit said that Harkey charged millions of dollars in loan fees to borrowers and management fees to investors, and claimed he used inflated appraisals that made the loans appear safer than they were. Harkey said he was careful to disclose the risky nature of real estate to investors, advising them that it was possible to lose some or all of their money. He called the SEC investigation routine and said he and his company would be cleared." [Los Angeles Times, [2/25/09](#)]

**HEADLINE: "O.C. Real Estate Lender Under Investigation"** [Orange County Register, [2/25/09](#)]

**The SEC, The State Department Of Real Estate, And The State Department Of Corporations All Investigated Point Center But Took No Action.** "Benice said the U.S. Securities and Exchange Commission, the state Department of Real Estate and the state Department of Corporations all investigated Point Center but took no action. Cash said the FBI interviewed him but took no action." [Orange County Register, [9/17/12](#)]

---

**Dan Harkey Testified That Point Center Continued To Collect Millions In Fees On Foreclosed Loans And Refused To Let Investors Withdraw Their Money But Blamed The Recession For The Losses**

---

**HEADLINE: "Harkey: Investor Losses Caused By 'Catastrophic Change In Market'"** [Orange County Register, [5/8/13](#)]

**Dan Harkey Testified That Point Center Continued To Collect Millions In Fees On Foreclosed Loans And Refused To Let Investors Withdraw Their Money But Blamed The Recession For The Losses.** "Point Center Financial continued collecting millions of dollars in fees on foreclosed loans while refusing to let investors

withdraw their money, founder Dan Harkey admitted on the witness stand this week. Harkey blamed a ‘catastrophic change in the market’ for massive losses that landed him in court.” [Orange County Register, [5/8/13](#)]

**2007: Point Center Stopped Letting Investors Withdraw Their Money.** “Much of the testimony focused on payments to Point Center after the company stopped letting investors withdraw their money in mid-2007.” [Orange County Register, [5/8/13](#)]

**Dan Harkey’s Lawyers Said That If Investors Withdrew Their Money In The Recession, Point Center Would Have Collapsed But Point Center Collected More Than \$1 Million In Fees Every Year.** “In 2007, Harkey testified, Point Center collected about \$2.6 million in fees from the pool. In each subsequent year it collected more than \$1 million in fees and billed millions more. In the first seven months of 2010 alone, for example, Point Center collected \$968,000 and billed an additional \$3.9 million that it could not collect. Harkey’s defense team has argued that the company needs the money from fees to continue operating. If it had let investors cash out during the Great Recession, it would have collapsed.” [Orange County Register, [5/8/13](#)]

**2013: A Jury Initially Found Dan Harkey Liable For \$10 Million In Damages For “Malice, Oppression, Or Fraud” In Breach Of Fiduciary Duty**

---

**2013: Dan Harkey And Point Center Were Found Liable For At Least \$10 Million In Damages For “Malice, Oppression, Or Fraud” In Breach Of Fiduciary Duty, Including \$1 Million In Punitive Damages**

---

**HEADLINE: “Jury: Point Center Financial Breached Duty To Investors”** [Orange County Register, [7/11/13](#)]

**HEADLINE: “Jury Awards \$10 Million In Damages Against Legislator's Husband”** [Los Angeles Times, [7/15/13](#)]

**HEADLINE: “Harkey Jury Awards \$1 Million In Punitive Damages”** [Orange County Register, [7/16/13](#)]

**HEADLINE: “Residents Find Solace In Dan Harkey Fraud Verdict”** [Desert Sun, 7/12/13]

**July 2013: Dan Harkey And Point Center Were Initially Found Liable For \$10 Million In Damages For “Malice, Oppression, Or Fraud” In Breach Of Fiduciary Duty, Including \$1 Million In Punitive Damages.** “The husband of a state legislator and his Orange County real estate lending company were found liable for \$10 million in damages after a jury found they acted with ‘malice, oppression or fraud’ in breaching their fiduciary duties to investors. Dan Harkey, the husband of Assemblywoman Diane L. Harkey (R-Dana Point), was accused of making ill-advised loans through his company, Point Center Financial in Aliso Viejo, and pocketing fees and commissions from the doomed loans. Diane Harkey was removed as a defendant in the first jury trial. A judge still must decide if the legislator and her husband improperly transferred title of their home to their daughter, said Lloyd Charton, a plaintiff in the case. After a three-month trial in Orange County Superior Court, jurors found Dan Harkey and his company liable for \$9 million to investors. They added about \$1 million in punitive damages to the award Monday.” [Los Angeles Times, [7/15/13](#)]

**By November 2013, A Judge Handed A \$12.5 Judgement.** “The investors won verdicts against Harkey and Point Center in the summer and fall for \$10 million and \$2.5 million. Meanwhile, Point Center had filed for bankruptcy in February. A judge in late November handed down a \$12.5 million breach of fiduciary duty judgment against Dan Harkey and his company, allowing investors to attempt to collect on the verdicts. And earlier this month, state regulators moved to revoke the licenses of Dan Harkey’s corporate real estate brokerage firms.” [Orange County Register, [12/17/13](#)]

---

**Though The Jury Rejected That Dan Harkey Misled The Plaintiffs In Real Estate Deals**

---

**The Jury Rejected That Dan Harkey Misled The Plaintiffs In Real Estate Deals.** “But the jury rejected the plaintiffs’ allegations that Harkey had misled them in real estate deals. Harkey’s attorney, Jeffrey Benice, saw that



verdict as a big victory. That, he said, was the part of the case that worried him the most.” [Orange County Register, [7/11/13](#)]

**Jury Found That That Dan Harkey And Point Center Engaged In Breach Of Contract And Fiduciary Duty But Not Of Making Misstatements.**

“The 11-member jury – whittled down from 16 – reached its verdict after nine days of deliberation following a 10-week trial. The jurors entered the courtroom shortly after 11 a.m. Thursday carrying a foot-thick verdict form. With a break for lunch, it took three hours to read the verdict. The jurors delivered the same verdict for every plaintiff: Rejecting the allegation that Harkey and Point Center made misstatements, but affirming that Harkey and Point Center engaged in breach of contract and breach of fiduciary duty. Only the damages changed from plaintiff to plaintiff – a figure calculated down to the penny. The total damages could go higher than \$4.5 million before punitive damages are added. The jury awarded the same amount to each plaintiff for breach of fiduciary duty and for breach of contract. It was unclear Thursday whether the jury meant for the amounts to be treated as a single award or two awards.” [Orange County Register, [7/11/13](#)]

**The Verdict Benefited 40 Of Point Center’s Investors.** “A jury awarded \$1 million in punitive damages Monday against loan broker Dan Harkey and his Aliso Viejo company, Point Center Financial Inc. That verdict comes on top of \$9 million in damages for investor losses the Orange County Superior Court jury handed down Thursday. Harkey, the husband of Assemblywoman Diane Harkey, R-Dana Point, was not in court when the jury delivered its final verdict Monday morning. The verdict benefits about 40 of Point Center's 1,300 investors. The company is in Chapter 11 bankruptcy.” [Orange County Register, [7/16/13](#)]

**By April 2014, The Judgement Was Awarded To Around 80 Investors.** “Diane Harkey was originally included as a defendant in investors' lawsuit against Dan Harkey and Point Center Financial, But she successfully petitioned to be removed from the case, saying she was not involved in her husband's business. Clark predicted a similar outcome in the new suit. A jury awarded a \$12.5 million judgment to about 80 investors, including Mealing. However, the company is in bankruptcy and no payments have been made.” [Orange County Register, [4/18/14](#)]

**Dan Harkey Was Found Guilty Of Eleven Cases Of Elder Abuse – And Then Counter-Sued The Victims**

**Dan Harkey Was Found Guilty Of Eleven Cases Of Elder Abuse For Financially Taking Advantage Of The Defendants**

**Dan Harkey Was Found Guilty Of Eleven Cases Of Elder Abuse For Financially Taking Advantage Of The Defendants Including A Man Who Walked With A Cane From Childhood Polio.** “After an almost four-month trial in Orange County Superior Court, Dan Harkey was found guilty of breaching his ‘fiduciary obligation’ to his clients and doing so with ‘malice, fraud and oppression,’ said attorney David Grant of Irvine. He was ordered to pay \$4.5 million. The defendant was also found guilty of elder abuse in 11 cases, one of them involving Sipolski, 66, who walks with a cane from childhood polio. ‘The jury said they were financially taken advantage of,’ Grant said about the elder abuse cases.” [Desert Sun, [7/12/13](#)]

**2014: Dan Harkey Filed A \$50 Million Lawsuit Against Plaintiffs In The Suit Against Him Which Dan Harkey’s Lawsuit Claimed Was “A Malicious Scheme” To Destroy His Reputation**

**HEADLINE: “Developer Dan Harkey Sues Palm Desert Victim”** [Desert Sun, [8/10/14](#)]

**2014: Dan Harkey Filed A \$50 Million Lawsuit Against Plaintiffs In The Suit Against Him Which Dan Harkey’s Lawsuit Claimed Was “A Malicious Scheme” To Destroy His Reputation.** “Harkey, who was found not guilty on other charges, has since filed suit against Sipolski and others, alleging malicious prosecution and breach of indemnity agreement, according to the lawsuit filed in Orange County Superior Court on July 17. The suit alleges Sipolski and others ‘conceived a malicious scheme in or about 2007-2008 and continuing to date to destroy Plaintiff’s (Harkey’s) credibility and reputation in the private lending business.’ ‘The key element in the

scheme was to persuade other PCF (Point Center Financial) investors to become plaintiffs in a merciless fraud action filed against Plaintiff (Harkey); and to thereafter distribute the meritless action to the media or Internet in an attempt to destroy Plaintiff,' the lawsuit continues. Harkey is asking for damages no less than \$50 million, punitive damages, indemnity including attorney's fees and costs, among other awards." [Desert Sun, [8/10/14](#)]

---

### **Dan Harkey's Counter-Suit Included 67-Year-Old Kurt Sipolski Who Was Awarded Damages From Dan Harkey For Elder Abuse – For \$50 Million**

---

**As Part Of His \$50 Million Counter-Suit, Dan Harkey Sued A 67-Year-Old Retiree Who Was Awarded Damages For Elder Abuse & Breach Of Fiduciary Obligation.** "The jury awarded Sipolski \$17,000 for elder abuse and \$48,000 for breach of fiduciary obligation, according to Desert Sun reports at the time. Sipolski said he has seen none of this money. [...] Sipolski, who walks with a cane because of childhood polio, now lives on \$654 a month in Social Security, according to a recent article in USA Today." [Desert Sun, [8/10/14](#)]

---

### **2014: Sipolski Said He Never Saw Any Money & Instead Lived Hand To Mouth On Social Security**

---

**2014: Sipolski Said He Never Saw Any Money & Instead Lived Hand To Mouth On Social Security.** "Kurt Sipolski, who says he now lives nearly from hand to mouth, is being sued for at least \$50 million by the same person who he says drained his retirement options in a failed real estate deal. [...] Sipolski, who walks with a cane because of childhood polio, now lives on \$654 a month in Social Security, according to a recent article in USA Today." [Desert Sun, [8/10/14](#)]

---

### **Sipolski Had Originally Invested \$150,000 In A Real Estate Deal Led By Dan Harkey Before Suing Harkey For Fraud**

---

**One Such Person Dan Harkey Sued Was A 67-Year-Old Palm Desert Resident That The Jury Awarded \$17,000 For Elder Abuse And Lived Off On Social Security.** "Kurt Sipolski, who says he now lives nearly from hand to mouth, is being sued for at least \$50 million by the same person who he says drained his retirement options in a failed real estate deal. 'Right now, I'm not quite sure about where I'm going to go,' said Sipolski, 67, of Palm Desert, speaking about his lack of legal defense options. Several years ago, Sipolski invested about \$150,000 into a real estate development deal led by Dan J. Harkey, CEO of Point Center Financial out of Orange County. Last summer, Sipolski was one of about 40 plaintiffs who sued Harkey, husband of Assemblywoman Diane Harkey, R-Dana Point, for fraud. [...] The jury awarded Sipolski \$17,000 for elder abuse and \$48,000 for breach of fiduciary obligation, according to Desert Sun reports at the time. Sipolski said he has seen none of this money. [...] Sipolski, who walks with a cane because of childhood polio, now lives on \$654 a month in Social Security, according to a recent article in USA Today." [Desert Sun, [8/10/14](#)]

---

### **Dan Harkey Called The Decision "A WIN For Point Center" As Diane Harkey Was Dropped From The Suit And That He Was Not Found Guilty Of Misrepresentations Or Securities Fraud**

---

**Dan Harkey Called The Decision "A WIN For Point Center" As Diane Harkey Was Dropped From The Suit And That He Was Not Found Guilty Of Misrepresentations Or Securities Fraud.** "In the letter, Harkey said he created National Financial Lending Inc. in May 1996. He said 'the same professional staff at the Aliso Viejo location will continue to assist your needs as we transition.' Harkey also told investors in the letter that the jury verdict against him, which included \$1 million in punitive damages, was 'a WIN for Point Center!' He pointed to the plaintiffs' decision to drop his wife as well as his top aide from the lawsuit and to jury findings that he did not engage in misrepresentations or securities fraud." [Orange County Register, [7/29/13](#)]

|  |
|--|
| <p><b>Diane Harkey Tried To Deny Any Involvement With The Company But Had Previously Disclosed She Was A Corporate Officer &amp; Invested In Her Husband's Company</b></p> |
|--|

---

### **Harkey Denied Any Wrongdoing Or Involvement With The Business**

---

**March 2013: Harkey's Lawyer Claimed She Did Not Own, Work For, Or Was Involved With Point Center's Business Decisions.** "Diane Harkey could not be reached for comment at her office in Sacramento late Thursday afternoon. But the Harkeys' attorney, Jeffrey Benice, said that the allegations against her are 'outrageous,' 'defamatory' and patently untrue. He said Diane Harkey did not own, work for or have any involvement in the business decisions of Point Center Financial. He said the investors were attempting to attack Diane Harkey to pressure her husband into settling the lawsuit." [Orange County Register, [3/1/13](#)]

**In Denial Of Accusations, Harkey's Spokesman Said Had No Ownership Interest In Her Husband's Company, Point Center.** "Campaign finance records show that Diane Harkey contributed \$1.1 million of her own money to two recent campaigns -- an unsuccessful bid for the state Senate in 2006 and last year's winning run for the Assembly. Gilliard added that Diane Harkey had no ownership interest in her husband's company, Point Center Financial Inc. of Aliso Viejo." [Los Angeles Times, [2/18/09](#)]

**Dan Harkey Denied His Wife Ever Worked For Point Center Or That She Took Money From The Company For Her Campaign.** "Dan Harkey denied the allegations in the lawsuit. He said his company, like others in the real estate industry, has been hurt by the collapse of the housing market and that about 60 percent of its loans are in default or foreclosure. 'We're just victims of the economic downturn like everybody else,' he said. Harkey also denied his wife ever worked for Point Center Financial, as the lawsuit says, or that she took \$1 million from the company for her campaigns." [Orange County Register, [2/18/09](#)]

---

### **Harkey Repeatedly Tried To Deny Or Downplay Her Relationship With Her Husband's Company**

---

**HEADLINE: "Diane Harkey: I Never Worked For Point Center"** [Orange County Register, [4/30/13](#)]

**Harkey Testified That She Never Worked For Or Took A Paycheck From Point Center Financial As "I Had My Career, My Husband Had His."** "Assemblywoman Diane Harkey testified Tuesday that she never worked for or took a paycheck from her husband Dan's embattled company, Point Center Financial. 'I had my career, my husband had his,' Harkey, R-Dana Point, said during nearly two hours on the witness stand in the Orange County Superior Court fraud trial. Investors are suing the Harkeys and Point Center for \$43 million. They accuse the Harkeys of mismanaging investments while profiting personally and politically." [Orange County Register, [4/30/13](#)]

**Harkey Testified She Was Simply An Investor And Had Invested \$64,000 In Point Center.** "David Grant, attorney for the investors, sought to show that Diane Harkey was active in the company. Harkey countered that she was simply an investor. She said she invested \$64,000 in the company and read some, but not all, of the letters the company sent her." [Orange County Register, [4/30/13](#)]

**Harkey Testified That She Did Not Track The Company's Decision To Expand Its Maximum Loan And That She Was "Quite Happy" With Her Returns On Investment.** "Asked for example if she knew about the company's decision to expand its maximum loan above \$5 million, she replied, 'I didn't track it. I was quite happy with what I was getting (in returns on investment).' At the same time, however, she defended her husband's business tactics, drawing on her own banking career to say that Point Center practices were standard." [Orange County Register, [4/30/13](#)]

**A Harkey Spokesman Claimed Had No Ownership Interest In Point Center.** "Assemblywoman Harkey declined to be interviewed. A spokesman disputed the lawsuit's claim that she used investor money to bankroll her campaign. 'She had a 30-year career in business and banking in which she acquired substantial financial resources of her own,' said Dave Gilliard, the assemblywoman's political consultant. 'She used her personal resources to help fund her political campaigns.' Campaign finance records show that Diane Harkey contributed \$1.1 million of her own money to two recent campaigns -- an unsuccessful bid for the state Senate in 2006 and last year's winning run for the Assembly. Gilliard added that Diane Harkey had no ownership interest in her husband's company, Point Center Financial Inc. of Aliso Viejo." [Los Angeles Times, [2/18/09](#)]



---

## **Harkey Said Reporters' Questions On The Matter Was "Slander" And That News Reports Were "Libel" Made To "Massacre" Her Family**

---

**Harkey Said That Reporters' Questions On The Matter Was "Slander" And That News Reports Were "Libel" Made To "Massacre" Her Family.** "Her husband, Dan Harkey, runs Point Center Financial, an Aliso Viejo company that lends investors' money to land developers. It is the target of a Securities and Exchange Commission probe. It is also facing a lawsuit from 53 investors who say Dan Harkey used their money for dubious loans – and to fund his wife's rapid rise in Orange County politics. Campaign disclosure firms show Diane Harkey has spent \$2.1 million in personal funds since 2004. [...] Plainly, this matter deserves coverage. Yet in a phone interview, Harkey told us our questions amounted to 'slander'; that news accounts of the mess were all 'libel' written by journalists determined to 'massacre' her family; and that she was the victim of a sexist double-standard. Given the holes in her initial story, this is a startling approach for Harkey to take. It is also completely counterproductive. If she wants to clear her name, step one is to get out of the denial stage of her grief. Step two is fully responding to tough questions -- something she has yet to do." [San Diego Union-Tribune, Editorial, [3/22/09](#)]

---

## **But Harkey Had Previously Disclosed Investments In The Company, Was Listed As The Company's Secretary In Official Filings, And One Campaign Listed Her Employer As Point Center In FEC Reports**

---

**1990: In Business Filings With The California Secretary Of State, Harkey Signed A Statement As The Secretary Of Point Center Financial.** "Dan Harkey told the Register last month that his wife had never been employed by Point Center Financial. But disclosures filed by U.S. Rep. John Campbell, R-Newport Beach and former presidential hopeful Mitt Romney list Harkey as working for Point Center Financial as, variously, a broker or mortgage banker. In addition she signed a 1990 'certificate of amendment' filed with the California secretary of state's office changing the name of the Harkey business from All Loan Services, Inc., to Point Center Financial, Inc. It is signed by Dan Harkey – listed as president – and Diane Harkey – listed as secretary." [Orange County Register, [3/17/09](#)]

**Harkey Testified That Her Position As Corporate Secretary Was Unpaid And Involved No Work.** "She was listed in state documents as Point Center's corporate secretary in the early 1990s, a position she testified was unpaid and involved no work." [Orange County Register, [4/30/13](#)]

**In Her Statement Of Economic Interest, Harkey Listed A Range Of \$12,000 To \$110,000 In Non-Real Estate Investments With Most Of In A Point Center Financial Fund And Listed Point Center's Headquarters As A Source Of Rental Income.** "Diane Harkey is not currently employed except as an Assembly member, according to the 'Statement of Economic Interest' legislators are required to file. She lists a range of \$12,000 to \$110,000 in non-real estate investments, most of it in a Point Center Financial fund. She also lists eight properties, six of which generate rental income. Two of those generate more than \$100,000 in annual income – one of which is Point Center Financial's headquarters in Aliso Viejo." [Orange County Register, [3/17/09](#)]

**Harkey Listed Herself As A Broker And A Mortgage Banker Employed By Point Center Financial On Donations To Two Political Campaigns.** "She's spent an additional \$875,000 on other local, state and federal campaigns and political organizations. Two of those campaigns filed contribution disclosures listing Diane Harkey as working for Point Center Financial [...] Dan Harkey told the Register last month that his wife had never been employed by Point Center Financial. But disclosures filed by U.S. Rep. John Campbell, R-Newport Beach and former presidential hopeful Mitt Romney list Harkey as working for Point Center Financial as, variously, a broker or mortgage banker. In addition she signed a 1990 'certificate of amendment' filed with the California secretary of state's office changing the name of the Harkey business from All Loan Services, Inc., to Point Center Financial, Inc. It is signed by Dan Harkey – listed as president – and Diane Harkey – listed as secretary." [Orange County Register, [3/17/09](#)]

**Harkey Brought A Letter From Campbell's Campaign Treasurer, Who She Donated To Under The Employer Of Point Center, Which Claimed That Was A Mistake As They Put In Her Husband's Employer.** "She appeared again as a Point Center employee in Federal Election Commission campaign contribution statements for Rep. John Campbell, R-Irvine, and Republican presidential candidate Mitt Romney

in 2007 and 2008. Lloyd Charton, the lead plaintiff in the lawsuit, had pointed to those campaign statements as evidence that Harkey is an employee - and thus a suitable defendant - when he testified two weeks ago. But as we reported then, FEC campaign statements are often inconsistent or inaccurate. Harkey came prepared to answer questions about the FEC statements Tuesday. She was armed with an email from the Campbell campaign treasurer. The email showed that the campaign had received contributions from both Dan and Diane Harkey but inadvertently listed Dan's employer for both while omitting Diane's employer, the Dana Point City Council." [Orange County Register, [4/30/13](#)]

**Harkey Testified That The FEC Contribution Was Wrong And That "They Frequently Are."** "'You're saying it's wrong,' Grant said of the FEC statement. 'Yes,' Harkey replied. 'They frequently are.'" [Orange County Register, [4/30/13](#)]

**In Public Documents, Harkey Was Listed As An Officer And Employee Of Point Center.** "Assemblywoman Diane Harkey's blossoming political career appears to have been funded in part by earnings from her husband's embattled real estate lending business, which is being sued for fraud and is being investigated by the Securities and Exchange Commission. As Dan Harkey has attracted increasing criticism in recent weeks, the legislator - through her husband, political consultant and chief of staff - has attempted to distance herself from that business, Point Center Financial. But public documents have listed her as both an officer and an employee of the company; her financial disclosure forms indicate limited personal assets and she indicated Thursday that her political spending has included money from her husband's earnings. Campaign disclosure forms show she's spent \$2.1 million on political campaigns since 2004." [Orange County Register, [3/17/09](#)]

**Orange County Register: "There Is Little In The Suit To Substantiate The Claim That Campaign Funds Were Illegally Obtained, But Records Do Point To Point Center Financial As A Source Of Income For Her Political Spending."** "The 53 investors suing Dan Harkey over accusations of fraud have included Diane Harkey as a defendant, alleging in part that Dan Harkey 'fraudulently transferred investors' funds ... to his wife Diane Harkey for her use in advancing her political career.' There is little in the suit to substantiate the claim that campaign funds were illegally obtained, but records do point to Point Center Financial as a source of income for her political spending." [Orange County Register, [3/17/09](#)]

---

**1998: In Harkey's Petition To Dissolve Her Marriage Against Her Husband, She Listed Point Center Financial And Dan Harkey's 401K Plan In Point Center As Community And Quasi-Community Assets**

---

**1998: In Harkey's Petition To Dissolve Her Marriage Against Her Husband, She Listed Point Center Financial And Dan Harkey's 401K Plan In Point Center As Community And Quasi-Community Assets.** "ATTACHMENT 5 TO PETITION FOR DISSOLUTION OF MARRIAGE 5. DECLARATION REGARDING COMMUNITY AND QUASI-COMMUNITY ASSETS AND OBLIGATION AS CURRENTLY KNOWN A. Real property located at 34861 Doheny Place, Capistrano Beach, California; B. Household furniture, furnishings, appliances and effects located in residence located at 34861 Doheny Place, Capistrano Beach, California; C. Automobiles: (1) 1997 Mercedes 320E (2) 1997 Jaguar XJR (3) 1993 Chevrolet Suburban (4) 1997 Monaco Motorhome (5) 1988 Jeep Wrangler (6) Suzuki Quad Racer; (7) Suzuki 650S Dirt/Street Motorcycle (7) Castle Motorcycle - Alice Sooper Celebrity AM D. Horses known as 'Can't Top Him;' 'Moon Bux Lightning' and 'Socks' E. 401K, Retirement or Deferred Compensation through Petitioner's employment with Bank of America; F. 401-K Plan in the name of Respondent through business known as Point Center Financial; G. Business known as Point Center Financial; H. Life insurance policy insuring the life of the Respondent with a death benefit of \$1,000,000.00. I. Bank of America accounts; J. Various community obligations; K. There may be additional community assets and obligations, the true nature and extent of which are unknown to Petitioner at this time, who will seek leave of Court to amend her Petition when the same has been ascertained." [Orange County Superior Court, *Harkey v. Harkey*, [9/24/98](#)]

**1999: Dan Harkey's Response Said Any Community And Quasi-Community Assets Were Unknown To Him.** "DECLARATION REGARDING COMMUNITY AND QUASI-COMMUNITY ASSETS AND OBLIGATIONS AS CURRENTLY KNOWN [...] The exact nature and extent of the community assets is

unknown to Respondent at this time. Respondent will seek leave of the Court to amend his Response when the same ascertained.” [Orange County Superior Court, *Harkey v. Harkey*, [8/13/99](#)]

---

**Harkey Admitted Her Fortune Was Inextricably Intertwined With Her Husband’s, Saying “I’ve Saved Him Financially Many Years”**

---

**Weeks Later, Harkey Said, “He Has Income. I Have Income. Sometimes It Was My Income. Sometimes It Was His Income. Sometimes It’s Both Of Our Incomes... Who Knows After 25 Years?”** “‘I’ve been married for 25 years to my husband,’ said the Dana Point Republican. ‘We have personal income. He has income. I have income. Sometimes it was my income. Sometimes it was his income. Sometimes it’s both of our incomes. And I’ve saved him financially many years. So I’m not going to get into whose, yours, mine, ours. Who knows after 25 years?’ Harkey said she’s been unfairly drawn into business litigation that has nothing to do with her work as a lawmaker.” [Orange County Register, [3/17/09](#)]

---

**Harkey Admitted It Was Impossible To Distinguish Between Their Incomes: “Who Knows After 25 Years?”**

---

**Harkey: “He Has Income. I Have Income. Sometimes It Was My Income. Sometimes It Was His Income. Sometimes It’s Both Of Our Incomes... Who Knows After 25 Years?”** “‘I’ve been married for 25 years to my husband,’ said the Dana Point Republican. ‘We have personal income. He has income. I have income. Sometimes it was my income. Sometimes it was his income. Sometimes it’s both of our incomes. And I’ve saved him financially many years. So I’m not going to get into whose, yours, mine, ours. Who knows after 25 years?’ Harkey said she’s been unfairly drawn into business litigation that has nothing to do with her work as a lawmaker.” [Orange County Register, [3/17/09](#)]

---

**Harkey’s Admission Came After She Claimed Contributions To Her Own Campaign Came From Her Income & Her Wealth From Her Banking Career – And Then Backtracked**

---

**The Lead Plaintiff In The Case: “At No Time Did Point Center Financial Ever Disclose That She Was Receiving Money From Borrowers At The Time Investors Were Putting Up Money For Loans.”** “Lloyd Charton was among more than 50 investors who sued Point Center, Harkey and her husband. He said he believed the company should have made investors aware that borrowers had donated to Harkey’s campaign. ‘At no time did Point Center Financial ever disclose that she was receiving money from borrowers at the time investors were putting up money for loans,’ Charton said. ‘Had they disclosed it, investors might have said, ‘I’m not going to give you money to lend to somebody you have a special relationship with.’” [Los Angeles Times, [3/3/09](#)]

**Harkey On The Source Of Her Personal Contributions To Her Campaigns: “It Came From My Personal Income. I Don’t Care What The Lawsuit Says. It’s Frivolous. It’s Full Of Lies. And It Will All Come Out In Court.”** “In the lawsuit filed last month, the investors contend that Point Center neglected to inform them about the risky nature of its loans and that Harkey, a defendant in the lawsuit, used proceeds from bad loans to donate nearly \$1.1 million to her political campaigns. Harkey said she used her own money -- from a prior ‘six-figure’ banking career -- to donate to her campaigns for the state Senate and Assembly. ‘It came from my personal income. I don’t care what the lawsuit says. It’s frivolous. It’s full of lies. And it will all come out in court,’ she said.” [Los Angeles Times, [3/3/09](#)]

**Weeks Later, Harkey Said, “He Has Income. I Have Income. Sometimes It Was My Income. Sometimes It Was His Income. Sometimes It’s Both Of Our Incomes... Who Knows After 25 Years?”** “‘I’ve been married for 25 years to my husband,’ said the Dana Point Republican. ‘We have personal income. He has income. I have income. Sometimes it was my income. Sometimes it was his income. Sometimes it’s both of our incomes. And I’ve saved him financially many years. So I’m not going to get into whose, yours, mine, ours. Who knows after 25 years?’ Harkey said she’s been unfairly drawn into business litigation that has nothing to do with her work as a lawmaker.” [Orange County Register, [3/17/09](#)]

**Spokesperson For Harkey Denied Allegations, Noting That Harkey's Career Gave Her Substantial Financial Resources Of Her Own Outside Of Her Husband's.** "Assemblywoman Harkey declined to be interviewed. A spokesman disputed the lawsuit's claim that she used investor money to bankroll her campaign. 'She had a 30-year career in business and banking in which she acquired substantial financial resources of her own,' said Dave Gilliard, the assemblywoman's political consultant. 'She used her personal resources to help fund her political campaigns.' Campaign finance records show that Diane Harkey contributed \$1.1 million of her own money to two recent campaigns -- an unsuccessful bid for the state Senate in 2006 and last year's winning run for the Assembly. Gilliard added that Diane Harkey had no ownership interest in her husband's company, Point Center Financial Inc. of Aliso Viejo." [Los Angeles Times, [2/18/09](#)]

**Harkey's Chief Of Staff Said The Money Harkey Contributed To Her Campaign Came From Her Own Funds She Made During Her 30-Year Career In Banking.** "Diane Harkey was elected to the state assembly in November after failing to win a state Senate seat in 2006. She was previously Dana Point's mayor. State election records show she contributed \$935,000 to her Senate campaign and \$150,000 to her Assembly campaign. Jeff Corless, Diane Harkey's chief of staff, said the money came from funds she accumulated during a 30-year career in banking. Her employers included Security Pacific, Bank of America and Guaranty Bank, he said." [Orange County Register, [2/18/09](#)]

**Harkey's Chief Of Staff Said The Fair Political Practices Commission Found No Violations When They Audited Harkey's Senate Campaign.** "Corless said the state's Fair Political Practices Commission found no violations when it audited Diane Harkey's Senate campaign. 'The accusation is that she used illegal funds for her campaign, and that's simply not true,' Corless said." [Orange County Register, [2/18/09](#)]

---

**The Lawsuit Alleged That Money From Point Center Financial's Investors Was Used To Finance Harkey's Political Campaigns**

---

**HEADLINE: "Assemblywoman's Rise Tied To Troubled Lending Firm"** [Orange County Register, [3/17/09](#)]

**HEADLINE: "Lawsuit Accuses Husband Of Assemblywoman Of Fraud"** [Orange County Register, [2/18/09](#)]

**In Lawsuit, Investors Alleged Their Money Went To Harkey's Political Campaigns By Way Of Her Personal Contributions To Her Campaigns.** "In an added twist, the investors claim that their money helped fund the election of Harkey's wife, state Assemblywoman Diane L. Harkey (R-Dana Point). [...] Assemblywoman Harkey declined to be interviewed. A spokesman disputed the lawsuit's claim that she used investor money to bankroll her campaign. 'She had a 30-year career in business and banking in which she acquired substantial financial resources of her own,' said Dave Gilliard, the assemblywoman's political consultant. 'She used her personal resources to help fund her political campaigns.' Campaign finance records show that Diane Harkey contributed \$1.1 million of her own money to two recent campaigns -- an unsuccessful bid for the state Senate in 2006 and last year's winning run for the Assembly. Gilliard added that Diane Harkey had no ownership interest in her husband's company, Point Center Financial Inc. of Aliso Viejo." [Los Angeles Times, [2/18/09](#)]

**The Lawsuit Alleged Dan Harkey "Fraudulently Transferred Investors' Funds ... To His Wife Diane Harkey For Her Use In Advancing Her Political Career."** "The 53 investors suing Dan Harkey have included Diane Harkey as a defendant, alleging in part that Dan Harkey 'fraudulently transferred investors' funds ... to his wife Diane Harkey for her use in advancing her political career.'" [Orange County Register, [3/17/09](#)]

**As Of March 2009, The Orange County Register Reported Harkey Donated \$1.25 Million In Personal Contributions To Her Political Races Since 2004.** "Campaign disclosures show that she's pumped \$1.25 million in personal contributions into her political races since 2004. She's spent another \$875,000 on other local, state and federal campaigns and political organizations." [Orange County Register, [3/17/09](#)]

**Harkey Was In Four Of The 116 Causes Of Action.** "Some of the sharpest rhetoric Monday was reserved for Diane Harkey, a minor player in the 300-page complaint. She figures in just four of the 116 causes of action." [Orange County Register, [4/16/13](#)]



---

## Some Investors Called For Harkey's Resignation From Office

---

**HEADLINE: "Angry Investors Call For Harkey To Resign"** [Orange County Register, [3/1/13](#)]

**Some Investors, Including A Plaintiff On Behalf Of His Deceased Father, Called For Harkey's Resignation From Office.** "Unhappy investors in the now-bankrupt Point Center Financial Inc. on Thursday demanded that Assemblywoman Diane Harkey resign from office and abandon her candidacy for the state Board of Equalization. Harkey, R-Dana Point, and her husband, Dan, controlled Point Center Financial Inc., an Aliso Viejo-based company that has been sued by dozens of investors on allegations of investment fraud. The company, which sells investments in trust deeds, filed for bankruptcy in February – a move that indefinitely delayed the litigation brought by the group of investors. 'She is an elected official; she has a sworn obligation to protect the interests of the people of California, and that means protecting everybody,' said Jeffery G. Gomberg, a plaintiff on behalf of the estate of his father, who died recently at 93. 'And this is what makes me angry and why I feel it's wrong that she's in office while this disagreement is going on.'" [Orange County Register, [3/1/13](#)]

**Harkey Was Dismissed In The Lawsuit But The Court Ordered Harkey's Wage Garnished To Pay The Damages – In Response, Harkey Claimed She Was Separated From Her Husband**

---

**2013: Harkey Was Dismissed As A Defendant In The Trial After Petitioning To Be Removed From The Case, Claiming She Was Not Involved In The Business**

---

**Harkey Petitioned The Court To Be Removed As A Defendant.** "Harkey was originally co-defendant in a civil lawsuit with her husband, loan broker Dan Harkey. In the first phase of an ongoing lawsuit, a jury found Dan Harkey liable to investors for \$10 million in damages related to a breach of contract. However, Diane Harkey successfully petitioned the court to be removed as a defendant from the key parts of the suit, saying she was not involved in her husband's business." [Orange County Register, 9/16/13]

**2013: Harkey Was Dismissed As A Defendant In The Trial.** "Harkey and his wife, Assemblywoman Diane Harkey, R-Dana Point, sat together as the verdicts were read. She was dismissed as a defendant in the jury trial. Lead plaintiff Lloyd Charton, who lives near Harkey in the Ritz Cove neighborhood of Dana Point, said he was 'pleased that the jury saw through his 'it's the economy' defense. That's huge.'" [Orange County Register, [7/11/13](#)]

**Harkey Was Dismissed Before The Jury Deliberated.** "Harkey is the husband of Assemblywoman Diane Harkey, R-Dana Point. She was dismissed from the investors' suit before the jury deliberated." [Orange County Register, [7/31/13](#)]

**2014: Harkey On Her Dismissal: "That's Significant In Terms Of My Life, After Being Harassed, Maligned And Lied About For Five Years."** "Her dismissal from the suit gave her a measure of proof that she wasn't involved in her husband's company. 'That's significant in terms of my life, after being harassed, maligned and lied about for five years,' Harkey said, referring additional questions on the subject to her husband's lawyer." [Orange County Register, [5/8/14](#)]

**The Couple's Lawyer Attempted To Get Harkey Dismissed From The Case In 2010 But Failed.** "The political stakes are high for Diane Harkey, who was first elected to the state Assembly in 2008 after earlier serving on the Dana Point City Council. She faces only token opposition in her bid for a third and final term in the Assembly in November. But she is locked in a three-way race with two other Republican legislators for the GOP-leaning Third District seat on the state Board of Equalization in 2014. Benice tried to get her dismissed from the lawsuit in 2010, arguing that she played no role in Point Center except as an investor. He failed then. He said he'll try again this week, before a jury is seated." [Orange County Register, [9/17/12](#)]

---

## **Harkey Suit During The 2014 Campaign: “I Am Totally In The Clear ... It’s A Litigation Nightmare. But I Am Out.”**

---

**Harkey Suit During The 2014 Campaign: “I Am Totally In The Clear ... It’s A Litigation Nightmare. But I Am Out.”** “The race has been overshadowed by financial mismanagement charges pursued by some clients against Harkey’s husband, Dan, and his investment company, Point Center Financial. ‘I am totally in the clear ... It’s a litigation nightmare. But I am out,’ Harkey said.” [San Diego Union-Tribune, [5/27/14](#)]

---

## **The Court Ordered Harkey’s Wages Garnished To Pay Off The \$12.5 Million Judgement Against Her Husband And His Company**

---

**HEADLINE: “OC Assemblywoman To Fight Wage Garnishment”** [Orange County Register, [8/3/14](#)]

**A Court Ordered Harkey’s Wages Garnished To Pay Off The \$12.5 Million Judgement Against Her Husband And His Company.** “Assemblywoman Diane Harkey will fight a court order to garnish her state salary - an order obtained by investors seeking her assets to pay off a \$12.5 million judgment against her husband and his bankrupt investment company. Harkey, a Dana Point Republican running for election to the state tax Board of Equalization, successfully petitioned to be removed from the original suit against Dan Harkey and his company, Point Center Financial. The court determined that she was not involved in her husband's business. But that doesn't preclude her possible liability to creditors, according to California law.” [Orange County Register, [8/3/14](#)]

**Harkey Would Have Lost 25% Of What Remained Of Her \$95,000 Annual Assembly Salary.** “If Harkey is unsuccessful in fighting the garnishment, she would likely lose 25 percent of what remains of her \$95,000 annual Assembly salary. She is termed out and will leave office at the end of the year. Aires said that if Harkey is elected to the tax board, as expected, investors will seek to garnish her wages in that job.” [Orange County Register, [8/3/14](#)]

**After The Assembly Rules Committee Filed Paperwork To Process The Garnishment, Harkey, Through A Consultant, Indicated She Would Challenge It.** “Diane Harkey and her attorneys didn't attend the May hearing on the wage garnishment. Even after the court order, her campaign dismissed the effort as a political stunt designed to hurt her bid in the June primary for the Board of Equalization's 4th District. [...] Only after the Assembly Rules Committee filed paperwork July 14 indicating that it was proceeding with the garnishment did Harkey indicate, through Clark, that she would challenge the court order. Harkey and her attorneys have not settled on the grounds for challenging the garnishment, Clark said.” [Orange County Register, [8/3/14](#)]

---

## **Harkey Was Prepared To Sacrifice Her Entire State Salary Rather Than Have Her Wages Garnished To Pay Plaintiffs**

---

**Harkey Requested The State Controller Suspend Her State Salary To Avoid The Garnishment But The State Controller Was Legally Required To Garnish Her Wages.** “Diane Harkey, who is running for the state tax board, wrote Chiang on Aug. 5, asking him to suspend her state salary in order to avoid the garnishment. Chiang's office responded Monday, saying it could suspend pay to her, but was legally required to surrender the court-ordered garnishment of 25 percent of what remains of her \$95,000 annual pay. She leaves office at the end of the year because of term limits.” [Orange County Register, [8/12/14](#)]

**Harkey Was Willing To Sacrifice Her Pay To Avoid Paying The Plaintiffs.** “When then-Assemblywoman Diane Harkey, R-Dana Point, had her wages garnished in August, she asked Controller John Chiang to stop paying her. In an effort to make sure her foes didn't get 25 percent of her paycheck, she was ready to sacrifice her share altogether. A letter from Chiang's office said he could stop paying her share, but he was legally obliged to deduct the garnished portion. The garnishment went to former investors in a company owned by Dan Harkey, Diane's husband. As part of their ongoing effort to get some of the unpaid \$12.5 million judgment against him for breach of fiduciary responsibility, investors are going after the couple's community property.” [Orange County Register, [12/29/14](#)]

**Harkey's State Wages Were Garnished To Pay For The Judgement Against Her Husband.** "The Register reported in August that Harkey's legislator wages were garnished earlier this year because of an unpaid \$12.5 million judgment against her husband, Dan Harkey. The garnishment is part of his former investors' strategy to collect money through the couple's community property." [Orange County Register, [10/29/14](#)]

---

**In August 2014, Harkey Also Claimed She Was Legally Separated From Her Husband To Avoid Having Her Wages Garnished But Divorce Documents Were Not Filed Until December 2014**

---

**August 2014: The State Controller Rejected Harkey's Request, In Which She Claimed She Was Legally Separated From Her Husband, Dan Harkey, To Avoid A Court-Ordered Garnishment Of Her Wages.**

"California Assemblywoman Diane Harkey's effort to avoid a court-ordered garnishment of her state wages has been rejected by state Controller John Chiang, who oversees legislators' pay. In a letter to Chiang, the Dana Point Republican said she is legally separated from her husband and so shouldn't be held liable for his debts. The garnishment arises from an unpaid \$12.5 million judgment against her husband, Dan Harkey, and is part of his former investors' strategy to collect money through the couple's community property." [Orange County Register, [8/12/14](#)]

**The Attorney For The Plaintiffs In The Suit Against Dan Harkey Said He Found No Record Of A Legal Separation In The Orange County Or Sacramento Courts.** "Questions have arisen over the couple's marital status. Timothy Aires, attorney for the investors seeking payment of the judgment against Dan Harkey for breach of fiduciary responsibility, said he could find no record of a legal separation in the Orange County or Sacramento courts." [Orange County Register, [8/12/14](#)]

**Harkey's Office Referred Calls To Her Campaign Consultant Who Said The Harkeys Had Been Separated "For Some Time" But Did Not Comment On Why Documentation Was Not Found.** "Harkey's office referred media calls to her campaign consultant, Tim Clark. Clark said the couple had been separated 'for some time' but didn't know how long, and declined comment on Aires' inability to find documentation of the separation." [Orange County Register, [8/12/14](#)]

**Harkey's Consultant Said That Dan Harkey Moved Out Of The Couple's Home But The Lead Plaintiff In The Case Against Harkey, Who Was Also A Neighbor, Said He Had Seen Dan Harkey Recently.** "He said Dan Harkey moved out of the couple's Dana Point ocean-view home and Diane Harkey remained. Lloyd Charton, who lives two doors away from the Harkey home in the gated, exclusive community, is among investors owed money by Harkey and his bankrupt investment company. He said he's seen Dan Harkey at least once in recent weeks. 'I wouldn't say that I see him often, but I saw him a couple weeks ago when he had his usual Friday luxury car wash, with some of his luxury cars lined up in front of their home for the washer,' Charton said, adding that a Bentley, a Ferrari and a Porsche were among the vehicles." [Orange County Register, [8/12/14](#)]

**In 1998, Harkey Filed For Divorce From Her Husband But The Filing Was Dismissed In 2008.** "Diane Harkey, 63, previously filed for divorce from Dan Harkey in 1998, with the filing dismissed in 2008." [Orange County Register, [8/12/14](#)]

**December 2014: Diane Harkey Filed A Petition Of Dissolution Against Dan Harkey.** [Orange County Superior Court, 12/12/14]

**The Judge Ruled That Harkey And Point Center Were Legally One And The Same So Harkey Was Personally Liable For Point Center's Judgement.** "Investors won a pair of verdicts against Harkey and Point Center in the summer and fall for \$10 million and \$2.5 million. Last month, over Harkey's objections, Orange County Superior Court Judge Stephen Perk handed down a judgment allowing the investors to attempt to collect on the verdicts. Harkey is personally liable for the Point Center judgment because of a ruling by Perk. Ordinarily, he would be shielded by law from the company's liabilities. But Perk ruled that Harkey and Point Center are legally one and the same. Harkey has 60 days to appeal the judgment." [Orange County Register, [12/3/13](#)]



## **Though Harkey Later Joined A Counter-Suit Against The Plaintiffs For “Fees And Damages” She Suffered**

### **Dan Harkey’s Lawyer Said That Harkey Was Part Of The Suit “To Recoup The Fees And Damages They Suffered As A Consequence Of This Group Of People - About 35 People Wrongfully Suing Mr. Harkey.”**

“‘He's just one of about 35 defendants that we're suing,’ said Jeffrey S. Benice, Harkey's attorney, referring to Sipolski. ‘All of the defendants who pursued Mr. Harkey for six years, purposely, who lost, are now being sued, as is Mr. Harkey's right, and the other third parties that were wrongfully sued, as is Mr. Harkey's wife, Diane Harkey, to recoup the fees and damages they suffered as a consequence of this group of people - about 35 people wrongfully suing Mr. Harkey. ‘Mr. Harkey is just pursuing his legal claims under the existing agreements that were all in place that governed the rights of the parties,’ Benice added.” [Desert Sun, [8/10/14](#)]

## **2014: Harkey Was Sued By Investors To Capture Money Harkey Loaned To Her Board Of Equalization Campaign – The Suit Was Dismissed**

### **39 Plaintiffs Had Been Unable To Collect From Dan Harkey And Sought To Capture \$100,000 Harkey Loaned To Board Of Equalization Campaign And The \$25,000 Worth Of Horses The Harkeys Owned**

**39 Plaintiffs Had Been Unable To Collect From Dan Harkey And Sought To Capture \$100,000 Harkey Loaned To Board Of Equalization Campaign And The \$25,000 Worth Of Horses She And Her Husband Owned.** “Suits also have been filed in an effort by investors to capture \$100,000 Diane Harkey loaned her current campaign and an estimated \$25,000 worth of horses owned by the Harkeys. ‘We are pursuing every legal remedy available under California law to satisfy these judgments, including community property,’ said Timothy Aires, attorney for 39 plaintiffs in the case. The breach of fiduciary responsibility judgment against Dan Harkey and his company came in July 2013, but plaintiffs have been unable to collect.” [Orange County Register, [8/3/14](#)]

### **2014: A Point Center Investor Sued Harkey’s Board Of Equalization Campaign As He Was Unable To Secure A Judgement From Point Center**

**HEADLINE: “Investor Sues Diane Harkey’s Campaign To Recoup Money”** [Orange County Register, [4/18/14](#)]

**Don Mealing, A Point Center Investor, Sued Harkey’s Board Of Equalization Campaign As He Was Unable To Secure A Judgement From Point Center.** “Assemblywoman Diane Harkey's campaign for the state Board of Equalization is being sued by an investor seeking payment of a \$1.6 million judgment against her husband's bankrupt investment company. Don Mealing filed the complaint, which seeks to capture the \$100,000 Harkey loaned her campaign, because he's been unable to obtain the judgment from Dan Harkey and his Point Center Financial company. ‘The marital community estate is liable for a debt incurred by either spouse,’ reads the complaint filed in Orange County Superior Court on April 7.” [Orange County Register, [4/18/14](#)]

### **The Suit Was Dismissed**

**October 2016: An Appellate Court Affirmed A Lower Court’s Ruling That Mealing Could Not Seek Harkey’s Loan As Harkey Was Not A Judgement Debtor In The Suit Against Dan Harkey And Point Center.** “To preserve the Campaign's assets during this action, Mealing applied ex parte for an order under Code of Civil Procedure section 708.240, subdivision (a), to prohibit the Campaign from making any payments to Diane on the loan.<sup>2</sup> The trial court denied the application without explanation and Mealing appealed. He contends the trial court lacked discretion to deny his application because he made a prima facie showing that he obtained a judgment against Dan, the judgment remained unpaid, and Diane's loan to the Campaign was a marital asset that he could use to partially satisfy the judgment, and the Campaign presented no evidence to overcome that showing. We affirm. Under section 708.240, subdivision (a), a judgment creditor may apply for an order restraining a third party who is indebted to a judgment debtor from making any payments to the judgment debtor. But Diane is not a judgment

debtor, which is statutorily defined as the person against whom a judgment was rendered. Judgment in the earlier action was rendered against Dan, not against Diane. Even assuming the loan Diane made to the Campaign is a community property asset that may be used to satisfy the judgment, Diane is not a judgment debtor and section 708.240, subdivision (a), therefore does not apply.” [FindLaw, *Mealing v. Diane Harkey for Board of Equalization 2014*, [10/24/16](#)]

## Out For Herself: Typical Politician Climbing The Ladder

### Significant Findings

- ✓ *Harkey first ran with ‘no intention to a career politician’ – years later she’s held 3 offices, appeared 6 times on the ballot, & collected at least \$787,894.86 in taxpayer salaries & benefits.*
- ✓ *In the mid-2000s, Harkey said she had no intention to become a career politician as politics was “not a career path” and that there could not be new blood in politics “if some people keep running for the next office.”*
- ✓ *In 2014, Harkey ran for the Board of Equalization that was known as a stepping-stone to higher office and a “sinecure for termed out politicians.”*
- ✓ *In 2013, Harkey considered bids for the State Senate as well as Orange County Supervisor when she was already running for Board of Equalization as she was termed out of the State Assembly.*
- ✓ *Harkey disclosed \$4,127.84 worth of gifts over the course of her career.*
- ✓ *Harkey spent nearly a million and a half of her own money buying political seats.*

### Harkey First Ran With ‘No Intention To A Career Politician’ – Years Later She’s Held 3 Offices, Appeared 6 Times On The Ballot, & Collected At Least \$787,894.86 In Taxpayer Salaries & Benefits

#### 2004-2018: Harkey Has Held 3 Elected Offices Over The Course Of 14 Years

#### Harkey Has Held 3 Elected Offices Over The Course Of 14 Years

| Harkey Office |                                  |
|---------------|----------------------------------|
| Years         | Office                           |
| 2004-2008     | Dana Point City Council          |
| 2004-2014     | California State Assembly        |
| 2015-2018     | California Board of Equalization |

[2004 Election Results, Orange County Register, 11/4/04; California Secretary of State, [2006 Primary](#); [2008 Primary](#); [2008 General](#); [2010 Primary](#); [2010 General](#); [2012 Primary](#); [2012 General](#); [2014 Primary](#); [2014 General](#)]

#### Harkey Has Been On The Ballot 6 Times & And Considered Running For 6 Offices

#### Harkey Has Been On The Ballot 6 Times

| Diane Harkey Electoral History |   |                      |         |               |
|--------------------------------|---|----------------------|---------|---------------|
| Year                           | Office  | Candidates           | Results | Harkey Margin |
| 2014                           | California Board of Equalization<br>Member District 4 General<br>Election | Diane L. Harkey, REP | 61.4%   | + 22.80%      |
|                                |   | Nader Shahatit, DEM  | 38.6%   |               |
|                                |   | John F. Kelly, REP   | 10.9%   |               |
|                                |   | Van Tran, REP        | 9%      |               |
|                                |   | Shirley Horton, REP  | 8%      |               |
|                                |   | Lewis Da Silva, REP  | 3.4%    |               |

|      |  |                      |        |          |
|------|--|----------------------|--------|----------|
| 2012 | California 73rd Assembly District General Election                         | Diane L. Harkey* REP | 64.3%  | + 28.60% |
|      |  | James Corbett DEM    | 35.7%  |          |
|      |  | James Corbett DEM    | 29.8%  |          |
| 2010 | California 73rd Assembly District General Election                         | Diane L. Harkey* REP | 62.0%  | + 24.00% |
|      |  | Judy Jones DEM       | 38.0%  |          |
| 2008 | California 73rd Assembly District General Election                         | Diane L. Harkey REP  | 53.1%  |          |
|      |  | Judy Jones DEM       | 40.8%  |          |
|      |  | Andrew "Andy" Favor  | 6.1%   |          |
|      |  | Mark C. Patlan       | 25.0%  |          |
| 2006 | California State Senate 35 <sup>th</sup> District Special Primary Election | Tom Harman Rep       | 38.76% | - 0.24%  |
|      |  | Diane Harkey Rep     | 38.52% |          |
|      |  | Larry Caballero Dem  | 22.72% |          |
| 2004 | Dana Point City Council General Election                                   | Diane Harkey         | 28.3%  |          |
|      |  | Lara Anderson        | 24.0%  |          |
|      |  | Joe Snyder           | 19.7%  |          |
|      |  | April O'Connor       | 14.5%  |          |
|      |  | Greg Powers          | 13.5%  |          |

[2004 Election Results, Orange County Register, 11/4/04; California Secretary of State, [2006 Primary](#); [2008 General](#); [2010 General](#); [2012 General](#); [2014 General](#)]

---

### **Harkey Considered Running For 3 Other Offices Including In 2013, When Harkey Considered Orange County Supervisor, State Senate, And The Board Of Equalization**

---

**2018: Harkey Began To Run For Congress.** “California Board of Equalization Member Diane Harkey is running to replace retiring Rep. Darrell Issa (R-CA) in the U.S. House of Representatives, multiple sources confirmed to Breitbart News on Wednesday. Harkey has previously served as a Member of the California State Assembly and currently serves as the highest-ranking elected Republican in the state as the Chair of the State Board of Equalization (BOE). She was elected to the BOE in 2014.” [Breitbart, [1/10/18](#)]

**2013: Harkey Filed Papers To Run For State Senate And The Board Of Equalization In 2014.** “Diane Harkey, who is serving her third and final term in the state Assembly, has filed papers to run for the state Board of Equalization and the state Senate in 2014, though the former appears to be her main focus. She has scheduled a March 21 fundraiser for the Board of Equalization campaign.” [Orange County Register, [2/15/13](#)]

**2013: One Of Harkey’s Consultants Said Harkey May Consider A Bid For Orange County Supervisor But That She Had Already Started Campaigning For Board Of Equalization.** “The candidates to replace south Orange County Supervisor Pat Bates are queuing up. Laguna Niguel Mayor Robert Ming announced his candidacy for the 5th District Board of Supervisors seat in an email sent to supporters. Frank Ury, a Mission Viejo councilman popular for his support of economic development, said he also is ‘going for it.’ State Assemblywoman Diane Harkey may consider a bid for the position, too, one of her consultants said, although Harkey already has started a campaign for the state Board of Equalization.” [Orange County Register, [7/13/13](#)]

**Harkey’s Consultant Pointed Out That Harkey Would Be One Of The Few Republicans To Hold A Statewide Constitutional Office If She Won The Board Of Equalization Seat.** “The candidates to replace south Orange County Supervisor Pat Bates are queuing up. [...] Harkey, R-Dana Point, could still choose to run for the open supervisorial seat, though her consultant Tim Clark said she already has ‘tore it up’ on a large fundraising campaign for the Board of Equalization race, he said. ‘She’s got a lot invested in (the BOE race),’ Clark said, adding that winning that position would make her one of the few Republicans in a statewide constitutional office. But Clark said Harkey knows that if she enters the supervisor race, ‘she would be a front-runner, even a strong front-runner.’” [Orange County Register, [7/13/13](#)]

---

**Harkey Has Earned At Least \$787,894.86 In Taxpayer Salary And Benefits Over The Course Of Her Career**

---

---

**Over Her Six Years In The California State Assembly, Harkey Had Earned A Least \$566,980.56 In Taxpayer-Funded Salary**

---

**When Harkey First Took Office In The California State Assembly, She Earned A \$95,290.92 A Year, \$7,940.91 A Month.** [California State Assembly, Rules Committee, received [3/9/18](#)]

**Harkey’s Salary Did Not Change During Her Time In The State Assembly.** [California State Assembly, Rules Committee, received [3/9/18](#)]

---

**Over Her Six Years In The California State Assembly, Harkey Had Earned A Least \$566,980.56 In Taxpayer-Funded Salary.** [California State Assembly, Rules Committee, received [3/9/18](#)]

| <b>Year</b>  | <b>State Assembly Salary</b> |
|--------------|------------------------------|
| 2014         | \$95,290.92                  |
| 2013         | \$90,525.96                  |
| 2012         | \$95,290.92                  |
| 2011         | \$95,290.92                  |
| 2010         | \$95,290.92                  |
| 2009         | \$95,290.92                  |
| 2008         |                              |
| <b>TOTAL</b> | <b>\$566,980.56</b>          |

[California State Assembly, Rules Committee, received [3/9/18](#)]

---

**Harkey Received \$173,233.50 From Per Diem Payments In The California State Assembly**

---

**Harkey Received \$173,233.50 From Per Diem Payments For 1,151 Days Of 1,229 Session Days.** [California State Assembly, Rules Committee, received [3/9/18](#)]

---

**2011: California Paid State Lawmakers \$142 Per Day When In Session But The System Was Subject To Abuse By Lawmakers As They Conveyed For Short Period Of Times To Ensure It Applied**

---

**2011: Harkey Received \$28,230 In Per Diem Payments.** “Chairman Charles Murray expressed frustration over the commission’s limited reach. Basically, all we can do is raise it or lower it,’ he said of per diem. ‘As far as telling them what to do, we can sit back and spend hours saying how screwy the situation is’ to no avail. Per diem for local lawmakers [...] Assembly members, 2010 Senator Party/Community Per diem Lori Saldaña D-San Diego \$28,513\* Kevin Jeffries R-Lake Elsinore \$28,513 Joel Anderson R-La Mesa \$28,372\* Marty Block D-San Diego \$28,372 Diane Harkey R-Dana Point \$28,230” [San Diego Union-Tribune, [2/18/11](#)]

**The State Paid Lawmakers \$142 Per Day When The Legislature Was In Session But The System Was Subject To Abuse By Lawmakers As They Conveyed For Short Period Of Times To Ensure It Applied.** “By convening for less than a half-hour on Friday, the 80 members of the Assembly and 40 members of the Senate entitled themselves to \$568 each. That’s almost a \$70,000 cost to taxpayers. The reason? On top of their \$95,291 annual salary, lawmakers can collect \$142 per day when the legislature is in session. Those daily payments halt if the legislature takes off four or more days in a row. By convening for a short time on Friday, the legislature kept the Presidents Day holiday as a three-day weekend, meaning they could collect the daily payments while on recess Saturday, today and Monday. ‘It’s abuse,’ said Ted Costa, a longtime Capitol watchdog and leader of the group People’s Advocate.” [San Diego Union-Tribune, [2/18/11](#)]

**The Per Diem Payments Were Meant To Offset The Cost Of Two Households But Inflated Member Salaries By \$30,000 Tax Free.** “‘It’s abuse,’ said Ted Costa, a longtime Capitol watchdog and leader of the group People’s Advocate. The ‘per diem’ payments are designed to offset the cost of maintaining two households. The expense payments can inflate member salaries by \$25,000 to \$30,000 a year, and in most cases it’s tax-free.” [San Diego Union-Tribune, [2/18/11](#)]

---

**Over Her Four Years On The City Council, Harkey Had Earned A Total Of \$34,480.80 In Taxpayer-Funded Stipend**

---

**2004-2008: Harkey Was Entitled To A \$718.35 Per Month Stipend And A \$275 Per Month Auto Allowance As A Member Of The City Council.** [City of Dana Point, received [2/22/18](#)]

**The Monthly Stipend Did Not Change Over The Course Of Harkey’s Time On The City Council.** [City of Dana Point, received [2/22/18](#)]

**Over Her Four Years On The City Council, Harkey Had Earned A Total Of \$34,480.80 In Taxpayer-Funded Salary.** [City of Dana Point, received [2/22/18](#)]

| Year         | City Council Stipend (Annualized) |
|--------------|-----------------------------------|
| 2008         | \$8,620.20                        |
| 2007         | \$8,620.20                        |
| 2006         | \$8,620.20                        |
| 2005         | \$8,620.20                        |
| 2004         |                                   |
| <b>TOTAL</b> | <b>\$34,480.80</b>                |

[City of Dana Point, received [2/22/18](#)]

| Year         | Auto Allowance (Annualized) |
|--------------|-----------------------------|
| 2008         | \$3,300.00                  |
| 2007         | \$3,300.00                  |
| 2006         | \$3,300.00                  |
| 2005         | \$3,300.00                  |
| 2004         |                             |
| <b>TOTAL</b> | <b>\$13,200.00</b>          |

[City of Dana Point, received [2/22/18](#)]

---

**2005: Harkey Said She Had No Intention To Become A Career Politician**

---

**OC Register In 2005: Harkey “Loves Being A Part Of” Politics But Had “No Intention Of Becoming A Career Politician”**

---

**Orange County Register: “But While She Loves Being A Part Of It All, She Said, Harkey Has No Intention Of Becoming A Career Politician.”** “Interacting with people is what keeps Harkey going. The self-proclaimed political science junkie said she also loves the constant dynamics of politics. But while she loves being a part of it all, she said, Harkey has no intention of becoming a career politician. ‘I think we need to encourage more people to step up, do it for a few years and leave,’ she said. ‘It’s not a career path, it should be a service.’” [Orange County Register, [10/27/05](#)]

---

**Harkey: “The Purpose Of Term Limits Was To Get New Blood In The System. We Can’t Possibly Do That If Some People Keep Running For The Next Office”**

---



**Harkey On Career Politicians: “I Think We Need To Encourage More People To Step Up, Do It For A Few Years And Leave. It's Not A Career Path, It Should Be A Service.”** “Interacting with people is what keeps Harkey going. The self-proclaimed political science junkie said she also loves the constant dynamics of politics. But while she loves being a part of it all, she said, Harkey has no intention of becoming a career politician. ‘I think we need to encourage more people to step up, do it for a few years and leave,’ she said. ‘It's not a career path, it should be a service.’” [Orange County Register, [10/27/05](#)]

**Harkey: “The Purpose Of Term Limits Was To Get New Blood In The System. We Can't Possibly Do That If Some People Keep Running For The Next Office.”** “The Buzz asked Harkey which of the things on the mailer Harman should not have done. ‘It's not a matter of what he shouldn't have done,’ she said. ‘The purpose of term limits was to get new blood in the system. We can't possibly do that if some people keep running for the next office.’ Harman is a termed-out assemblyman seeking to move on to the Senate, while Harkey is a sophomore councilwoman seeking to move on to the Senate. However, senators typically gain experience in the Legislature's lower house first. The Buzz did a count: Of the 39 sitting senators, 30 have served in the Assembly.” [Orange County Register, 4/3/06]

---

**When Asked By A Resident About Her Political Aspirations, Harkey Was Reportedly “Noncommittal In Her Response”**

---

**When Asked By A Resident About Her Political Aspirations, Harkey Was Reportedly “Noncommittal In Her Response.”** “Capistrano Beach resident Antony Cooke disagreed with Harkey's statement and said he believed the campaign was planned. Cooke -- who said he voted for Harkey in her 2004 council campaign -- said Harkey had not been forthcoming about her political aspirations either in 2004 or when she answered a question he posed Dec. 13 at a City Council meeting. On a video tape of that council meeting reviewed this week, Cooke asked Harkey about her political aspirations. Harkey was noncommittal in her response, but said the end of Walters' term coincided with the end of her council term in 2008.” [Orange County Register, [1/25/07](#)]

**Harkey: “I Work Around The Clock For This City. And What Comes Up In The Future, I'll Leave That To The Future.”** “‘I work around the clock for this city,’ Harkey said on the tape. ‘And what comes up in the future, I'll leave that to the future. I think people will be very pleased with (the) new council people I strongly supported during this past election. My goal is to keep getting new people to come forward.’” [Orange County Register, [1/25/07](#)]

**2014: Harkey Ran For The Board Of Equalization Which Was Known As A Stepping Stone To Higher Office**

**The Board Of Equalization Was Known As A Stepping Stone To Higher Office.** “The board's internal conflict may reflect rivalries over ambitions for other office. While little known to the general public, the board has been a steppingstone to higher office.” [Sacramento Bee, [2/25/16](#)]

**HEADLINE: “Your Tax Dollars At Work Paying For Politicians’ Sinecures”** [Sacramento Bee, Editorial, [4/2/17](#)]

**Sacramento Bee Editorial: “The Board Of Equalization Serves As A Politician’s Sinecure. Four Board Members Won Seats After They Were Termed Out Of The Legislature.”** “On Feb. 2, 1989, our predecessors on The Sacramento Bee’s editorial board wrote: ‘The Board of Equalization and the Franchise Tax Board are relics of California's past that should have been discarded long ago.’ Calling for its restructuring wasn’t tough then. It’s easier today. The Board of Equalization serves as a politician’s sinecure. Four board members won seats after they were termed out of the Legislature. It’s also a swamp. Too often, corporations seeking multimillion-dollar breaks on their taxes find ways to slip money into board members’ coffers and evade restrictions on campaign donations.” [Sacramento Bee, Editorial, [4/2/17](#)]



**HEADLINE: “Thomas Elias: Just How Rampant Is Corruption In State Government?”** [Chico Enterprise-Record, Thomas Elias Column, [6/6/17](#)]

**Thomas Elias In The Chico Enterprise-Record: “This Board Has Long Been A Sinecure For Termed-Out Legislators Like All Four Current Elected Members... And Ex-GOP Legislators George Runner And Diane Harkey.”** “A fourth form of corruption was discovered by state finance officials at the Board of Equalization, where elected members were found to have spent prolifically on their office furnishings, misused tax collectors for things like parking management at political events and interfered with some tax cases. This board has long been a sinecure for termed-out legislators like all four current elected members, former Democratic lawmakers Fiona Ma and Jerome Horton and ex-GOP legislators George Runner and Diane Harkey. It has also served as a stepping stone to statewide office for the likes of Controller Betty Yee and Treasurer John Chiang.” [Chico Enterprise-Record, Thomas Elias Column, [6/6/17](#)]

**2013: Harkey Considered Bids For The State Senate As Well As Orange County Supervisor When She Was Already Running For Board Of Equalization**

**2013: Harkey Filed Papers To Run For State Senate And The Board Of Equalization In 2014**

**2013: Harkey Filed Papers To Run For State Senate And The Board Of Equalization In 2014.** “Diane Harkey, who is serving her third and final term in the state Assembly, has filed papers to run for the state Board of Equalization and the state Senate in 2014, though the former appears to be her main focus. She has scheduled a March 21 fundraiser for the Board of Equalization campaign.” [Orange County Register, [2/15/13](#)]

**One Of Harkey’s Consultants Said Harkey May Consider A Bid For Orange County Supervisor But That She Had Already Started Campaigning For Board Of Equalization**

**One Of Harkey’s Consultants Said Harkey May Consider A Bid For Orange County Supervisor But That She Had Already Started Campaigning For Board Of Equalization.** “The candidates to replace south Orange County Supervisor Pat Bates are queuing up. Laguna Niguel Mayor Robert Ming announced his candidacy for the 5th District Board of Supervisors seat in an email sent to supporters. Frank Ury, a Mission Viejo councilman popular for his support of economic development, said he also is ‘going for it.’ State Assemblywoman Diane Harkey may consider a bid for the position, too, one of her consultants said, although Harkey already has started a campaign for the state Board of Equalization.” [Orange County Register, [7/13/13](#)]

**Harkey’s Consultant Pointed Out That Harkey Would Be One Of The Few Republicans To Hold A Statewide Constitutional Office If She Won The Board Of Equalization Seat.** “The candidates to replace south Orange County Supervisor Pat Bates are queuing up. [...] Harkey, R-Dana Point, could still choose to run for the open supervisorial seat, though her consultant Tim Clark said she already has ‘tore it up’ on a large fundraising campaign for the Board of Equalization race, he said. ‘She’s got a lot invested in (the BOE race),’ Clark said, adding that winning that position would make her one of the few Republicans in a statewide constitutional office. But Clark said Harkey knows that if she enters the supervisor race, ‘she would be a front-runner, even a strong front-runner.’” [Orange County Register, [7/13/13](#)]

**Harkey Enjoyed The Perks & Privileges Of Office**

**Harkey Disclosed \$4,127.84 Worth Of Gifts Over The Course Of Her Career**

| Harkey Schedule D: Income – Gifts            |                   |          |                   |         |
|--|-------------------|----------|-------------------|---------|
| Source                                       | Business Activity | Date     | Description       | Value   |
| Allergan                                     |                   | 10/29/13 | Lunch & Tour      | \$89.32 |
| Apartment Association of Greater Los Angeles | Reception         | 4/8/14   | Food and Beverage | \$56.85 |
| Assembly Speaker John A. Perez               |                   | 12/2/12  | Engraved Bowl     | \$85.80 |

|   |  |          |                                     |          |
|---|--|----------|-------------------------------------|----------|
| Assembly Speaker John A. Perez                  |  | 1/4/12   | Engraved Box                        | \$39.00  |
| Barona Band of Mission Indians                  |  | 8/15/13  | Caucus Dinner                       | \$72.26  |
| Blonien, Boyd, Condit                           | Legislative Reception                            | 8/2/16   | Food & Beverage                     | \$34.31  |
| Cal Chamber                                     | Legislative Dinner and Reception                 | 5/28/15  | Meal                                | \$47     |
| Cal Chamber                                     | Legislative Dinner and Reception                 | 5/27/15  | Food & Beverage                     | \$36.89  |
| CalChamber                                      | Host Reception & Breakfast                       | 5/18/16  | Host Breakfast                      | \$48.51  |
| CalChamber                                      | Host Reception & Breakfast                       | 5/17/16  | Food & Beverage                     | \$39.92  |
| California Alliance of Taxpayers Advocates      | Annual Conference                                | 12/15/15 | Meal                                | \$56.25  |
| California Association of Realtors              | Legislative Reception                            | 4/29/14  | Food and Beverage                   | \$55.00  |
| California Association Of Realtors              |  | 4/30/13  | Dinner & Reception                  | \$104.24 |
| California Healthcare Institute                 | Legislative Reception                            | 1/15/14  | Food and Beverage                   | \$80.49  |
| California Healthcare Institute                 | CHI California Biomedical Industry Report Launch | 2/2/10   | Dinner and Reception                | \$205.30 |
| California Independent Voter Project            | Assembly Republican Caucus Event                 | 4/15/12  | Meal                                | \$124.43 |
| California Judges Association                   |  | 6/10/13  | Reception Food & Bev                | \$53.14  |
| California New Car Dealers Association          | Dinner and Reception                             | 8/25/14  | Food and Beverage                   | \$49.89  |
| California New Car Dealers Association          | Dinner and Reception                             | 4/9/14   | Food and Beverage                   | \$68.28  |
| California State Protocol Foundation            | Sutter Club Luncheon                             | 1/6/10   | Lunch                               | \$35.47  |
| CCTA  | Reception at the Sheraton Grand                  | 5/4/09   | reception                           | \$63.23  |
| Christian Business Mens Connection, Orange City | Government Leaders Breakfast                     | 2/19/16  | Meal                                | \$40.00  |
| Council for Legislative Excellence              | Republican Caucus                                | 2/7/12   | Dinner                              | \$80.51  |
| Council for Legislative Excellence              | Assembly Republican Caucus Event                 | 4/15/11  | Meal                                | \$124.43 |
| Counsel for Legislative Excellence              | Joint Legislative Summit                         | 12/1/09  | Jacket, bag, bracelet               | \$311.74 |
| Cox Communications                              |  | 8/17/13  | Petco Park Tickets; Food & Beverage | \$120.00 |
| Cox Communications                              |  | 7/28/11  | San Diego Padres Ga                 | \$140.00 |
| CTIA – Wireless Association                     |  | 4/24/13  | Reception Food & Bev                | \$68.14  |
| Dr. F Maseeh                                    | None - Guess at Charitable Event                 | 12/12/15 | Meal                                | \$65.00  |
| Governor Arnold Schwarzenegger                  | Sutter Club Luncheon                             | 1/6/10   | Lunch                               | \$21.53  |
| KiDA Academey                                   | Charitable Event                                 | 9/16/11  | Meal                                | \$200.00 |
| Pala Indian Tribe                               |  | 4/29/11  | Meal                                | \$80.56  |
| Peace Officers Research Assn                    | Legislative Reception                            | 5/3/16   | Food & Beverage                     | \$53.75  |
| Price Waterhouse Coopers, LLC                   | Tax Representative Meeting                       | 10/26/16 | Meal & Beverage                     | \$102.18 |
| Price Waterhouse Coopers, LLC                   | Sales Tax Policy Discussions                     | 11/9/15  | Meal                                | \$29.77  |
| Price Waterhouse Coopers, LLC                   | Sales Tax Policy Discussions                     | 9/1/15   | Meal                                | \$24.77  |
| Price Waterhouse Coopers, LLC                   | Sales Tax Policy Discussions                     | 3/4/15   | Meal                                | \$54.80  |
| Rancho Mission Viejo                            | Community Event                                  | 8/27/16  | 2 Rodeo & Parking                   | \$210.00 |
| San Diego Regional Chamber of Commerce          | Legislative Dinner and Reception                 | 5/13/14  | Food and Beverage                   | \$21.24  |
| San Diego Regional Chamber of Commerce          | Legislative Dinner and Reception                 | 3/23/14  | Food and Beverage                   | \$88.82  |
| Sutherland                                      | Houston BOE Office Reception                     | 4/20/15  | Food & Beverage                     | \$100.00 |

|   |  |         |                  |                   |
|---|--|---------|------------------|-------------------|
| Various healthcare/life science entities            | Healthcare and life sciences               | 1/28/09 | Reception/dinner | \$216.88          |
| Various natural resource and environmental entities | Natural resource and environmental issues  | 1/28/09 | Reception        | \$86.54           |
| Walt Disney Co./Disneyland                          | Candlelight Reception & Ceremony Package   | 12/2/12 | 2 All Day Passes | \$420.00          |
| Walt Disney Company                                 | Legislative Reception And Moving Screening | 1/13/16 | Movie Ticket     | \$21.50           |
| <b>Total:</b>                                       |  |         |                  | <b>\$4,127.84</b> |

[Harkey Statement of Economic Interests, filed [2/11/17](#); [2/18/16](#); [4/22/15](#); [3/10/15](#); [2/27/15](#); [3/3/14](#); [3/15/13](#); [2/28/13](#); [2/28/12](#); [2/28/11](#); [2/26/10](#)]

*NOTE: Harkey's disclosure of gifts to her can be found in Appendix I – Personal Financial Disclosures.*

**March 2009: The Orange County Register Reported Harkey “Managed To Get Through The Year Without Taking Any Such Gifts” Despite Harkey Having Won Office In The Previous Year.** “Local state legislators have done pretty well in the freebie department, according to state disclosure forms. The Register reported that the county's 14 lawmakers snagged about \$20,000 in gifts last year. This amount is inconsequential compared with the billions of dollars the state government spends. [...] Only Assemblywoman Diane Harkey, R-Dana Point, managed to get through the year without taking any such gifts. [Orange County Register, Editorial, [3/15/09](#)]

**2017: Harkey’s Staff “Used Their Positions Of Authority To Improperly Influence, And Arguably Pressure, BOE Executives” To Give Jobs To A Harkey Aide: BOE Audit**

**Audit: Harkey’s Staff “Used Their Positions Of Authority To Improperly Influence, And Arguably Pressure, BOE Executives To Ensure Placement” One Of Harkey’s Legislative Aides To The New York Office**

**The Audit Found Harkey’s Staff “Used Their Positions Of Authority To Improperly Influence, And Arguably Pressure, BOE Executives To Ensure Placement” One Of Harkey’s Legislative Aides To The New York Office.** “The audit detailed several situations in which job applicants benefited from favoritism. They were: • A legislative aide to Board of Equalization member Diane Harkey was allowed to work from the agency’s New York office. Harkey’s staff ‘used their positions of authority to improperly influence, and arguably pressure, BOE executives to ensure placement’ of the aide to a permanent civil service position there. The audit recommends dismissing the employee.” [Sacramento Bee, [11/15/17](#)]

**The Audit Found The Agency Disregarded Its Anti-Nepotism Policy And Called For Sanctions On The Board And The Department Of Tax And Fee Administration**

**HEADLINE: “State Workers Should Lose Jobs Over Nepotism Findings, Board Says”** [Sacramento Bee, [11/15/17](#)]

**2017: A State Personnel Board Audit Found That 17.5% Of The Board Of Equalization’s Previous And Current Staff Had A Relative In The Agency.** “Three state workers, including the daughter of a Sacramento-area assemblyman, could lose their jobs because a personnel audit found that they were hired under questionable circumstances at an agency riddled by nepotism. The targeted employees include the daughter of Assemblyman Jim Cooper, D-Elk Grove, and the son of a former staff member to Board of Equalization member George Runner. They were identified by their initials in a new audit that detailed nepotism in the Board of Equalization, the tax agency that lawmakers gutted in June after a series of audits showed that it failed to allocate taxes properly and that its leaders had allowed elected board members to intervene inappropriately in its daily operations. The audit by the State Personnel Board showed that 17.5 percent of the agency’s employees appeared to have a relative on staff in the organization.” [Sacramento Bee, [11/15/17](#)]

**The Audit Found The Agency Disregarded Its Anti-Nepotism Policy And Called For Sanctions On The Board And The Department Of Tax And Fee Administration.** “The audit also found that the agency disregarded

its own anti-nepotism policy, which discouraged managers from hiring people who might have close relationships with their colleagues. It calls for tough sanctions on both the Board of Equalization and its successor department, the California Department of Tax and Fee Administration. Lawmakers created the tax department when they stripped the Board of Equalization of most of its authority. The tax department inherited almost all of the Board of Equalization's 4,700 employees." [Sacramento Bee, [11/15/17](#)]

### **2012: Harkey Gave Her Staffers The Most Raises In Terms Of Dollar Amounts At \$32,772 Amid Cuts To Government Services And Education**

**2012: Harkey Gave Her Staffers The Most Raises In Terms Of Dollar Amounts At \$32,772 Amid Cuts To Government Services And Education.** "San Diego County lawmakers have given pay raises to their staff at a time when schools and other public services are being squeezed and the governor is asking voters to approve tax increases. [...] Assemblywoman Diane Harkey, a Republican who represents the Oceanside area, handed out the most raises in terms of dollar amounts. She gave three employees raises that combined will total \$32,772 per year." [San Diego Union-Tribune, [7/27/12](#)]

#### **Two Of Harkey's Staffers Were Promoted And The District Coordinator Received A 30% Raise.**

"Assemblywoman Diane Harkey, R-Dana Point: The extra pay for three workers will add \$32,772 to her payroll annually. Two were promoted. The district coordinator received a 30 percent raise with no promotion." [San Diego Union-Tribune, [7/27/12](#)]

**Harkey Said Her Office Budget Was Pared To The Bone And That Republicans "Just Get The Scraps" In Terms Of Staff.** "Harkey said her office budget is pared to the bone and that the higher salaries reflect promotions that come with added responsibilities in most cases. Democrats, she said, have more staff and can use aides assigned to committees to handle some responsibilities. 'We just get the scraps,' Harkey said." [San Diego Union-Tribune, [7/27/12](#)]

### **2007: Harkey Said A \$1 Million City Council Chambers Redesign Was "Such A Relief" And "Long Overdue" But An \$800,000 Grant For It Came From Cox Communications**

**Harkey On A \$1 Million City Council Chambers Redesign: "It's Such A Relief To Get Rid Of The Mauve And Blue. It Was Long Overdue."** "Councilwoman Lara Anderson had two remodeling goals for the approximately \$1 million City Council chambers redesign: no more mauve and no blue-and-white nautical clichés. Still, Dana Point is a beach community, and that spirit is reflected, albeit subtly, in the new décor, which was unveiled on April 17. For instance, the carpeting was inspired by striped beach towels, and the leather chairs recall the color of sand, Anderson said. [...] The City Council had met in the Community Center since September to accommodate the redesign, which was done for aesthetic and technological reasons. [...] The neutral color scheme -- brown, tan and blue with wood paneling -- is an improvement over the previous design, Mayor Diane Harkey said. 'It's such a relief to get rid of the mauve and blue,' she said. 'It was long overdue.'" [Orange County Register, [4/24/07](#)]

#### **An \$800,000 Grant From Cox Communications Provided Technological Improvements And The Chambers Became ADA-Compliant.**

"Technological improvements to the chambers include better lighting and camera equipment -- thanks to an \$800,000 grant for Cox Communications -- which dramatically improved the picture seen by home-viewers of the meetings. Those sitting in the newly enclosed foyer can watch a live feed on the television screen as well. 'It really is state-of-the-art,' Councilman Joel Bishop said. Additionally, the redesign is ADA-compliant. The podium for the public to address the council can be lowered for the disabled, and headsets are available for the hearing impaired." [Orange County Register, [4/24/07](#)]

### **Harkey Spent Nearly A Million And A Half Of Her Own Money Buying Political Seats**

**According To The California Secretary Of State's Power Search, Harkey Has Given \$1,421,566.48 In Loans, Monetary Contributions, And Non-Monetary Contributions To Her Political Campaigns**

According to the California Secretary of State's Power Search, Harkey has given \$1,421,566.48 in loans, monetary contributions, and non-monetary contributions to her political campaigns.

| <b>Harkey Political Giving History - State</b> |   |                       |
|--|---|-----------------------|
| <b>Date</b>                                    | <b>Candidate (Office Sought) or Committee</b> | <b>Amount</b>         |
| 4/30/2014                                      | Harkey for Board of Equalization 2014         | \$40,000.00           |
| 4/17/2014                                      | Harkey for Board of Equalization 2014         | \$15,000.00           |
| 12/30/2013                                     | Harkey for Board of Equalization 2014         | \$50,000.00           |
| 3/6/2012                                       | Harkey for Assembly 2012                      | \$250.00              |
| 12/19/2011                                     | Harkey for Assembly 2012                      | \$571.03              |
| 4/1/2011                                       | Harkey for Board of Equalization 2014         | \$100,000.00          |
| 1/29/2009                                      | Harkey for Assembly 2010                      | \$3,000.00            |
| 12/5/2008                                      | Diane Harkey for Assembly                     | \$20,000.00           |
| 11/3/2008                                      | Diane Harkey for Assembly                     | \$30,000.00           |
| 11/15/2007                                     | Diane Harkey for Assembly                     | \$1,167.58            |
| 6/29/2007                                      | Diane Harkey for Assembly                     | \$50,000.00           |
| 4/16/2007                                      | Diane Harkey for Assembly                     | \$794.07              |
| 1/17/2007                                      | Diane Harkey for Assembly                     | \$50,000.00           |
| 6/29/2006                                      | Diane Harkey for State Senate                 | \$15,000.00           |
| 5/8/2006                                       | Diane Harkey for State Senate                 | \$100,000.00          |
| 4/10/2006                                      | Diane Harkey for State Senate                 | \$150,000.00          |
| 4/6/2006                                       | Diane Harkey for State Senate                 | \$25,000.00           |
| 3/31/2006                                      | Diane Harkey for State Senate                 | \$20,000.00           |
| 3/28/2006                                      | Diane Harkey for State Senate                 | \$100,000.00          |
| 3/12/2006                                      | Diane Harkey for State Senate                 | \$100,000.00          |
| 3/2/2006                                       | Diane Harkey for State Senate                 | \$100,000.00          |
| 2/21/2006                                      | Diane Harkey for State Senate                 | \$150,000.00          |
| 2/21/2006                                      | Diane Harkey for State Senate                 | \$500.00              |
| 2/8/2006                                       | Diane Harkey for State Senate                 | \$1,008.80            |
| 12/30/2005                                     | Diane Harkey for State Senate                 | \$75,000.00           |
| 10/25/2005                                     | Diane Harkey for State Senate                 | \$100,000.00          |
| 2004   | Diane Harkey for Dana Point City Council      | \$124,275.00          |
| <b>Total:</b>                                  |   | <b>\$1,421,566.48</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#); City of Dana Point, Campaign Disclosure Statement, [10/19/04](#); Late Contribution Report, [10/29/04](#)]

**According To The California Secretary Of State's Power Search, Diane Harkey And Dan Harkey Used The Harkey Family Trust To Donate \$4,000.00 To Harkey's Campaign For State Assembly.**

According to the California Secretary of State's Power Search, Diane Harkey and Dan Harkey used the Harkey Family Trust to donate \$4,000.00 to Harkey's campaign for state assembly.

| <b>Harkey Political Giving History - State</b> |                                       |   |                   |
|--|---------------------------------------|---|-------------------|
| <b>Date</b>                                    | <b>Donor</b>                          | <b>Candidate (Office Sought) or Committee</b> | <b>Amount</b>     |
| 10/15/2010                                     | Harkey Family Trust - Diane L. Harkey | Harkey for Assembly 2010                      | \$1,000.00        |
| 10/15/2010                                     | Harkey Family Trust - Dan J. Harkey   | Harkey for Assembly 2010                      | \$1,000.00        |
| 9/15/2010                                      | Harkey Family Trust - Diane L. Harkey | Harkey for Assembly 2010                      | \$1,000.00        |
| 9/15/2010                                      | Harkey Family Trust - Dan J. Harkey   | Harkey for Assembly 2010                      | \$1,000.00        |
| <b>Total:</b>                                  |                                       |   | <b>\$4,000.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#)]

## Out For Herself: Bad At Her Job

### Significant Findings

- ✓ *A state Department of Finance audit accused Harkey of reassigning board employees without approval at a November 2016 conference that Harkey sponsored, in which 113 board of equalization employees worked in “registration, parking lot duty, and break area facilitation” unrelated to their jobs.*
- ✓ *As Harkey took over chairmanship of the Board of Equalization, mishandled finances and staffing problems led Gov. Brown to strip the Board of its powers by cutting the Board’s staff by 90%, creating a new department to collect sales taxes, and taking the Board’s power as a tax court.*
- ✓ *Harkey said the reform “will kill the BOE and taxpayer rights” and was an example of government overreach.*
- ✓ *During Harkey’s time on the Board of Equalization, the Board was accused of having misallocated tens of millions and being understaffed with its HQ containing toxic mold.*
- ✓ *Harkey used the same Twitter account for official and personal business and to highlight her congressional campaign.*
- ✓ *Harkey has missed more than 1,700 Assembly votes and committee votes and was absent for 78 days during her time in the State Assembly.*
- ✓ *Between August 2010 and March 2011, Harkey was the Assemblymember who changed her votes the most in the State Assembly including changing to be against a fine increase.*

## A State Audit Found Harkey Misused 119 Public Employees In An Event That “Appear Self-Promoting”

### The State Department Of Finance Audited The Board Of Equalization And Found The Board Spent Millions On “Education And Outreach Events,” Which Reportedly “Appear Self-Promoting”

*NOTE: The audit can be found at the end of this document.*

#### January 2017: The Board Of Equalization Was Under Six Outside Audits Including One From The Department Of Finance For Using Public Employees For Board Members’ “Pet Projects”

**January 2017: The Board Of Equalization Was Under Six Outside Audits Including One From The Department Of Finance For Using Public Employees For Board Members’ “Pet Projects.”** “The Board of Equalization is under scrutiny by six outside audits, including one from the Department of Finance that is investigating whether elected members enhance their direct staffs by tapping nonpolitical public employees for pet projects.” [Sacramento Bee, [1/25/17](#)]

#### The Audit Investigated The Redirection Of Public Employees Into Unrelated Tasks And Found The Board Had Tripled Its Spending On “Education And Outreach Events” To Nearly \$3 Million, Which Reportedly “Appear Self-Promoting”

**2017: The State Department Of Finance Conducted An Audit Into The Board Of Equalization.** “A soon-to-be released audit of the state Board of Equalization finds that the agency still can’t explain how it misallocated tens of



millions of dollars worth of tax revenue and describes how one of its elected leaders effectively swelled his political staff by ‘redirecting’ civil servants to his own projects. [...] Conducted by the state Department of Finance, the audit was based on interviews with more than 70 employees of an agency that handles more than \$60 billion a year in state revenue and weighs tax appeals from businesses and individuals.” [Sacramento Bee, [3/24/17](#)]

**The Audit Investigated The Redirection Of Public Employees Into Unrelated Tasks And Found The Board Had Tripled Its Spending On “Education And Outreach Events” To Nearly \$3 Million, Which Reportedly “Appear Self-Promoting.”** “While auditors began their work because of questions about the agency’s accounting, the investigation expanded to examine how elected members ‘redirect’ civil servants for assignments that are not related to the agency’s core mission. They found that overall spending on so-called ‘education and outreach’ - events or printed materials that are intended to inform taxpayers about policy but often appear self-promoting - has tripled over the past five years. It rose from \$920,000 in 2010 to \$2.96 million last year.” [Sacramento Bee, [3/24/17](#)]

**The Exact Amount Varied But The Audit Estimated The Board Was Spending \$5 Million A Year On These Events When It Included Some Employees That Did Not Report To Board Members.** “That number tends to change when lawmakers or news organizations ask the agency how much it spends on ‘education and outreach.’ Documents released to The Bee this month from a Public Records Act request said the agency spent \$1.6 million on board-directed outreach last year - \$1.3 million less than the total in the new audit. A Senate subcommittee last year also received a different set of numbers when it asked for an accounting of education and outreach spending. Auditors from the Department of Finance said the figures in their report likely did not capture total spending on promotional events and taxpayer outreach. They said their numbers do not include salaries for a group of employees who promote agency activities but do not report directly to board members. When those employees are incorporated, the Department of Finance estimates that the BOE is spending about \$5 million a year on education and outreach programs.” [Sacramento Bee, [3/24/17](#)]

**The 2017 Audit Found That Spending Increased On Activities Unrelated To Taxes And That Misleading Information Was Provided To Lawmakers.** “The report’s authors say they found well-paid tax auditors on ‘parking lot duty’ at a promotional event, a steep rise in spending on activities that do not appear connected to taxes, and misleading information provided to lawmakers.” [Sacramento Bee, [3/24/17](#)]

**The Audit Accused Harkey Of Reassigning 113 Board Employees Without Approval, Which Harkey Denied And Said That She Was “Not In Charge Of Those People”**

---

**The Audit Accused Harkey Of Reassigning Board Employees Without Approval**

---

**HEADLINE: “Audit: California Tax Collectors On ‘Parking Lot Duty’ For Promotional Events As Politicos Push Boundaries”** [Sacramento Bee, [3/24/17](#)]

**HEADLINE: “Accused Of Mismanagement, California’s Tax Collection Agency ‘Is In Complete Disarray,’ Officials Say”** [Los Angeles Times, [5/7/17](#)]

**The 2017 Report Accused Harkey And Another Councilmember Of Reassigning Board Employees To Aid Their District Staff In A Way That Violated State Rules By Failing To Acquire Approval.** “Horton, a Democrat from Inglewood, and current Board Chairwoman Diane Harkey, a Republican from Dana Point, are facing heat from the report, which questioned conferences held in their districts staffed in part with employees from the other offices. The report said employees were reassigned from the tax auditing positions to supplement the district staffs of board members in a way that violated state rules requiring notification and approval by managers. ‘Certain board member practices have intervened in administrative activities and created inconsistencies in operations,’ the report said.” [Los Angeles Times, [5/7/17](#)]

**State Law Required The Board To Ask The Finance Department And Legislature For Permission To Reassign A “Revenue-Generating” Employee To Another Post.** “The board also asked its executive

leadership to investigate how the agency temporarily assigns tax auditors and other employees to postings that do not necessarily generate revenue. State law requires that the board ask permission from the Finance Department and the Legislature if it wants to reassign a so-called ‘revenue-generating’ employee to another post. The recent audit from the Finance Department said the tax board had not followed that rule, a practice that raised questions about its annual budget requests.” [Sacramento Bee, [4/25/17](#)]

**Audit: “Certain Board Member Practices Have Intervened In Administrative Activities And Created Inconsistencies In Operations, Breakdowns In Centralized Processes And In Certain Instances Result In Activities Contrary To State Law And Budgetary And Legislative Directives.”** “Some employees are not performing the revenue-generating tasks they have been assigned, according to the audit, calling into question the agency’s budget requests and skirting the law. ‘Certain board member practices have intervened in administrative activities and created inconsistencies in operations, breakdowns in centralized processes and in certain instances result in activities contrary to state law and budgetary and legislative directives,’ the audit says.” [Sacramento Bee, [3/24/17](#)]

**State Law Banned Officials From Using Misusing Taxpayer Money And Public Recourses For Political Events And For Personal Gain, Which Could Lead To Civil Fines Or Jail Time.** “Investigators from the California Attorney General’s Office are interviewing civil servants in a probe that may lead to civil or criminal penalties against public officials at a state tax agency that is being disbanded this month. [...] State law includes several provisions that could be used to prosecute elected officials for misusing their offices. Penalties include civil fines or jail time. One bans elected officials from using public resources for political events and is punished by civil penalties. Another prohibits them from using their positions for personal gain. One more code bars public officials from knowingly misusing taxpayer money. The scope of the Department of Justice investigation is not yet clear. Gov. Jerry Brown requested it in April, citing the Department of Finance audit.” [Sacramento Bee, [6/20/17](#)]

---

**The Audit Pointed To A November 2016 Conference That Harkey Sponsored, In Which 113 Board Of Equalization Tax Employees Worked In “Registration, Parking Lot Duty, And Break Area Facilitation”**

---

**NO LIMITS** REGISTER NOW for FREE  
[www.boe.ca.gov/cwp](http://www.boe.ca.gov/cwp)

**Diane L. Harkey**  
Vice Chair - California State Board of Equalization  
Connecting Women To Power Business Conference 2016  
11.3.16 #CWP  
Sponsored by

**KEYNOTE SPEAKERS**

- Heide Stefanyshyn-Piper, Former NASA Astronaut
- Ana Martinez, Facebook, Inc.
- Liz Goodgold, Branding Expert

[Eventbrite, accessed [2/28/18](#)]

**REGISTER NOW** FREE WORKSHOPS AND INSPIRATIONAL SPEAKERS TO EMPOWER WOMEN  
*Men are Welcome!*

**KEYNOTE SPEAKERS**

- Former NASA Astronaut: Heidemarie Stefanyshyn-Piper
- International Branding Coach: Liz Goodgold, REDfire Branding
- Boost your Business with Facebook: Ana Martinez, Facebook, Inc.

SPACE IS LIMITED! REGISTER NOW!

**FREE CONNECTING WOMEN TO POWER BUSINESS CONFERENCE**

[California Board of Equalization via Wayback

Machine, [11/3/16](#)]

**The 2017 State Department Of Finance Audit Found That 113 Board Of Equalization Employees Spent A Workday At A November 2016 “Connecting Women To Power” Conference Which Harkey Sponsored.** “In one instance, the Finance Department found that 113 Board of Equalization employees spent a workday last November helping with parking and registering guests at a ‘connecting women to power’ conference in Escondido sponsored by Board of Equalization member Diane Harkey.” [Sacramento Bee, [3/24/17](#)]

**98 Of Those Employees Were Non-Political Employees Whose Jobs Related To Tax Collection Including Tax Technicians, Tax Auditors, And Tax Specialists.** “Ninety-eight of the board employees had job titles that suggested they were non-political employees who should report to the BOE's executive staff. Their job titles included tax technicians, supervising tax auditors and business tax specialists.” [Sacramento Bee, [3/24/17](#)]

**The Audit Said The Employees Worked On “Registration, Parking Lot Duty, And Break Area Facilitation” For Guests.** “For example, a conference in November in Harkey's district called ‘Connecting Women to Power’ brought in 98 board employees usually assigned to tax audit and compliance work, whose monthly salaries range from \$2,384 to \$8,450. The employees performed duties including ‘registration, parking lot duty, and break area facilitation,’ the report said, adding the redirection was requested by someone on Harkey's staff. Yee and others said the conferences held by other board members are improper because they are promotion tools used to elevate their profiles with constituents.” [Los Angeles Times, [5/7/17](#)]

**The Conference Only Had Two Of Its Twenty-Three Sessions Related To Taxes While Others Were Named As “Desk Yoga,” “Think Like A Negotiator,” And “No Limit Leadership.”** “The conference had 23 breakout sessions, only two of which were directly related to taxes. Others included ‘desk yoga,’ ‘think like a negotiator’ and ‘no limit leadership.’ The agency spent \$189,000 on that conference and one other ‘connecting women to power’ event last year.” [Sacramento Bee, [3/24/17](#)]

**The Sacramento Bee Reported The November 2016 “Connecting Women To Power Conference” And One Other Conference Cost \$189,000.** “The conference had 23 breakout sessions, only two of which were directly related to taxes. Others included ‘desk yoga,’ ‘think like a negotiator’ and ‘no limit leadership.’ The agency spent \$189,000 on that conference and one other ‘connecting women to power’ event last year.” [Sacramento Bee, [3/24/17](#)]

**November 2015: Harkey Hosted “Connecting Women To Power” Conference.** “Diane Harkey, with educational partner University of California, Irvine, is hosting a FREE Connecting Women to Power Conference. The event aims to spur economic and job growth and will assist entrepreneurs, business and career-minded women in Southern California with development of companies, advancement in the work place, and tax assistance with new and current business ventures. The conference features 36 women speakers who are experts and leaders in the fields of business, government and nonprofits. Speakers include: Los Angeles Sparks President, Christine N. Simmons Panda Express National Manager of Operation Support and Services, Trisha Nguyen Yelp Community Director, Katie Burbank Google Small Business Advisor, Lucy Pintol Red Cross Orange County CEO, Linda Voss \* See the full list of speakers \* Date: Wednesday, November 4, 2015 Where: UC Irvine Student Center 311 W. Peltason Drive, Irvine, CA 92697 Time: 9 a.m. – 5 p.m. (opening session for media is 9 am – 10:30 am)” [Diane Harkey, press release, [10/21/15](#)]

**2016: The Conference’s Speakers Included A Winning Contestant From “Shark Tank.”** “Harkey's last ‘Connecting Women to Power’ event featured speakers who included a former astronaut, a winning contestant from MSNBC's ‘Shark Tank’ and a country music singer. It also included tax workshops led by Board of Equalization employees. Participants registered at the Board of Equalization website.” [Sacramento Bee, [1/25/17](#)]

**HEADLINE: “Under Fire For ‘Shark Tank’ Showmanship, California Tax Board Limits Its Outreach”** [Sacramento Bee, [1/25/17](#)]

---

**Harkey Denied She Was Involved In Redirecting Staff, Said That Administration Staff Handled The “Connecting Women To Power” Conference, And Said That She Was “Not In Charge Of Those People”**

---

**Harkey, Along With Board Member Horton Who Was Accused Of Wasting Taxpayer Money And Misusing Public Employees, Objected To The Audit's Claim They Used Events For Self Promotion.** “On Tuesday, at the urging of member George Runner, the board unanimously approved new rules keeping members out of all hiring decisions except for those involving its executive director and chief counsel and adding safeguards against improper use of employees. But board members Jerome Horton and Diane Harkey objected to some of the audit's criticism of self-promotional ‘education and outreach’ programs, and the board could not agree on establishing a new governance model that established explicit limits on members' authority. The board will now wait until August to revisit a policy.” [San Diego Union-Tribune, Editorial, [5/25/17](#)]

**Harkey As Chairwoman: “There Have Obviously Been Some Breakdowns In Policy. I Think There Has Probably Been Some Board Member Overreach As Well As Some Laxness On The Part Of The Staff. I Think Nobody Is Totally Guilty And Nobody Is Totally Innocent.”** “Harkey concedes that there has been a perfect storm of controversies, but maintains that the problems are being addressed and thinks the current structure can be made to work. ‘There have obviously been some breakdowns in policy. I think there has probably been some board member overreach as well as some laxness on the part of the staff,’ Harkey said. ‘I think nobody is totally guilty and nobody is totally innocent.’” [Los Angeles Times, [5/7/17](#)]

**Harkey Denied She Was Involved In Redirecting Staff To Promotional Activities And That Administration Staff Handled The “Connecting Women To Power” Conference And That She Was “Not In Charge Of Those People.”** “The employees performed duties including ‘registration, parking lot duty, and break area facilitation,’ the report said, adding the redirection was requested by someone on Harkey's staff. [...] Harkey denies that she was involved in redirecting staff to promotional activities. A former legislator, she had just taken office with the board when she said she was told by the administration that she could pick from a list of outreach activities done in the past that were aimed at educating the public about taxes and fees. She said the staging of the conference in Escondido was an issue handled by administration staff. ‘I'm not in charge of those people,’ she said in an interview with The Times. ‘Once I found out that this was falling in my lap and there was something wrong, I decided we're not doing it again.’” [Los Angeles Times, [5/7/17](#)]

**Harkey Called The Audit “Inaccurate” And That Staffers Chose The “Connecting Women To Power” Conference Based On Similar Programs Another Board Member Hosted.** “Harkey, in an interview with The Bee, called the audit ‘inaccurate.’ She said agency staff offered her and her team a range of education and outreach options, which included sponsoring events. They chose the ‘connecting women to power’ event based on similar programs that Horton has hosted in the Los Angeles area over the years.” [Sacramento Bee, [3/24/17](#)]

**Harkey: “The Audit Narrative Is Really Wrong. I Am Merely Appearing At This Agency Event.”** “At a recent a board meeting, Harkey and Horton defended their use of large events as effective ways to connect with taxpayers in the dense, urban areas they represent. Harkey and Horton consider the conferences to be more efficient than smaller informational events the agency hosts in other parts of the state because of the large crowds they can attract. ‘The audit narrative is really wrong,’ Harkey said. ‘I am merely appearing at this agency event. To the extent that there's something spent or diverted that should not be, that will be addressed.’” [Sacramento Bee, [3/24/17](#)]

**Harkey Said She Did Not Require Her Staffers To Work For Her Events But Would Instead Suggested It To Them But That She Did Not Have The Final Say On Whether An Event Took Place.** “Harkey and Horton each insisted that they do not require Board of Equalization staff members to promote and host their events. Instead, they said, they suggest an idea to a staff member and agency employees then evaluate whether an event would be appropriate. They said they've been trying to direct resources in underserved communities where people want more information about tax compliance. Both said they don't have the final say on whether an event takes place.” [Sacramento Bee, [1/26/17](#)]

**Harkey Later Voted For A Moratorium On Large-Scale Conferences, Canceled Similar Event, And Voted For Demanding Annual Training To Prevent The Misuse Of Employees**



**HEADLINE: “BOE Member Wants To Curb Troubled California Tax Agency’s Mega-Conferences”**  
[Sacramento Bee, [4/14/17](#)]

**HEADLINE: “Facing Spending Sanctions, Troubled California Tax Board Suspends Its Public Outreach”**  
[Sacramento Bee, [4/25/17](#)]

**Harkey Voted For A Moratorium On Large-Scale Conferences But Allowed For Exceptions For Smaller Events That Do Not Involve Tax Auditors Or Tax Technicians.** “A state tax board on Tuesday temporarily banned flashy conferences for would-be entrepreneurs a month after an audit suggested that the agency's largest events had sapped public resources and strayed from its mission to collect taxes. The Board of Equalization unanimously voted for a moratorium on large-scale conferences until it can develop a new policy for so-called education and outreach activities. It's allowing exceptions for smaller events that do not involve tax auditors or tax technicians.” [Sacramento Bee, [4/25/17](#)]

**Harkey Canceled Similar Events After The Audit.** “Board members Diane Harkey and Jerome Horton had planned to sponsor similar ‘connecting women to power’ events this year. They canceled the events after the audit's publication, they said at Tuesday's meeting.” [Sacramento Bee, [4/25/17](#)]

**HEADLINE: “Tempers Flare As Troubled California Tax Board Weighs Audit Reforms”** [Sacramento Bee, [5/23/17](#)]

**Harkey Voted For Demanding Annual Training To Comply With A Budget Law Preventing “Revenue-Generating” Employees From Working On Projected Unrelated To Their Positions.** “The board unanimously adopted two policies suggested by member George Runner. They: ▪ Remove elected members from any Board of Equalization hiring decisions, except for choosing an executive director and a chief counsel. ▪ Demand new annual training for employees on how to comply with a budget law that bans so called ‘revenue-generating’ employees – tax collectors – from working on projects that are not directly related to the collection of taxes and fees.” [Sacramento Bee, [5/23/17](#)]

**January 2017: Harkey Voted To Limit Board Members’ Spending On Education Public Outreach Events When There Previously Had Been No Limit.** “Prompted by a series of conferences that blurred the lines between taxpayer education and political showmanship, California's Board of Equalization on Wednesday took steps toward limiting how often its elected members can promote their work with public funds in their districts. For the next six months, the four elected members of the board who represent geographic districts will have \$800,000 to spend on so-called education and outreach programs. Previously, there was no limit on how much money could be used for mailers and events that were developed using taxpayer funds at the request of elected members. Last year, the board spent \$1.6 million on those programs. The unanimous vote marked the second time in two months that the board adopted a good-government policy limiting public outreach directed by its elected members.” [Sacramento Bee, [1/25/17](#)]

**George Runner, A Board Member, Said The Vote Was In Response To Their “Appropriate Scrutiny.”** “The Board of Equalization is under scrutiny by six outside audits, including one from the Department of Finance that is investigating whether elected members enhance their direct staffs by tapping nonpolitical public employees for pet projects. ‘We are under appropriate scrutiny for these issues, and it's appropriate for us to respond’ with new policies, board member George Runner said.” [Sacramento Bee, [1/25/17](#)]

**But Harkey Had Already Sponsored, Cosponsored, And Hosted Multiple Events During Her Time On The Board Of Equalization**

**May 2017: Harkey Sponsored A Small Business Tax Seminar.** “Invitation to Coachella Valley Small Business Tax Seminar and Resource Expo Managing a Business Date: May 5, 2017 | 8:30 am PDT - 2:30 pm PDT Location Name: Indio Performing Arts Center Address: 45-175 Fargo Street, Indio, CA,92201 California State Board of Equalization Organization: BOE, Assemblyman Garcia, Cities of Indio, LaQuinta, and Palm Desert Fee: This is a free event. Add Event to Calendar Thumbnail map to this event Directions Learn More No fee, You are

Invited to the Coachella Valley Small Business Tax Seminar and Resource Expo: SBA representative Sylvia Gutierrez, EDS, will discuss how to take your business to the next level through the SBA Programs, Services, and Resources at this event Sponsored by Diane L. Harkey, Chairwoman, BOE with Assemblyman Eduardo Garcia, City of Indio's Councilmember Glenn Miller, City of La Quinta's Mayor Linda Evans, City of La Quinta's Councilmember Steve Sanchez, and guest speaker Jan Harnik, Palm Desert's Mayor." [Washington: Small Business Administration, press release via Impact News Service, 5/4/17]

**March 2017: Harkey Sponsored An Event Regarding Taxes.** "Super Tax Saturday, sponsored by the state Board of Equalization and Board Member Diane L. Harkey, will take place from 9 a.m.-noon March 12 in the Learning Resource Center." [San Bernardino Sun, [2/23/17](#)]

**October 2016: Harkey Cosponsored A Small Business Seminar And Resource Expo.** "Current business owners and aspiring entrepreneurs who would like to learn how to comply with California's often complex tax laws are invited to attend a free Small Business Seminar and Resource Expo in Rancho Cucamonga on Tuesday, October 18, 2016. California State Board of Equalization (BOE) Member George Runner is sponsoring the event with Vice Chair Diane L. Harkey, Senator Mike Morrell, Assemblyman Marc Steinorth, San Bernardino County Supervisor Janice Rutherford, San Bernardino County Assessor-Recorder Bob Dutton, the City of Rancho Cucamonga, and the Rancho Cucamonga Chamber of Commerce." [California State Board of Equalization, press release, [10/4/16](#)]

**June 2016: Harkey Hosted An Ontario Tax Seminar For Nonprofit And Exempt Organizations.** "On Wednesday, June 1, 2016, California State Board of Equalization (BOE) Board Member George Runner and BOE Vice Chair Diane Harkey will host a free Ontario Tax Seminar for Nonprofit and Exempt Organizations to provide information about state tax laws specific to nonprofits." [California State Board of Equalization, press release, [5/24/16](#)]

**April 2016: Harkey Hosted A Small Business Seminar.** "Orange County business owners can get a jump start on National Small Business Week at a free Small Business Seminar and Resource Expo in Westminster on Friday, April 29, 2016, hosted by Board of Equalization (BOE) Vice Chair Diane Harkey. 'Small businesses are critical to the economic health of our state and make up over 99 percent of all private firms in California,' said Vice Chair Harkey. 'My goal is to help entrepreneurs be successful and proactive by helping them understand and maneuver California's complicated tax laws.'" [California State Board of Equalization, press release, [4/28/16](#)]

**August 2015: Harkey Cosponsored A Spanish-Speaking Small Business Tax Seminar.** "Spanish-speaking business owners and aspiring entrepreneurs who would like to learn how to comply with California's often complex tax laws are invited to attend a free Small Business Tax Seminar and Resource Expo in Ontario on Monday, August 24, 2015. For the first time, the entire seminar will be presented in Spanish. California State Board of Equalization (BOE) Vice Chair George Runner is sponsoring this seminar with BOE Member Diane L. Harkey, Senator Connie M. Leyva, Assemblymember Freddie Rodriguez, Supervisor Curt Hagman, the City of Ontario, the Ontario Chamber of Commerce, the Ontario Hispanic Chamber of Commerce, and the National Latina Business Women Association-Inland Empire." [California State Board of Equalization, [8/18/15](#)]

**July 2015: Harkey Cosponsored An Educational Tax Seminar.** "Those who want to learn about important state regulations and increase the success of their nonprofit organizations are invited to attend a free educational tax seminar in Rancho Cucamonga on Tuesday, July 14, 2015. Attendees will learn how to comply with California's complex tax laws. California State Board of Equalization (BOE) Vice Chair George Runner is sponsoring this free event along with BOE member Diane Harkey, Senator Mike Morrell, Assemblyman Marc Steinorth, Supervisor Janice Rutherford, San Bernardino County Assessor Bob Dutton, the City of Rancho Cucamonga, and the Rancho Cucamonga Chamber of Commerce." [California State Board Of Equalization, press release, [7/7/15](#)]

**May 2015: Harkey Sponsored A Business Resource Seminar.** "On Thursday, May 21, 2015, California State Board of Equalization (BOE) Member Diane L. Harkey will sponsor a free Poway Business Resource Seminar with Assemblymembers Brian Jones and Brian Maienschein, San Diego County Supervisor Dave Roberts, Poway Mayor Steve Vaus, and the Small Business Development Center." [Diane Harkey, press release, [5/20/15](#)]



**March 2015: Harkey Cosponsored A Small Business Seminar.** “Business owners, entrepreneurs, and individuals who would like to start a business and learn how to comply with California’s complex tax laws are invited to attend a free Small Business Seminar in Imperial Valley on Thursday, March 5, 2015. California State Board of Equalization (BOE) Member Diane L. Harkey is sponsoring this event with Senator Ben Hueso, Assemblymember Eduardo Garcia, the City of El Centro, the El Centro Chamber of Commerce and the Small Business Development Center. ‘It is my pleasure to present this small business seminar in partnership with Senator Hueso, Assemblymember Garcia, and Mayor Silva from the City of El Centro. We recognize that small businesses are California’s job creators and are critical to the economic health of our state,’ said Board Member Harkey. ‘My goal is to give every business in this district the educational tools they need to grow and thrive by being proactive in understanding California’s tax system and laws. My office is working diligently to promote education of taxpayers rather than enforcement against job creators.’” [California State Board of Equalization, press release [2/26/15](#)]

**February 2015: Harkey Cosponsored A Seminar For Basic Business Skills.** “California State Board of Equalization Member Diane L. Harkey presents a small-business seminar offering presentations of basic business skills and information from representatives from organizations incl the Internal Revenue Service and the Small Business Development Center. The event is co sponsored by Harkey, California State Senator Mike Morrell, California state Assembly member Chad Mayes and the City of Beaumont Event Start Date: 2015-02-19 Event End Date: 2015-02-19” [AP Planner, 2/14/15]

## **As Harkey Took Over Chairmanship Of The Board Of Equalization, Mishandled Finances And Staffing Problems Led Gov. Brown To Strip The Board Of Its Powers**

**Under Harkey’s Chairmanship, Governor Brown Cut The Board’s Staff By 90%, Created A New Department To Collect Sales Taxes, And Took The Board’s Power As A Tax Court**

---

### **February 2017: Harkey Became Chair Of The Board Of Equalization**

---

**February 2017: Harkey Became Chair Of The Board Of Equalization.** “On February 23, 2017, at the conclusion of the Board of Equalization (BOE) February Board Hearing in Culver City, Member Diane Harkey became the new Chairwoman and Member George Runner became Vice Chair. The Chair position of the California State Board of Equalization is also charged with serving on the California Franchise Tax Board. ‘As Chair of the California State Board of Equalization and as the newest member of the Franchise Tax Board, I look forward to continue working with my colleagues to achieve the fair and equal administration of tax law to ensure all taxpayers are heard,’ said Harkey. ‘I am grateful for this opportunity to serve with such talented and experienced board members.’” [California State Board of Equalization, press release, [2/23/17](#)]

---

### **2016-2017: Harkey Served As Vice Chairman Of The Board**

---

**February 2016: Harkey Was Elected As Vice Chair Of The Board Of Equalization.** “On February 24, 2016, at the Board of Equalization (BOE) meeting in Culver City, the Board selected Member Fiona Ma as its new Chair and Member Diane Harkey as Vice Chair. [...] ‘I look forward to another productive year working with my colleagues on the Board to help individual taxpayers, small business owners and our larger employers navigate the maze that is California tax policy, so that we may stimulate job growth and create opportunities for all Californians,’ said Vice Chair Diane Harkey.” [California State Board of Equalization, press release, [2/25/16](#)]

**February 2016: Harkey Lost A By 3-2 To Become Chair Of The Board Of Equalization.** “As the meeting began on Tuesday, Horton, chairman for the past five years, had issued a press release saying, ‘It’s time to allow other members an opportunity to chair the board.’ The announcement was surprising because Horton had previously indicated he wanted to remain in the chair, and apparently reflected his acceptance that Ma had the votes to replace him. Nevertheless, Horton nominated Republican Diane Harkey to succeed him, but his motion gained support only from Harkey and himself, while Ma, Republican George Runner and Yvette Stowers, the surrogate for Controller Betty Yee, opposed it.” [Sacramento Bee, [2/25/16](#)]

**Following That Vote, Harkey Voted For A New Policy To Rotate The Chairmanship Every Year.** “The same 3-2 lineup later elected Ma, but the Horton-Harkey faction gained Runner's support for a new policy saying the chairmanship would rotate each year after Ma had served her term - albeit with another squabble over how the rotation would proceed.” [Sacramento Bee, [2/25/16](#)]

---

**Governor Brown Signed Legislation That Reduced The Board's Staff To 400 Employees From 4,800, Created A New Department To Collect Sales Taxes, And Took The Board's Power As A Tax Court**

---

**HEADLINE: “In Massive Shake-Up, Gov. Jerry Brown Breaks Up California's Scandal-Plagued Tax Collection Agency”** [Los Angeles Times, [6/27/17](#)]

**HEADLINE: “Gutting Of California Tax Collection Agency Has Begun”** [San Francisco Chronicle, [6/23/17](#)]

**Governor Brown Signed Legislation That Reduced The Board's Staff To 400 Employees From 4,800, Created A New Department To Collect Sales Taxes, And Took The Board's Power As A Tax Court.** “In a move that triggers the most dramatic shake-up of the California Board of Equalization in its 138-year history, Gov. Jerry Brown signed legislation Tuesday that strips the embattled state tax collection agency of most of its powers and duties as officials scramble to create an entirely new department by July 1. [...] The governor signed a bill that pares the state board from 4,800 workers to just 400 employees. The other staff engaged in the collection of sales and excise taxes will be shifted to a new California Department of Tax and Fee Administration, according to Marybel Batjer, secretary of the California Government Operations Agency. The elected, five-member Board of Equalization also will cede its role hearing taxpayer appeals to a new Office of Tax Appeals, leaving the board with a narrower task that includes setting rates for gas taxes and pipeline levies and making sure counties fairly assess property taxes.” [Los Angeles Times, [6/27/17](#)]

**The Board Would Have Authority To Collect And Handle Appeals For State-Assessed Property, Alcohol, And Insurance Taxes.** “The Board of Equalization will retain authority to collect and handle appeals for state-assessed property taxes, alcohol taxes and insurance taxes.” [Associated Press via ABC News, [7/2/17](#)]

**The Associated Press Reported The Board Would Only Have 200 Employees.** “The rapid transition creates a period of uncertainty for the taxpayers that deal with the Board of Equalization, which will retain about 200 of its 4,700 staff positions. The board mostly handled taxes paid by businesses but also adjudicated income tax appeals.” [Associated Press via ABC News, [7/2/17](#)]

**The Legislation Left The Board Only With The Power Of Setting Gas Taxes, Pipeline Levies, And Ensuring Counties Fairly Assess Property Taxes.** “The governor signed a bill that pares the state board from 4,800 workers to just 400 employees. The other staff engaged in the collection of sales and excise taxes will be shifted to a new California Department of Tax and Fee Administration, according to Marybel Batjer, secretary of the California Government Operations Agency. The elected, five-member Board of Equalization also will cede its role hearing taxpayer appeals to a new Office of Tax Appeals, leaving the board with a narrower task that includes setting rates for gas taxes and pipeline levies and making sure counties fairly assess property taxes.” [Los Angeles Times, [6/27/17](#)]

**Governor Brown: “The Board Exists To Serve The Public And The Report Highlights The Extent To Which It Has Fallen Short.”** “‘The board exists to serve the public and the [audit] report highlights the extent to which it has fallen short,’ Brown said recently in announcing plans for the shake-up.” [Los Angeles Times, [6/27/17](#)]

---

**April 2017: Under Harkey's Chairmanship, The Governor Stripped Powers From The Board While Legislation Was Considered And Called For An Investigation Into The Board's “Serious Problems”**

---

**HEADLINE: “Accused Of Mismanagement, California's Tax Collection Agency 'Is In Complete Disarray,' Officials Say”** [Los Angeles Times, [5/7/17](#)]

**HEADLINE: “Jerry Brown Calls For Probe Into Troubled Tax Board, Restricts Its Spending, Hiring”**  
[Sacramento Bee, [4/13/17](#)]

**HEADLINE: “California Board Of Equalization, Classic Case Of Going Astray”** [San Diego Union-Tribune, Editorial, [5/25/17](#)]

**HEADLINE: “California Should Ax Board Of Equalization”** [Fresno Bee, Editorial, [4/3/17](#)]

**Fresno Bee Editorial: “We Have Said Many Times That The State Board Of Equalization Should Be Sent To The Scrap Heap.”** “We have said many times that the state Board of Equalization should be sent to the scrap heap. We did so most recently in 2010, when Bloomberg BNA’s Daily Tax Report detailed how elected members of the Board of Equalization had a pattern of deciding complex cases in favor of certain campaign contributors. Former board member Bill Leonard was quoted in the investigative series saying that after he cast votes helping taxpayers: ‘I’d get cookies, I’d get flowers, I’d get campaign checks.’ We wish that the Board of Equalization had cleaned up its act over the last seven years. It hasn’t, and that’s why we renew our call for California to get rid of this anachronistic vestige of the 19th century.” [Fresno Bee, Editorial, [4/3/17](#)]

**April 2017: Under Harkey’s Chairmanship, Governor Jerry Brown Stripped The Board Of Equalization Of Its Ability To Hire Key Personnel And Approve Contracts.** “Gov. Jerry Brown on Thursday asked the state Department of Justice to investigate California’s troubled Board of Equalization and severely restricted the tax agency’s ability to do business. In a letter sent to the board’s five elected members, The Democratic governor announced the tax agency will not be able to hire key personnel or issue most contracts without approval from other state departments he controls. [...] The agency will need approval from the state Human Resources Department to hire, from the Technology Department to issue technology-related contracts and from the Department of General Services to make any other purchases.” [Sacramento Bee, [4/13/17](#)]

**HEADLINE: “State Investigators Probe Troubled California Tax Board”** [Associated Press, [6/20/17](#)]

**HEADLINE: “Criminal Investigation Targets California Tax Board Leaders”** [Sacramento Bee, [6/20/17](#)]

**Governor Brown Asked The State Department Of Justice And The State Attorney General To Investigate The Board Of Equalization.** “Gov. Jerry Brown on Thursday asked the state Department of Justice to investigate California’s troubled Board of Equalization and severely restricted the tax agency’s ability to do business. In a letter sent to the board’s five elected members, The Democratic governor announced the tax agency will not be able to hire key personnel or issue most contracts without approval from other state departments he controls. His letter also announced his intent to ask the Human Resources Department and Attorney General Xavier Becerra to investigate complaints from civil servants as well as an alleged misuse of public resources.” [Sacramento Bee, [4/13/17](#)]

**The Attorney General Was To Look Into The “Serious Problems” From The Audit.** “The turmoil at the agency reached a boiling point April 13 when Gov. Jerry Brown signaled he had seen enough finger-pointing. Brown took away the board’s power to hire and approve contracts, and requested that state Atty. Gen. Xavier Becerra launch an investigation of the many ‘serious problems’ identified in a recent Department of Finance audit.” [Los Angeles Times, [5/7/17](#)]

---

**The Legislation Became Law Less Than Three Weeks After It Was Introduced And Immediately Took Power Away From The Board**

---

**HEADLINE: “Neutered California Tax Board Forces Quick Transition”** [Associated Press via ABC News, [7/2/17](#)]

**The Legislation Became Law Less Than Three Weeks After It Was Introduced And Immediately Took Power Away From The Board.** “Off and on for nearly a century, California lawmakers pondered breaking up

an obscure elected board that now collects a third of the state's revenue - more than \$60 billion a year in sales, alcohol, tobacco and other taxes. They pulled the trigger last month, with Gov. Jerry Brown and legislators backing a plan to strip nearly all power from the Board of Equalization. The move took effect Saturday, less than three weeks after legislation was introduced, forcing Brown's administration to scramble to create a new agency to oversee tax collections and audits in a matter of weeks." [Associated Press via ABC News, [7/2/17](#)]

**April 2017: Governor Brown Requested The State Legislature To Address The Audit.** "Lawmakers also have questioned the board's ability to reform itself. Brown's letter includes a request for the Legislature to address the audit by June." [Sacramento Bee, [4/13/17](#)]

---

### **State Controller Betty Yee Proposed Stripping The Board Of Equalization Of Some Of Its Authority**

---

**HEADLINE: "Tax Board Should Rein Itself In – While It Still Can, Controller Says"** [Sacramento Bee, [5/15/17](#)]

**HEADLINE: "California Controller Says Troubled Tax Board Should Be Stripped Of Power"** [Sacramento Bee, [3/31/17](#)]

#### **State Controller Betty Yee, Also On The Board, Proposed Blocking Board Members From Circumventing Their Executive Director And From Accepting Bundled Campaign Contributions From Companies That Came Before The Board.**

"The longest-serving member of California's embattled tax board is asking her colleagues to rein in their powers before the Legislature does it for them. State Controller Betty Yee on Monday released a proposal that would block elected members of the Board of Equalization from circumventing their executive director and ban them from accepting bundled campaign contributions from companies that have business before the board. She developed the proposal after a March audit by the Department of Finance said elected members on the tax board had improperly 'intervened' in staff activities, creating inconsistencies and potentially violating state law." [Sacramento Bee, [5/15/17](#)]

#### **State Controller Betty Yee Proposed Stripping The Board Of Equalization Of Some Of Its Authority.**

"Arguing that the agency that collects a third of California's taxes has lost the public's trust, state Controller Betty Yee on Friday said lawmakers should strip the embattled Board of Equalization of much of its authority and create a new state department to manage dozens of tax and fee programs. Yee, the longest-serving member on the Board of Equalization, released her proposal following an audit that found faulty accounting, rising spending on events that have little to do with collecting taxes and a climate of fear among civil servants who worry they'll lose their jobs if they displease elected officials." [Sacramento Bee, [3/31/17](#)]

**Yee Proposed Taking Away The Board's Oversight Of Sales Taxes And More Than 30% Of Revenue-Generating Programs With 80% Of Its Staff And Portfolio In A New Department.** "Yee's plan would restrict the Board of Equalization to the mission Californians approved in 1879 when they voted to create an agency to manage property taxes around the state. She'd also continue the practice of having elected board members hear appeals from taxpayers. But Yee would cut from the agency its oversight of sales taxes, use taxes and more than 30 other revenue-generating programs that the Legislature has handed to it over the years. She estimated about 80 percent of the agency's portfolio and staff would move to a different revenue department." [Sacramento Bee, [3/31/17](#)]

**Yee Also Proposed A Public Trustee To Manage The Board Of Equalization.** "Earlier this week, board member Fiona Ma of San Francisco cited the same audit from the Department of Finance when she wrote a letter to Gov. Jerry Brown asking him to appoint a public trustee to manage the Board of Equalization." [Sacramento Bee, [3/31/17](#)]

|   |
|---|
| <p><b>Harkey Said The Reform "Will Kill The BOE And Taxpayer Rights" And Was An Example Of Government Overreach</b></p> |
|---|

---

## **Harkey Said The Reform “Will Kill The BOE And Taxpayer Rights” And Was An Example Of Government Overreach**

---

**Harkey Said The Reform “Will Kill The BOE And Taxpayer Rights.”** “Board Chairwoman Diane Harkey has supported other reforms but said the overhaul ‘will kill the BOE and taxpayer rights.’ Board member Jerome Horton also opposed the change. ‘This bill has nothing to do with the BOE procurement or taxpayer event issues recently in the news; instead it replaces the current adjudicatory process with bureaucrats, with no accountability to the voters,’ he said.” [Los Angeles Times, [6/27/17](#)]

**Harkey On The Board Losing Its Power As A Tax Court: “People Still Need Representation For Taxation. People Don't Have The Time And Resources To Fight A Tax Agency With Unlimited Resources.”** “‘People still need representation for taxation,’ said BOE member Diane Harkey, whose fourth district represents Orange, Imperial, Riverside, San Diego and parts of San Bernardino county. ‘People don't have the time and resources to fight a tax agency with unlimited resources.’” [Chico Press-Enterprise, Steven Greenhut Op-Ed, [6/25/17](#)]

**Harkey’s Chief Of Staff Sought To Allow The Board To Keep Its Power As A Tax Court To Oppose Big Business.** “Russell Lowery, chief of staff to board Chairwoman Diane Harkey, also is reaching out to lawmakers trying to retain the agency's power as a tax court, describing the Encinitas coffee shop and Irvine taco truck cases. On Thursday, Harkey's office gave The Bee documents from both cases showing that the Board of Equalization had dismissed the higher taxes it had intended to charge the businesses. If the board loses its authority as a tax court, Lowery says, big business will still be able to hire attorneys and fight the state in civil court. Smaller outlets would lose an avenue for representation.” [Sacramento Bee, [6/15/17](#)]

**Harkey Called The Reform Government Overreach.** “Another board member, former Assemblywoman Fiona Ma, also endorsed the changes, while board members George Runner and Diane Harkey, both former lawmakers, have opposed the proposal, calling it government overreach. Board member Jerome Horton did not return an email seeking comment.” [Sacramento Bee, [6/23/17](#)]

**Harkey Compared The Board To The State Senate When Three Senators Faced Criminal Charges And Said, “Did They Shut Down The Senate?”** “She said the agency's problems could have been corrected. ‘Did they shut down the Senate?’ she asked, after three senators faced criminal charges.” [Chico Press-Enterprise, Steven Greenhut Op-Ed, [6/25/17](#)]

**Harkey Publicly Criticized The Legislation.** “Three of the board's five elected members have publicly criticized the deal that would strip their agency of almost all of its power and hand it to the proposed Department of Tax and Fee Administration. A fourth, board member Fiona Ma, supports major changes at the agency, but wants more time. She wanted the Board of Equalization to retain its power to settle tax disputes, reflecting her belief that elected officials tend to be more responsive to residents than civil servants.” [Sacramento Bee, [6/15/17](#)]

---

## **But Harkey Still Bragged About Her Work On The Board Of Equalization**

---

### **Harkey Said She Was “Proud” Of What Her Office “Accomplished” With Tax Disputes, Liens, And Regulations And Would Continue To Provide Workshops And Seminars**

---

**Harkey Said She Was “Proud” Of What Her Office “Accomplished” With Tax Disputes, Liens, And Regulations.** “Since assuming office in 2015, I’m proud of what we accomplished at the Board of Equalization. Unable to halt the onslaught of taxes and fees, my staff of highly skilled professional tax experts resolved over 500 individual and business tax issues in District 4, encompassing Orange, Riverside, San Diego, Imperial and parts of San Bernardino and Los Angeles counties. We often made an immediate difference in people’s lives. We worked to release liens for apartment renters and those trying to close escrows. We helped numerous firms of all sizes qualify for tax exemptions and credits. We spotted unfair and unequal applications of tax laws and policies, and referred the cases to the agency staff responsible for resolving each issue. We updated and streamlined tax regulations through the public process, working with agency staff to ensure consensus was reached. Our office



partnered with dozens of state agencies and elected officials to provide free education and outreach to constituents to help them avoid tax traps and misinformation. We provided technical assistance to help small businesses and the general public avoid expensive penalties for noncompliance with complex rules and regulations. At monthly public board hearings, we heard numerous income, sales, and use tax appeals, and worked with the underrepresented to ensure all people, rich or poor, had a fair hearing and understood the process and the law.” [Orange County Register, Diane Harkey Op-Ed, [7/8/17](#)]

**Harkey Wrote That The Board Resolved Over 500 Disputes In Two Years.** “As for the day-to-day issues facing individuals and business owners, working with the agency we resolved over 500 disputes in two years. Problems ranged from releasing liens assisting apartment renters and escrow closings to helping firms qualify for tax exemptions and credits. We found unfair and unequal applications of tax law and referred cases to the agency for resolution. We worked with agency staff to update and streamline tax regulations, and we collaborated with state agencies to provide education and outreach to help people avoid tax traps and misinformation. We provided technical assistance to small businesses to avoid penalties for noncompliance with complex rules.” [San Diego Union-Tribune, Diane Harkey Op-Ed, [7/27/17](#)]

**Harkey: “We Will Continue To Partner With Local And State Agencies To Provide Workshops, Seminars And Tax Credits.”** Our office will continue to serve the 9.5 million southern Californians in the Board of Equalization's Fourth District by providing explanations and potential resolutions to vexing tax problems in plain language. We will continue to partner with local and state agencies to provide workshops, seminars and tax credits, and establish communication protocols with the new departments, while perfecting our knowledge in property tax and assessments under our constitutional purview.” [San Diego Union-Tribune, Diane Harkey Op-Ed, [7/27/17](#)]

### **During Harkey’s Time On The Board Of Equalization, The Board Was Accused Of Having Misallocated Tens Of Millions And Being Understaffed With Its HQ Containing Toxic Mold**

---

#### **2017: A State Department Of Finance Audit Found That The Board “Had Difficulty Providing Complete And Accurate Documentation” To Inquiries And Had Misallocated Tens Of Millions Of Tax Revenue**

---

**HEADLINE: “Audit: Unexplained Misallocated Millions For State Tax Board”** [Associated Press via U.S. News & World Report, [3/27/17](#)]

**HEADLINE: “Here’s The Audit Shaking Up The Board Of Equalization”** [Sacramento Bee, [3/31/17](#)]

**January 2017: The Board Of Equalization Was Under Six Outside Audits.** “The Board of Equalization is under scrutiny by six outside audits, including one from the Department of Finance that is investigating whether elected members enhance their direct staffs by tapping nonpolitical public employees for pet projects.” [Sacramento Bee, [1/25/17](#)]

**A 2017 State Department Of Finance Audit Revealed That The Board Of Equalization Had Misallocated Tens Of Millions Of Tax Revenue, Which It Could Not Explain.** “A soon-to-be released audit of the state Board of Equalization finds that the agency still can’t explain how it misallocated tens of millions of dollars worth of tax revenue and describes how one of its elected leaders effectively swelled his political staff by ‘redirecting’ civil servants to his own projects. [...] Conducted by the state Department of Finance, the audit was based on interviews with more than 70 employees of an agency that handles more than \$60 billion a year in state revenue and weighs tax appeals from businesses and individuals.” [Sacramento Bee, [3/24/17](#)]

**The Audit Reported That The Board Tried 11 Times To Correct Its Auditing But Could Not Explain Its Own Assumptions.** “Yee's proposal follows a November 2015 audit her office released that showed the Board of Equalization had misallocated \$47.8 million in tax revenue. The newest audit reported that the Board of Equalization tried 11 different times to correct its accounting, but still struggled to explain the assumptions it used when it moved revenue among different state funds.” [Sacramento Bee, [3/31/17](#)]



**The Audit Accused The Board Of Putting \$350 Million In Sales Taxes In The Wrong Accounts.** “The board is the target of an investigation by the state Department of Justice, and its members and employees have been accused by auditors of mismanagement that included putting \$350 million in sales taxes in the wrong accounts and improperly interfering with decisions to open field offices and transfer staff.” [Los Angeles Times, [6/27/17](#)]

**A 2015 State Controller Audit That Showed \$47.8 Million In Sales Tax Revenue Was Misallocated Sparked The 2017 Department Of Finance Audit.** “It's the first of several audits on the Board of Equalization that are expected to be released in coming weeks. The Legislature requested the investigation last year following another audit by State Controller Betty Yee in November 2015 that showed the agency had misallocated \$47.8 million in sales tax revenue.” [Sacramento Bee, [3/24/17](#)]

**The State Controller Audit Found The Board Had Failed To Collect \$1.5 Million In Debts.** “The same year, an audit by the state controller found that the board misallocated money -- \$47.8 million -- to the state general fund that should have gone to other agencies. The board also failed to collect \$1.5 million in debts that year, the audit found.” [Los Angeles Times, [5/7/17](#)]

**2017: The State Department Of Finance Audit Found That The Board Still “Had Difficulty Providing Complete And Accurate Documentation” To Financial Inquiries.** “The recent Department of Finance audit was a follow-up to the 2015 report and found that the board still ‘had difficulty providing complete and accurate documentation’ in response to basic financial inquiries and could not consistently explain why money was misdirected.” [Los Angeles Times, [5/7/17](#)]

**Audit: “The Potential Fiscal Impact To The Local Agencies And The State Continues To Be Unknown.”** “‘The potential fiscal impact to the local agencies and the state continues to be unknown’ because the Board of Equalization cannot explain consistently how it allocates the revenue, the audit says.” [Sacramento Bee, [3/24/17](#)]

---

**The Board Of Equalization Was Understaffed With 600 Vacancies And Its Headquarters Was In Disrepair With Toxic Mold But Harkey Said, “The Current Structure Of The BOE Is Really Very Good”**

---

**In 2007, The Board Left Its Headquarters As It Had Toxic Mold And Shedding Parts Including Falling Glass Panels To Which By 2017, \$40 Million Was Needed For Repairs And The Board Members Worked In Different Buildings.** “Even the building the agency was based in has spent years in disrepair. The elected board members once had main offices on the 23rd floor of the Board of Equalization headquarters in Sacramento, but they were moved out in 2007 to make room for repair work amid safety concerns. The high-rise has a history of toxic mold, dodgy elevators, leaky pipes and shedding parts that include a glass panel that fell eight floors onto the sidewalk below. Officials estimate \$40 million in repairs are needed. In one sign of the board's division, the members are now scattered among five buildings in the capital.” [Los Angeles Times, [5/7/17](#)]

**The Board Of Equalization Faced Nine Lawsuits From Employees In The Building, In Which 1,800 Of The Agency’s Employees Work.** “The departure of the board members from a building where 1,800 of the agency's workers remain has also been a point of controversy. There are currently nine lawsuits against the Board of Equalization by employees who have remained in the dilapidated headquarters. Those legal challenges and lawsuits settled with 30 other plaintiffs claim the building is making workers sick and is a health and safety risk, according to Anthony M. Perez Jr., an attorney for employees who have sued.” [Los Angeles Times, [5/7/17](#)]

**The Board Had Left The Building When They Became Aware Of The Mold.** “The state says the building is safe. Perez said that claim is wrong and hypocritical. ‘When the BOE Board members became aware of the mold, they high-tailed it out of the headquarters building to a safe working environment,’ Perez said in one of the lawsuits.” [Los Angeles Times, [5/7/17](#)]

**The Board Of Equalization Was Understaffed With 600 Vacancies Of Its 4,800 Employees Including Its Chief Legal Counsel.** “Though the agency is supposed to have 4,800 employees, there are 600 vacancies,

including important administrative positions such as chief legal counsel, which is being handled by an acting counsel.” [Los Angeles Times, [5/7/17](#)]

**Harkey Said That The Staff Was “Pretty Demoralized” But That “The Current Structure Of The BOE Is Really Very Good” As Its Tax Duties Are “Accurate” And That The Staff “Do A Good Job.”** “Harkey said the agency is already taking steps to address problems identified in audits, but acknowledged ‘fractures’ in the board and a rank-and-file staff that she described as ‘pretty demoralized.’ The agency has been hampered by an outdated, 40-year-old computer system and turnover among senior staff. ‘Overall the collecting, the assessing and distribution of taxes and fees is accurate. I think they do a good job,’ Harkey said to The Times. ‘I think the current structure of the BOE is really very good.’” [Los Angeles Times, [5/7/17](#)]

---

### **The Audit Found That Board Employees Feared Losing Their Jobs If They Displease Board Members**

---

**The Audit Found That Board Employees Feared Losing Their Jobs If They Displease Board Members.** “Brown's letter follows a recent audit from the Department of Finance that found the Board of Equalization had allowed its elected members to ‘redirect’ staff for promotional events. The audit found the agency could not explain how it corrected accounting failures identified in a 2015 audit. It described reports from employees who feared they'd lose their jobs if they displeased elected officials. The report also suggested that board members inappropriately ‘intervened’ in administrative decisions, creating inconsistencies that are ‘contrary to state law.’” [Sacramento Bee, [4/13/17](#)]

**The Board Of Equalization Executive Director Told A Legislative Committee That Some Threatened Him Which Made Him Fear For His Job.** “In April, Board of Equalization Executive Director David Gau told a Senate committee that someone had threatened him. He did not name the source of the threat. He reports directly to elected board members. ‘He feared for his job and did not know where to turn to,’ said Sen. Richard Roth, D-Riverside. ‘The executive director could not manage operations because of interference by members of the BOE.’” [Sacramento Bee, [6/20/17](#)]

---

### **Meanwhile, Harkey & Other Board Members Spent \$740,000 Per Year On Office Leases**

---

**Harkey And Three Other Board Members Cost Taxpayers \$740,000 Per Year With Their Leases For Their New Offices To Which Harkey Said, “The Existing Space That I Moved Into Was Already There”**

---

**Harkey And Three Other Board Members Cost Taxpayers \$740,000 Per Year With Their Leases For Their Offices.** “Yet it's likely that none of it would be necessary if the board members still had offices in the agency's 24-story headquarters at 450 N St. in downtown Sacramento. That tower's 22nd and 23rd floors were cleared in 2007 so that crews could repair damage caused by water that had seeped in. The cleanup forced the board to leave the building because their offices were on the 23rd floor. The building's well-documented troubles before and after their departure include structural leaks, toxic mold, bursting pipes and corroded wastewater plumbing, faulty exterior glass panels, a bat infestation, unreliable elevators, noxious odors and trace amounts of toxic chemicals. [...] The leases for offices for Horton and three other board members who now occupy offices outside of headquarters cost taxpayers about \$740,000 per year. The state controller, who has an ex officio seat on the board, leases a small three-room office in the tower for \$36,000 per year.” [Sacramento Bee, [4/25/16](#)]

**Harkey: “The Existing Space That I Moved Into Was Already There.”** “With the board's main building over capacity, Executive Director David Gau said, the organization relies on using off-site offices. He said there was no plan to return the board members to the building, a situation that some newer board members inherited. ‘The existing space that I moved into was already there,’ said board member Diane Harkey, who was elected in 2014.” [Sacramento Bee, [5/5/16](#)]

---

### **Harkey Voted To Approve A Move To A New Office – Where The Board Spent \$1.7 Million On Furniture & Equipment – Including \$5,000 For Trash Cans**

---

---

**2017: Despite Budget Sanctions On The Board Of Equalization, The Board Was Spending \$1.7 Million On Furniture And Equipment For A New Los Angeles County Office With \$835,000 On Furniture**

---

**HEADLINE: “\$5,000 For Trash Cans At State Office? Tax Board’s Furniture Bill Skyrockets”** [Sacramento Bee, [6/26/17](#)]

**2017: Despite Budget Sanctions On The Board Of Equalization, The Board Was Spending \$1.7 Million On Furniture And Equipment For A New Los Angeles County Office With \$835,000 On Furniture.** “A state tax agency under budget sanctions by Gov. Jerry Brown is spending \$1.7 million to buy furniture and other equipment for a new office in Los Angeles County, according to documents obtained by The Sacramento Bee. Furniture alone is expected to cost \$835,000 for the new Board of Equalization office. That's about eight times the sum that the tax-collecting agency planned to spend on furniture in 2014 when it developed a proposal to move 160 workers and their equipment from Norwalk to a new site in Cerritos, according to documents obtained by The Bee.” [Sacramento Bee, [6/26/17](#)]

**2014: The Board Estimated It Would Spend \$100,000 On Furniture.** “In 2014, the Board of Equalization estimated the move would cost about \$4.4 million. It anticipated spending \$2.5 million for moving expenses and \$1.3 million for communications equipment, according to a project summary it created with General Services. That document shows the Board of Equalization planned to spend \$102,000 on new furniture.” [Sacramento Bee, [6/26/17](#)]

**Harkey Voted For The New Office Move To Which Harkey Said, “We're Just Moving From An Older Building In Need Of Serious Repairs To One Where We Have A Nice Facility.”** “Ma and her colleagues unanimously voted to approve the move in September because the state could not renegotiate a lease at the Norwalk site, and because the Board of Equalization had outgrown its original office with 160 employees working in a space designed for 120. The board's discussion at the public meeting showed that its members believed they were voting to move employees and equipment from one site to the other. An early draft of the proposal written in 2014 by the agency showed that it planned to spend \$2.5 million moving furniture and staff. ‘We're just moving from an older building in need of serious repairs to one where we have a nice facility,’ board member Diane Harkey said at the September meeting.” [Sacramento Bee, [6/26/17](#)]

**By June 2016, After The April Budget Sanctions, The Board Had Spent Nearly \$300,000 On Furniture.** “Gau’s June 1 message to board members said the agency planned to reuse some furniture from the old office, but records show the agency has already spent: ▪ \$162,180 on office chairs from the Prison Industries Authority. ▪ \$110,000 on lobby, conference and break-room furniture. ▪ \$18,498 on bulletin boards and markers. ▪ \$5,020 on trash receptacles and clocks. Brown in April placed sanctions on the agency that restricted its ability to hire workers or make purchases without his administration's consent. The penalties followed a March audit by the Department of Finance that revealed board members had inappropriately intervened in the agency's daily operations, allowed shaky accounting and assigned civil servants to tasks that were not relevant to the agency's mission. The purchases of the trash receptacles, bulletin boards and conference room furniture took place in May after Brown's order put the Board of Equalization's under the oversight of the Department of General Services, the branch of state government that manages real estate and bulk purchases.” [Sacramento Bee, [6/26/17](#)]

---

**Harkey’s Office Furniture Was Inherited Or Used Furniture From The State**

---

**Harkey’s Office Furniture Was Inherited Or Used Furniture From The State.** “By contrast, three of the other four board members furnished their offices with hand-me-down surplus items produced by a program that uses cheap prison labor to produce furniture and other goods for state agencies. The fourth board member took used commercial furniture to furnish his office. [...] For Chairwoman Fiona Ma's K Street offices, employees bought a discounted refrigerator from a retailer's dinged stock and brought in a break room table from home. Diane Harkey's Wells Fargo Tower office is stocked with furniture inherited from her predecessor on the board or claimed from the state's used-furniture inventory.” [Sacramento Bee, [4/25/16](#)]

## Harkey Used Her Official Social Media For Campaign Purposes

### Harkey Used The Same Twitter Account For Official And Personal Business And To Highlight Her Congressional Campaign

**2018: Harkey Used Her Twitter Account, Which She Had Only One Of For Personal And Official Business, To Show The Republican Party Of Orange County's Endorsement Of Her.** "Honored to have received the endorsement of the Orange County #Republican Party. Thank you @OCGOP ! #CA49" [Diane Harkey, Twitter, [2/26/18](#)]

**2018: Harkey Used Her Twitter Account, Which She Had Only One Of For Personal And Official Business, To Thank Representatives Issa And Walters For Their Endorsement Of Her And Included A Link To Her Campaign Website.** "Thank you Congressman @DarrellIssa & @RepMimiWalters for your endorsements-please join me and support my campaign <http://www.HarkeyforCongress.com>" [Diane Harkey, Twitter, [1/24/18](#)]

**2018: When Asked If A Public Official Can Use Their Official Twitter For Campaign Purposes, The FPPC Said There Was "Nothing In The Act That Prohibits This" But That Funds Spent For It Needed To Be From The Campaign.** QUESTION: "What are the rules and regulations regarding the use of an elected official's Twitter for campaign purposes? More specifically, can an elected official, who seemingly has one Twitter they use for personal and official business, also use it to promote their re-election campaign? Would this count using public resources for political benefit? Thank you and have a good day." ANSWER: "There is nothing in the Act that prohibits this. However, any funds spent to do this would need to come out of the campaign bank account." [Fair Political Practices Commission, email, [2/28/18](#)]

**Harkey Said Her Social Media Was Used To Highlight Issues She Believed Should Be Covered.** "Recently reelected Assemblywoman Diane Harkey, R-Dana Point, treats her accounts slightly different than both Solorio and Lieu. If the media isn't hitting on the issues she believes are important then she takes matters into her own hands. 'I tweet a lot about high speed rail, cap and trade, deficits and the mountain of debt we are accumulating,' Harkey told the Register in an email. 'If the issues aren't being adequately exposed there's an opportunity to use your own bully pulpit to lead the debate that often gets lost in the traditional press outlets.' The direct contact, the knowledge that state politicians run their own accounts, is all evidence of their edge over national politicians and Harkey knows this. 'A candidate can absolutely have an edge by harnessing the power of social media,' she said. 'This is especially true when you consider the tight margins this year in state races, and the fact that the 18 to 29-year-old demographic has grown up with, regularly uses, and has a very firm grasp on the power of social media.' Harkey has 1,252 followers on Twitter and 2,589 friends on Facebook." [Orange County Register, [11/28/12](#)]

### Harkey Copy And Pasted Her Biography In The Official Board Of Equalization Website To Her Congressional Campaign Website

| Board Of Equalization Biography  | Harkey For Congress Biography   |
|--|---|
| <i>Additions highlighted in green, subtractions highlighted in red; significant word choice changes in yellow.</i>   |   |
| As Chairwoman of the State Board of Equalization, Diane capitalizes on her private and public sector experience to promote the rights and interests of all taxpayers.  | As Chairwoman of the State Board of Equalization, Diane capitalizes on her private and public-sector experience to promote the rights and interests of all taxpayers. |
| Harkey advocates for policies that support job creation <b>in the private sector</b> , improve California's state budget outlook, and reduce the burden of complying with government audits and various tax regulations. | <b>As a Constitutional officer</b> , Harkey advocates for policies that support job creation, <b>employment opportunities</b> , improve California's state budget     |

|   |  |
|---|--|
|   | outlook, and reduce the burden of complying with government audits and various tax regulations.  |
| Harkey also serves as Chair of the Business Taxes Committee, the regulatory body at the BOE charged with writing regulations implementing California's business tax regulations.  | Harkey also served as Chair of the Business Taxes Committee, the regulatory body at the BOE charged with writing, <b>updating and streamlining regulations</b> that implement California's business tax statutes.  |
| In her first year at the Board, Harkey successfully pushed for changes to provide clarity on 1031 exchanges in real estate transactions.  | In her first year at the Board, Harkey successfully pushed for changes to provide clarity on 1031 exchanges in real estate transactions,   |
|   | <b>and soon began to establish clear guidelines for sales tax exemptions for medical devices and inventories. She held numerous seminars to help tax professionals, business owners and individuals navigate California's complex tax laws and regulations.</b>                            |
| Her office solved over 400 constituent cases <b>in 2015</b> and <b>has held many successful events</b> educating taxpayers on Proposition 13, California's manufacturing exemption and many areas of state tax law.                             | Her office has favorably resolved over 400 constituent cases <b>district-wide</b> , and <b>continues to hold</b> educational events <b>explaining property tax assessment, the importance of</b> Proposition 13, manufacturing exemptions and a variety of topics regarding state tax law. |
| Harkey <b>believes that California must establish new</b> policies that ensure future improvements in <b>transportation, water, and other necessities</b> , so our state can retain its place as one of the top-ranking economies in the world. | Harkey <b>strongly supports</b> policies that ensure future improvements in <b>water, power and transportation and public safety</b> that will allow California to retain its place as one of the top-ranking economies in the world.  |
| <b>Harkey works directly with other Board Members, the Governor's Administration, and the State Legislature to make California golden once again.</b>   |  |
| Harkey graduated Cum Laude with a degree in Economics from the University of California, Irvine and enjoyed a successful 30-year career in corporate finance and banking.   | Harkey graduated Cum Laude with a degree in Economics from the University of California, Irvine and enjoyed a successful 30-year career in corporate finance and banking.  |
| Working in good and bad economic climates with individuals, small business owners, and leaders of publicly-traded companies helped form the pragmatic business perspective that she brings to the Board of Equalization.                        | Working in good and bad economic climates with individuals, small business owners, and leaders of publicly-traded companies helped form the pragmatic business perspective that she brings to the Board <b>and will carry over to Congress.</b>  |



|   |   |
|---|---|
| Harkey won her election to the Board of Equalization with over 61% of the vote and is proud to represent 9.5 million constituents in the counties of Orange, Riverside, San Diego, Imperial, and the southernmost portion of San Bernardino County. | Harkey won her election to the Board of Equalization with over 61% of the vote and is proud to represent 9.5 million constituents in the counties of Orange, Riverside, San Diego, Imperial, and the southernmost portion of San Bernardino County. |
|---|---|

[Board of Equalization, Diane Harkey, accessed [3/7/18](#); Harkey for Congress, accessed [3/7/18](#)]

## Harkey Has Missed More Than 1,700 Assembly Votes And Committee Votes And Was Absent For 78 Days During Her Time In The State Assembly

### Harkey Has Missed More Than 1,700 Assembly Votes And Committee Votes Over The Course Of Her Career In The State Assembly

| Harkey State Assembly Floor Votes |                |              |                   |                  |
|-----------------------------------|----------------|--------------|-------------------|------------------|
| Session                           | Votes Eligible | Missed Votes | Percentage Missed | Percentage Voted |
| 2012-2014                         | 3700           | 508          | 13.73%            | 86.27%           |
| 2010-2012                         | 3585           | 275          | 7.67%             | 92.33%           |
| 2008-2010                         | 4080           | 434          | 10.64%            | 89.36%           |
| <b>Total</b>                      | <b>11365</b>   | <b>1217</b>  | <b>10.71%</b>     | <b>89.29%</b>    |

[California State Assembly, Daily Journals, accessed [3/19/18](#)]

| Harkey State Assembly Committee Votes |                |              |                   |                  |
|---------------------------------------|----------------|--------------|-------------------|------------------|
| Session                               | Votes Eligible | Missed Votes | Percentage Missed | Percentage Voted |
| 2013-2014                             | 1160           | 153          | 13.19%            | 86.81%           |
| 2011-2012                             | 1968           | 182          | 9.25%             | 90.75%           |
| 2009-2010                             | 2073           | 200          | 9.65%             | 90.35%           |
| <b>Total</b>                          | <b>5201</b>    | <b>535</b>   | <b>10.29%</b>     | <b>89.71%</b>    |

[California State Assembly, Daily Journals, accessed [3/19/18](#)]

### Harkey Was Absent Or Had Her Attendance Waived For 78 Days

Harkey Was Absent Or Had Her Attendance Waived For 78 Days. [California State Assembly, received [3/9/18](#)]

Harkey Was Paid For 1,151 Days Out Of 1,229 Days The Assembly Was In Session. [California State Assembly, received [3/9/18](#)]

## Between August 2010 And March 2011, Harkey Was The Assemblymember Who Changed Her Votes The Most In The State Assembly

### Between August 2010 And March 2011, Harkey Was The Assemblymember Who Changed Her Votes The Most In The State Assembly Including Changing To Be Against A Fine Increase

Between August 2010 And March 2011, Harkey Was The Assemblymember Who Changed Her Votes The Most In The State Assembly Including Changing Her Yes Vote To A No Vote On A Fine Increase. "By long-standing tradition, lawmakers in California's Assembly who are running for re-election or are seeking a new seat this year will tout their yes or no votes on all manner of bills in the coming months. But that might not be a true reflection of the stand they took when the bill was being debated. California is one of 10 states in which lawmakers



are allowed to change or add their votes after a bill has passed or failed. In all cases, the lawmaker's change cannot affect the fate of the legislation. Assembly members in California are among the most aggressive in exercising that option, frequently adding their vote to bills that were taken up while they were not on the floor or changing their votes after the final tally has been announced in the chamber. [...] The First Amendment Coalition found 86 instances of vote-switching during a review of the practice from August 2010 through March 2011. The coalition did not study vote additions. It found that Assemblywoman Diane Harkey, R- Dana Point, changed her vote the most, nine times, on everything from increasing the fine for failing to repair an air bag (yes to no) to establishing standards for tattoo parlors (no to yes).” [Associated Press, 3/13/12]

## Out For Herself: Swamped With Special Interest Cash

### Significant Findings

- ✓ Harkey “lashed out” at a board member for putting forth a bill designed to limit the role of special interests & pay-to-play donations in campaigns to which Harkey said, “puts everybody in the ditch.”
- ✓ Harkey: “I will take campaign contributions from anybody who chooses to support me.”
- ✓ Harkey received at least \$14,600 in support from groups with business before the Board of Equalization.
  - ✓ AT&T and its related groups donated \$78,550 to Taxpayers Political Action Committee, which they used to donate to Board members, while AT&T and its related groups donated \$42,175.00 to Harkey directly over the course of her career.
- ✓ Harkey said it was “totally proper” that she accepted \$16,000 in political contributions from real estate developers who borrowed tens of millions of dollars from her husband’s business.
- ✓ By 2017, business interests made \$147,448 in charitable contributions at Harkey’s request – including more than \$70,000 to an event hosted by Harkey.
  - ✓ In November 2015, Harkey partnered with the California Prosperity Foundation, with Chevron, Time Warner, and AT&T as sponsors, to host a “connecting women to power” conference.
- ✓ By 2011, Harkey received \$19,000 from the tobacco industry in the prior years and repeatedly voted on the side of Big Tobacco including against increasing tobacco taxes.

## Harkey “Lashed Out” At A Board Member For Putting Forth A Bill Designed To Limit The Role Of Special Interests & Pay-To-Play Donations In Campaigns

**Harkey Reportedly Criticized A Fellow Board Member For Supporting An Assembly Bill That Would Disqualify Board Members From Voting On Tax Issues Involving Campaign Contributors Which** “In the midst of the votes, Harkey lashed out at Ma for sponsoring a bill that would tighten the conflict of interest laws affecting the board. Assembly Bill 1828, introduced by Assemblyman Bill Dodd, D-Napa, would, among other things, disqualify board members from voting on any tax issue involving a campaign contributor.” [Sacramento Bee, [2/25/16](#)]

**Harkey Said The Bill “Puts Everybody In The Ditch.”** “The bill ‘puts everybody (on the board) in the ditch,’ Harkey told Ma, adding, ‘This is not in the best interests of the board.’ Ma refused to engage with Harkey, saying only, ‘We all bring different perspectives to the board.’” [Sacramento Bee, [2/25/16](#)]

**The Sacramento Bee Reported That The Bill Would Also “Ban Entities Or Individuals With Business Before Board From Making Such Behests For 12 Months Before And After A Board Adjudication.”** “The Lowe story is the latest in a string of events that have exposed political rifts among its leaders and ineptitude in its operations. An audit last year revealed that the agency’s accounting is deeply flawed. Not long after that, news reports revealed that Horton asked donors to contribute more than \$730,000 to nonprofit organizations with ties to his wife. While such donations at the request of board members are legal, the reports prompted Ma to back a bill that would ban entities or individuals with business before board from making such behests for 12 months before and after a board adjudication. The law also would apply the same standard to regular political contributions to board members. The measure bitterly divided the board. Harkey said last week that if passed, the measure would put the board ‘in a ditch.’” [Sacramento Bee, [2/29/16](#)]

## Harkey: “I Will Take Campaign Contributions From Anybody Who Chooses To Support Me”

**Harkey: “I Will Take Campaign Contributions From Anybody Who Chooses To Support Me.”** “Harkey (R-Dana Point) said Monday that there was nothing improper with the developers' contributions and that she had no idea they had loans pending with her husband's company at the time they donated to her campaign. ‘It is totally legal and totally proper. I'm not voting on anything that affects them,’ she said. ‘I will take campaign contributions from anybody who chooses to support me. But I will not take anything from anyone who has a conflict.’” [Los Angeles Times, [3/3/09](#)]

## Harkey Received At Least \$14,600 In Support From Groups With Business Before The Board Of Equalization

### Harkey Received At Least \$14,600 In Support From Businesses With Business Before The Board Of Equalization

#### Taxpayers Political Action Committee (TaxPAC), A PAC Funded By Utilities Companies, Donated \$14,600 To Harkey

**Taxpayers Political Action Committee, A PAC Funded By Utilities Companies, Donated Thousands Of Dollars To Harkey.** “Other big firms with business before the board typically circumvent the \$250 limit by donating larger amounts to a group called the Taxpayers Political Action Committee (TaxPAC), a business group funded by utilities and other firms with business before the group, including AT&T and Southern California Edison. [...] The PAC also has contributed thousands of dollars to Republican Board member Diane Harkey of Dana Point, Democratic Board member Fiona Ma and Democratic state Controller Betty Yee, who also sits on the board.” [Los Angeles Times, [11/28/15](#)]

**Board Members Could Accept Up To \$13,600 But PACs Could Spend An Unlimited Amount On Behalf Of A Candidate.** “Candidates can accept up to \$13,600 from the committee in an election year, but there is no limit on how much the committee may spend independently on mail, ads and other methods of supporting a contender for office.” [Los Angeles Times, [11/28/15](#)]

#### Multiple Companies That Funded TaxPAC Had Business Before Harkey & The Board Of Equalization

**LA Times: TaxPAC, Which Was “funded by utilities and other firms with business before” The Board Of Equalization, “contributed thousands of dollars to Republican Board member Diane Harkey.”** “Other big firms with business before the board typically circumvent the \$250 limit by donating larger amounts to a group called the Taxpayers Political Action Committee (TaxPAC), a business group funded by utilities and other firms with business before the group, including AT&T and Southern California Edison. [...] The PAC also has contributed thousands of dollars to Republican Board member Diane Harkey of Dana Point, Democratic Board member Fiona Ma and Democratic state Controller Betty Yee, who also sits on the board.” [Los Angeles Times, [11/28/15](#)]

#### Taxpayers PAC Donated \$14,600.00 To Harkey Over The Course Of Her Career

| Taxpayers PAC’s Contributions To Harkey |                        |                                       |            |
|---|------------------------|---------------------------------------|------------|
| Date                                    | Name                   | Committee                             | Amount     |
| 1/3/2017                                | Tasxpayers PAC -TAXPAC | Harkey for Board of Equalization 2018 | \$1,000.00 |
| 6/28/2014                               | Taxpayers PAC          | Harkey for Board of Equalization 2014 | \$6,800.00 |

|              |               |                                       |                    |
|--------------|---------------|---------------------------------------|--------------------|
| 4/17/2014    | Taxpayers PAC | Harkey for Board of Equalization 2014 | \$6,800.00         |
| <b>Total</b> |               |                                       | <b>\$14,600.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

---

### AT&T And Related Groups Donated \$78,550 To Taxpayers Political Action Committee

---

| <b>AT&amp;T's Contributions To Harkey</b> |                              |   |                    |
|---|------------------------------|---|--------------------|
| <b>Date</b>                               | <b>Name</b>                  | <b>Committee</b>                                | <b>Amount</b>      |
| 7/18/2003                                 | AT&T                         | Taxpayers Political Action Committee aka TAXPAC | \$5,000.00         |
| 2/8/2002                                  | AT&T                         | Taxpayers Political Action Committee aka TAXPAC | \$5,000.00         |
| 12/17/2001                                | AT&T                         | Taxpayers Political Action Committee aka TAXPAC | \$5,000.00         |
| 12/1/2017                                 | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$7,300.00         |
| 11/3/2016                                 | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$7,000.00         |
| 12/1/2015                                 | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$2,000.00         |
| 12/1/2015                                 | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$5,000.00         |
| 6/25/2015                                 | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$5,000.00         |
| 6/9/2014                                  | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$5,000.00         |
| 10/11/2013                                | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$4,500.00         |
| 9/14/2012                                 | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$5,000.00         |
| 12/29/2011                                | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$1,500.00         |
| 6/20/2011                                 | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$5,000.00         |
| 12/14/2009                                | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$1,500.00         |
| 12/14/2009                                | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$3,500.00         |
| 1/15/2009                                 | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$5,000.00         |
| 2/22/2002                                 | AT&T Wireless Services       | Taxpayers Political Action Committee aka TAXPAC | \$5,000.00         |
| 12/17/2001                                | AT&T Wireless Services       | Taxpayers Political Action Committee aka TAXPAC | \$1,250.00         |
| <b>Total</b>                              |                              |   | <b>\$78,550.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/21/18](#)]

---

### AT&T And Its Related Groups Donated \$42,175.00 To Harkey Over The Course Of Her Career

---

According to the California Secretary of State's Cal-Access, AT&T and its related groups donated \$42,175.00 to Harkey over the course of her career.

| <b>AT&amp;T's Contributions To Harkey</b> |                              |                                       |               |
|---|------------------------------|---------------------------------------|---------------|
| <b>Date</b>                               | <b>Name</b>                  | <b>Committee</b>                      | <b>Amount</b> |
| 10/31/2014                                | AT&T California Employee PAC | Harkey for Board of Equalization 2014 | \$5,000.00    |

|              |                              |                                       |                    |
|--------------|------------------------------|---------------------------------------|--------------------|
| 9/17/2014    | AT&T California Employee PAC | Harkey for Board of Equalization 2014 | \$5,000.00         |
| 5/8/2014     | AT&T California Employee PAC | Harkey for Board of Equalization 2014 | \$3,000.00         |
| 3/20/2014    | AT&T California Employee PAC | Harkey for Board of Equalization 2014 | \$5,000.00         |
| 6/8/2017     | AT&T California PAC          | Harkey for Board of Equalization 2018 | \$1,500.00         |
| 10/28/2016   | AT&T California PAC          | Harkey for Board of Equalization 2018 | \$1,500.00         |
| 5/17/2016    | AT&T California PAC          | Harkey for Board of Equalization 2018 | \$1,500.00         |
| 7/14/2015    | AT&T California PAC          | Harkey for Board of Equalization 2018 | \$1,500.00         |
| 3/26/2015    | AT&T California PAC          | Harkey for Board of Equalization 2018 | \$1,500.00         |
| 6/28/2013    | AT&T Inc. and its Affiliates | Harkey for Senate 2014                | \$1,500.00         |
| 10/9/2012    | AT&T Inc. and its Affiliates | Harkey for Assembly 2012              | \$1,000.00         |
| 9/29/2011    | AT&T Inc. and its Affiliates | Harkey for Assembly 2012              | \$900.00           |
| 7/15/2011    | AT&T Inc. and its Affiliates | Harkey for Assembly 2012              | \$1,500.00         |
| 5/23/2011    | AT&T Inc. and its Affiliates | Harkey for Assembly 2012              | \$1,500.00         |
| 8/9/2010     | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$1,000.00         |
| 7/30/2010    | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$1,000.00         |
| 12/1/2009    | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$75.00            |
| 9/18/2009    | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$700.00           |
| 9/18/2009    | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$300.00           |
| 6/30/2009    | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$200.00           |
| 5/1/2009     | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$1,000.00         |
| 4/20/2009    | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$1,000.00         |
| 1/6/2009     | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$1,000.00         |
| 10/21/2008   | AT&T Inc. and its Affiliates | Diane Harkey for Assembly             | \$1,000.00         |
| 8/25/2008    | AT&T Inc. and its Affiliates | Diane Harkey for Assembly             | \$1,000.00         |
| 7/10/2008    | AT&T Inc. and its Affiliates | Diane Harkey for Assembly             | \$1,000.00         |
| 4/9/2008     | AT&T Inc. and its Affiliates | Diane Harkey for Assembly             | \$1,000.00         |
| <b>Total</b> |                              |                                       | <b>\$42,175.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

---

## **LA Times: Companies Donated To Political Action Committees To Circumvent The \$250 Limit In The Quentin Kopp Act And Contribute Large Amounts**

---

**A 1990 Law Required Board Members To Recuse Themselves Or Return Contributions Before Voting On Issues Affecting Companies That Had Given Them At Least \$250 In The Previous Twelve Months.** “Such donations are among the ways that businesses and others with matters before the state Board of Equalization have benefited its members despite a tough law passed in 1990 to prevent conflicts of interest, a Times analysis shows. [...] With the financial stakes so high in the board's quasi-judicial decisions, the Legislature and governor acted a quarter of a century ago to implement special rules for the panel to prevent corruption. The law requires members to recuse themselves or return contributions before voting on matters affecting companies that have given them \$250 or more in the preceding 12 months.” [Los Angeles Times, [11/28/15](#)]

**The Law Was The Quentin Kopp Act.** “‘There are so many ways to circumvent the Quentin Kopp Act,’ Horton acknowledged, referring to the conflict-of-interest law, named for the former Bay Area lawmaker who wrote it.” [Los Angeles Times, [11/28/15](#)]

**Multiple \$249 Contributions Did Not Require The Board Members To Recuse Themselves.** “The Ryan firm has not appeared before the board in the last year, officials said. If representatives or employees of the company were to appear within a year of multiple \$249 contributions to him, Runner said, he could legally vote

but would weigh the circumstances and determine whether there was an ‘appearance of a conflict’ that might cause him to return the money.” [Los Angeles Times, [11/28/15](#)]

**Companies Also Donated To Political Action Committees To Circumvent The \$250 Limit In The Quentin Kopp Act And Contribute Large Amounts.** “Other ways to bypass the contribution caps include giving through political action committees, donating just below the legal limit and contributing to board members' outside projects. [...] Other big firms with business before the board typically circumvent the \$250 limit by donating larger amounts to a group called the Taxpayers Political Action Committee (TaxPAC), a business group funded by utilities and other firms with business before the group, including AT&T and Southern California Edison.” [Los Angeles Times, [11/28/15](#)]

**Harkey Said It Was “Totally Proper” That She Accepted \$16,000 In Political Contributions From Real Estate Developers Who Borrowed Tens Of Millions Of Dollars From Her Husband’s Business**

**Harkey Accepted \$16,000 In Political Contributions From Real Estate Developers Who Borrowed Tens Of Millions Of Dollars From Her Husband’s Business, Point Center**

**HEADLINE: “Assemblywoman Diane Harkey Accepted \$16,600 From Firms Borrowing From Husband's Company”** [Los Angeles Times, [3/3/09](#)]

**Harkey Accepted \$16,000 In Political Contributions From Real Estate Developers Who Borrowed Tens Of Millions Of Dollars From Her Husband’s Business, Point Center.** “California Assemblywoman Diane Harkey accepted \$16,600 in political contributions from real estate developers who had received loans from her husband's business, now under investigation by the Securities and Exchange Commission. [...] Harkey accepted \$16,600 in campaign contributions from three developers who borrowed tens of millions of dollars from Point Center, according to campaign finance records.” [Los Angeles Times, [3/3/09](#)]

**The Three Developers Later Failed To Repay The Loans To Point Center With Two Of The Loans Ending In Foreclosure And A Third Modified, As The Developer Did Not Meets Its Terms.** “The borrowers later failed to repay loans brokered by her husband's lending company, Point Center Financial Inc. of Aliso Viejo. The firm was accused of fraud last month in an investor lawsuit, and the company's owner has confirmed that Point Center is under investigation by the SEC. [...] Harkey accepted \$16,600 in campaign contributions from three developers who borrowed tens of millions of dollars from Point Center, according to campaign finance records. Two of the loans ended in foreclosure and a third was modified because the developer was unable to meet the original terms.” [Los Angeles Times, [3/3/09](#)]

**Harkey: “It Is Totally Legal And Totally Proper. I'm Not Voting On Anything That Affects Them”**

**Harkey: “It Is Totally Legal And Totally Proper. I'm Not Voting On Anything That Affects Them. I Will Take Campaign Contributions From Anybody Who Chooses To Support Me. But I Will Not Take Anything From Anyone Who Has A Conflict.”** “Harkey (R-Dana Point) said Monday that there was nothing improper with the developers' contributions and that she had no idea they had loans pending with her husband's company at the time they donated to her campaign. ‘It is totally legal and totally proper. I'm not voting on anything that affects them,’ she said. ‘I will take campaign contributions from anybody who chooses to support me. But I will not take anything from anyone who has a conflict.’” [Los Angeles Times, [3/3/09](#)]

**One Developer On The Donations To Harkey: “We're Interested In Having Government Representatives That Espouse The Same Values That We Do: Lower Taxes And A Friendly Business Climate”**



**One Contributor Received A \$19.2 Million Loan From Dan Harkey’s Business, Which They Defaulted On, Two Months After They Donated \$5,000 To Harkey’s Campaign.** “C. Lynn Burnett, president of Burnett Development Corp., gave \$5,000 to Harkey's failed Senate campaign Dec. 31, 2005, records show. Two months later, Point Center Financial funded a \$19.2-million loan to Burnett for a development project at the Palm Springs Country Club. Burnett's company defaulted on that loan, and Point Center investors ended up holding title to the property, which is now in such disrepair that the city of Palm Springs sued Point Center and the investors demanding immediate improvements. The property is worth a fraction of the amount Burnett owed when he defaulted. Burnett died in 2007.” [Los Angeles Times, [3/3/09](#)]

**Another Contributor, R.W. Hertel & Sons Inc., Received A \$16 Million Loan, Which They Also Defaulted On, Two Months After They Donated \$5,000 To Harkey’s Campaign.** “Home builder R.W. Hertel & Sons Inc. gave Harkey \$5,000 on Dec. 31, 2005, two months before closing on a \$16-million real estate development loan with Point Center. Hertel defaulted on that loan and Point Center foreclosed on behalf of investors. Like the Palm Springs project, the Hertel property is worth only a fraction of the loan that investors funded, according to allegations in the lawsuit.” [Los Angeles Times, [3/3/09](#)]

**A Former Partner At Hertel: “We're Interested In Having Government Representatives That Espouse The Same Values That We Do: Lower Taxes And A Friendly Business Climate.”** “Developer representatives said they did nothing wrong and supported Harkey simply because they agreed with her political philosophy. Robert Fowler, a former partner in Hertel, said it was not uncommon for the company to donate to political campaigns. ‘We're interested in having government representatives that espouse the same values that we do: lower taxes and a friendly business climate,’ Fowler said.” [Los Angeles Times, [3/3/09](#)]

## **2017: Business Interests Made \$147,448 In Charitable Contributions At Harkey’s Request – Including More Than \$70,000 To An Event Hosted By Harkey**

### **2017: Business Interests Made \$147,448 In “Behested Payments” – Charitable Contributions Made At Harkey’s Request – Which Are Often Seen As Favor-Currying Efforts**

*NOTE: California had two separate campaign finance search tools, Power Search and Cal-Access. Both Cal-Access and Power Search reported differing campaign finance numbers for Harkey. The numbers used in this section were pulled from Cal-Access.*

---

## **2017: The Orange County Register Reported That Private Donors Donated \$140,000 In Behested Payments To Harkey, A Way For Donors To “Curry Official Favor”**

---

**Behested Payments Are Charitable Contributions Requested By An Elected Official.** “In 2015, Bloomberg News reported that major California businesses, such as AT&T and Space Exploration Technology Corp. (SpaceX), had contributed to a nonprofit organization founded by Horton's wife. The donations are reported to the Fair Political Practices Commission as so-called behested payments, meaning charitable contributions that are requested by an elected official.” [Sacramento Bee, [6/20/17](#)]

**Behested Payments Are Legal As Long As They Meet Disclosure Guidelines.** “Those donations, known as ‘behested payments’ and considered legal as long as they meet disclosure guidelines, include hundreds of thousands of dollars from companies with business before the tax board. Critics, who question the ethics of the payments, say they allow the nonprofit to promote him and his wife through events and advertising loosely related to the board's tax mission. [...] California law allows elected officials to direct contributions to organizations of their choosing at their behest as long as they disclose the payments within 30 days and state whether they were intended for a legislative, governmental or charitable purpose. Unlike direct campaign contributions, behested payments have no limits.” [Bloomberg BNA, [12/9/15](#)]

**HEADLINE: “Private Donors Pour Millions Into California Politicians’ Pet Projects”** [Orange County Register, [4/27/17](#)]

**The Orange County Register Reported That There Was No Limit On Behested Payments And That It Could Be “Another Way For The Well-Heeled To Curry Official Favor.”** “Since 2011, California public officials have steered more than \$74.5 million of other people's money to their favorite causes and charities, often donated by business and other entities hoping to influence elected leaders, demonstrate their stellar citizenship to the masses, or perhaps a bit of both. Though state law sets caps on gifts and campaign contributions to politicians, there's no limit on so-called behested payments to politicians' pet projects. Critics say it's another way for the well-heeled to curry official favor, though lawmakers say they're simply using the power of their bully pulpits to make the world a better place.” [Orange County Register, [4/27/17](#)]

**2017: Harkey Had \$142,448 In Behested Payments.** “Nine pols facilitated behests worth more than \$1 million each since 2011, according to data from the Fair Political Practices Commission. They were overwhelmingly from the Bay Area, Los Angeles and San Diego, as officials from Orange, Riverside and San Bernardino counties displayed their more conservative leanings, facilitating behests that look paltry by comparison. [...] Orange County's elected were mostly chintzy by comparison: Tony Mendoza, \$233,000; Diane Harkey, \$142,448” [Orange County Register, [4/27/17](#)]

**Akin Gump Strass Hauer & Feld, A Law Firm, Donated \$1.5 Million In Employee Time To Work On Cases For Lawmakers Including Harkey.** “But the overwhelming majority came from private givers, some who may have business pending in one state office or another. The biggest private giver was the law firm Akin Gump Strauss Hauer & Feld, which donated \$1.5 million in employee time to work on cases for the state via nearly three dozen individual lawmakers, including former and current lawmakers Mimi Walters, Jim Silva, Sam Blakeslee, Chuck Devcore, Diane Harkey and Ted Gaines, according to the data.” [Orange County Register, [4/27/17](#)]

**Harkey Directed \$147,448 In Behested Payments – Including \$73,250 Related To Harkey’s “Connecting Women To Power” Events**

| Harkey Behested Payments |                                |                                  |                     |              |  |             |
|--------------------------|--------------------------------|----------------------------------|---------------------|--------------|--|-------------|
| Date                     | Payer                          | Payee                            | Payment Type        | Purpose      | Description  | Amount      |
| 11/23/16                 | Barona Band of Mission Indians | Edward B. Cole Senior Academy    | Monetary Donation   | Charitable   | Charitable grant to help purchase development curriculum materials to assist in English language development program             | \$5,000.00  |
| 11/14/16                 | Spectrum                       | California Prosperity Foundation | Monetary Donation   | Governmental | To provide free workshops and speakers to increase voluntary tax compliance and empower women and small business owners          | \$10,000.00 |
| 11/3/16                  | Cox Communications             | California Prosperity Foundation | Monetary Donation   | Governmental | To provide free workshops and speakers to increase voluntary tax compliance and empower women and small business owners          | \$15,000.00 |
| 7/26/16                  | Barona Band of Mission Indians | Edward B. Cole Senior Academy    | Monetary Donation   | Charitable   | Charitable grant to help school purchase developmental curriculum materials to assist their English language development program | \$5,000.00  |
| 12/17/15                 | Time Warner Cable              | San Diego Prosperity Foundation  | Monetary Foundation | Charitable   | Women’s empowerment conference to advance women and diversity in business as well as provide tax education to increase           | \$10,000.00 |

|          |  |  |                           |              |   |             |
|----------|--|--|---------------------------|--------------|---|-------------|
|          |  |  |                           |              | taxpayer voluntary compliance   |             |
| 12/17/15 | Time Warner Cable  | San Diego Prosperity Foundation                                      | In-Kind Goods or Services | Governmental | Handouts, bags, and materials distributed at taxpayer outreach and educational event  | \$7,750.00  |
| 11/4/15  | AT&T   | San Diego County Prosperity Foundation                               | Monetary Donation         | Charitable   | Women's empowerment conference to advance women and diversity in business as well as provide tax education to increase taxpayer voluntary compliance              | \$5,000.00  |
| 11/4/15  | University of California, Irvine                                   | San Diego Prosperity Foundation                                      | In-Kind Goods or Services | Charitable   | Women's empowerment conference to advance women and diversity in business as well as provide tax education to increase taxpayer voluntary compliance              | \$7,500.00  |
| 11/4/15  | Orange County Association of REALTORS                              | San Diego Prosperity Foundation                                      | Monetary Donation         | Charitable   | Women's empowerment conference to advance women and diversity in business as well as provide tax education to increase taxpayer voluntary compliance              | \$5,000.00  |
| 11/4/15  | Los Angeles Sparks – Womens National Basketball Association (WNBA) | San Diego Prosperity Foundation                                      | In-Kind Goods or Services | Charitable   | Women's empowerment conference to advance women and diversity in business as well as provide tax education to increase taxpayer voluntary compliance              | \$13,000.00 |
| 10/29/15 | Barona Band of Mission Indians                                     | Pilgrim Lutheran School  | Monetary Donation         | Charitable   | Grant to help school purchase iPads and headsets to update the school computer lab  | \$5,000.00  |
| 4/2011   | Akin Gump Strauss Hauer & Feld LLP                                 | Partners and employees of Akin Gump Strauss & Hauer & Feld LLP       | In-Kind Goods or Services | Governmental | Representation of Members of California Legislature who are Interveners in litigation pending in U.S. District court, Eastern, and Northern Districts, California | \$1,650.00  |
| 3/18/11  | Barona Band of Mission Indians                                     | Palmquest Elementary School<br>Attention Principal Phyllis T. Morgan | Monetary Donation         | Charitable   | Purchase for music keyboards, stands, headsets and writing boards   | \$5,000.00  |
| 3/2011   | Akin Gump Strauss Hauer & Feld LLP                                 | Partners and employees of Akin Gump Strauss & Hauer & Feld LLP       | In-Kind Goods or Services | Governmental | Representation of Members of California Legislature who are Interveners in litigation pending in U.S. District court, Eastern, and Northern Districts, California | \$4,400.00  |
| 2/2011   | Akin Gump Strauss Hauer & Feld LLP                                 | Partners and employees of Akin Gump                                  | In-Kind Goods or Services | Governmental | Representation of Members of California Legislature who are Interveners in litigation   | \$2,020.00  |

|              |                                    |   |                           |              |   |                     |
|--------------|------------------------------------|---|---------------------------|--------------|---|---------------------|
|              |                                    | Strauss & Hauer & Feld LLP  |                           |              | pending in U.S. District court, Eastern, and Northern Districts, California   |                     |
| 1/2011       | Akin Gump Strauss Hauer & Feld LLP | Partners and employees of Akin Gump Strauss & Hauer & Feld LLP                      | In-Kind Goods or Services | Governmental | Representation of Members of California Legislature who are Interveners in litigation pending in U.S. District court, Eastern, and Northern Districts, California | \$323.00            |
| 12/2010      | Akin Gump Strauss Hauer & Feld LLP | Partners and employees of Akin Gump Strauss & Hauer & Feld LLP                      | In-Kind Goods or Services | Governmental | Representation of Members of California Legislature who are Interveners in litigation pending in U.S. District court, Eastern, and Northern Districts, California | \$4,361.00          |
| 11/2010      | Akin Gump Strauss Hauer & Feld LLP | Partners and employees of Akin Gump Strauss & Hauer & Feld LLP                      | In-Kind Goods or Services | Governmental | Representation of Members of California Legislature who are Interveners in litigation pending in U.S. District court, Eastern, and Northern Districts, California | \$36,444.00         |
| 10/14/10     | Barona Band of Mission Indians     | Soledad Enrichment Action Charter School, Firestone – Ms. Elsa Santillan, Principal | Monetary Donation         | Charitable   | Grant money used to assist in the purchase of needed books and materials to support improvement of the school's Sustained silent Reading Program                  | \$5,000.00          |
| <b>Total</b> |                                    |   |                           |              |   | <b>\$147,448.00</b> |

[California Fair Political Practices Commission, received [2/23/18](#)]

**November 2015: Harkey Partnered The California Prosperity Foundation, With Chevron, Time Warner, And AT&T As Sponsors, To Host A “Connecting Women To Power” Conference**

**November 2015: Harkey Held A “Connecting Women To Power” Conference With Chevron, Time Warner, And AT&T As Sponsors.** “In a nod to the Hortons' behested payments model, SBOE Member Harkey held her own Connecting Women to Power conference Nov. 4 at the University of California, Irvine, with some of the same corporate sponsors including Time Warner Cable and AT&T. Other sponsors included Chevron Corp., the Walt Disney Co., Western States Petroleum Association, and the Wonderful Co.” [Bloomberg BNA, [12/9/15](#)]

**The California Prosperity Foundation, Which The San Diego Prosperity Institute And San Diego Prosperity Foundation Created, Was Harkey’s Partner For The Event.** “Harkey's nonprofit partner in the event was the California Prosperity Foundation, a name created for the event by the San Diego Prosperity Institute and San Diego Prosperity Foundation.” [Bloomberg BNA, [12/9/15](#)]

**AT&T And The Orange County Association Of Realtors Gave Cash To Harkey For The Conference.** “In Nov. 25 filings with the FPPC, Harkey reported \$30,500 in behested payments through the foundation for the event: \$13,000 in in-kind donations from Women's National Basketball Association team the Los Angeles Sparks in the form of tickets for a new women's empowerment campaign, \$7,500 in in-kind donations for venue costs from UC Irvine and \$5,000 cash each from AT&T and the Orange County Association of Realtors. About 1,200 people attended the event, foundation president and chief executive officer T.J. Zane told Bloomberg BNA Nov. 30.” [Bloomberg BNA, [12/9/15](#)]

**The California Prosperity Foundation, A Nonprofit Affiliated With Harkey And Her Connecting Women To Power Events, Received \$25,000 Of Behested Payments From Spectrum And Cox**

**Sacramento Bee: Foundations Tied To Harkey And Her Family “Partly Funded And Promoted” Harkey’s Conferences**

**The Sacramento Bee Reported That According To Fair Political Practices Commission Records, Foundations Tied To Harkey And Her Family “Partly Funded And Promoted” Harkey’s Conferences.**

“Horton and board member Diane Harkey over the past several years have hosted elaborate business conferences that are partly funded and promoted by foundations tied to their families and the Board of Equalization. The foundations have received donations from companies that appear before the board, according to records kept by the Fair Political Practices Commission.” [Sacramento Bee, [1/25/17](#)]

**The Sacramento Bee Reported That Those Foundations Received Donations From Companies That Appeared Before The Board Of Equalization.**

“Horton and board member Diane Harkey over the past several years have hosted elaborate business conferences that are partly funded and promoted by foundations tied to their families and the Board of Equalization. The foundations have received donations from companies that appear before the board, according to records kept by the Fair Political Practices Commission.” [Sacramento Bee, [1/25/17](#)]

**The California Prosperity Foundation Received \$25,000 From Her Behested Payments**

**2016: Harkey Reported \$35,000 In Behested Payments, \$25,000 Of Which Went To A Nonprofit Affiliated With Harkey.** “Harkey last year reported \$35,000 in behested payments, \$25,000 of which went to a nonprofit affiliated with her for taxpayer-education workshops. Harkey’s last ‘Connecting Women to Power’ event featured speakers who included a former astronaut, a winning contestant from MSNBC’s ‘Shark Tank’ and a country music singer. It also included tax workshops led by Board of Equalization employees. Participants registered at the Board of Equalization website.” [Sacramento Bee, [1/25/17](#)]

**The California Prosperity Foundation Was The Organization Affiliated With Harkey’s Events That Received \$25,000 From Her Behested Payments.**

| Harkey Behested Payments |                    |                                  |                   |              |   |             |
|--------------------------|--------------------|----------------------------------|-------------------|--------------|---|-------------|
| Date                     | Payer              | Payee                            | Payment Type      | Purpose      | Description   | Amount      |
| 11/14/16                 | Spectrum           | California Prosperity Foundation | Monetary Donation | Governmental | To provide free workshops and speakers to increase voluntary tax compliance and empower women and small business owners | \$10,000.00 |
| 11/3/16                  | Cox Communications | California Prosperity Foundation | Monetary Donation | Governmental | To provide free workshops and speakers to increase voluntary tax compliance and empower women and small business owners | \$15,000.00 |

[California Fair Political Practices Commission, received [2/23/18](#)]

**2015: The Los Angeles Times Reported That Companies’ Donations To Nonprofits With Ties To Board Members Was A Way To Circumvent A 1990 Conflict Of Interest Law**

**2015: The Los Angeles Times Reported That Companies’ Donations To Nonprofits With Ties To Board Members Was A Way To Circumvent A 1990 Conflict Of Interest Law.** “Two days after California’s elected tax board gave SpaceX exemptions worth millions of dollars last year, the Hawthorne rocket company donated \$7,500, at the request of board President Jerome Horton, to a nonprofit group founded by his wife. SpaceX made the donation as a sponsor of a public conference headlined by Horton as he was running for reelection. Such donations are among the ways that businesses and others with matters before the state Board of Equalization have



benefited its members despite a tough law passed in 1990 to prevent conflicts of interest, a Times analysis shows.”  
 [Los Angeles Times, [11/28/15](#)]

**Cox Communications And Time Warner Already Donated \$49,350 And \$22,800 To Harkey Over The Course Of Her Career, Respectively**

**Cox Communications Donated \$49,350.00 To Harkey Over The Course Of Her Career**

According to the California Secretary of State’s Cal-Access, Cox Communications donated \$49,350.00 to Harkey over the course of her career.

| <b>Cox Communications’ Contributions To Harkey</b> |                    |                                       |               |
|--|--------------------|---------------------------------------|---------------|
| <b>Date</b>  | <b>Name</b>        | <b>Committee</b>                      | <b>Amount</b> |
| 12/22/2017   | Cox Communications | Harkey for Board of Equalization 2018 | \$2,800.00    |
| 6/26/2017  | Cox Communications | Harkey for Board of Equalization 2018 | \$2,000.00    |
| 5/15/2015  | Cox Communications | Harkey for Board of Equalization 2018 | \$2,500.00    |
| 6/12/2014  | Cox Communications | Harkey for Board of Equalization 2014 | \$1,000.00    |
| 1/22/2014  | Cox Communications | Harkey for Board of Equalization 2014 | \$500.00      |
| 11/5/2012  | Cox Communications | Harkey for Assembly 2012              | \$75.00       |
| 10/30/2012   | Cox Communications | Harkey for Assembly 2012              | \$1,000.00    |
| 12/19/2011   | Cox Communications | Harkey for Assembly 2012              | \$1,000.00    |
| 12/19/2011   | Cox Communications | Harkey for Board of Equalization 2014 | \$1,000.00    |
| 6/2/2011   | Cox Communications | Harkey for Assembly 2012              | \$2,500.00    |
| 10/8/2010  | Cox Communications | Harkey for Assembly 2010              | \$1,500.00    |
| 12/15/2009   | Cox Communications | Harkey for Assembly 2010              | \$1,000.00    |
| 12/1/2009  | Cox Communications | Harkey for Assembly 2010              | \$1,000.00    |
| 5/29/2009  | Cox Communications | Harkey for Assembly 2010              | \$1,000.00    |
| 10/15/2008   | Cox Communications | Diane Harkey for Assembly             | \$3,600.00    |
| 5/13/2008  | Cox Communications | Diane Harkey for Assembly             | \$500.00      |
| 3/6/2008   | Cox Communications | Diane Harkey for Assembly             | \$200.00      |
| 3/20/2007  | Cox Communications | Diane Harkey for Assembly             | \$1,500.00    |
| 12/22/2017   | Cox Communications | Harkey for Board of Equalization 2018 | \$2,800.00    |
| 6/26/2017  | Cox Communications | Harkey for Board of Equalization 2018 | \$2,000.00    |
| 5/15/2015  | Cox Communications | Harkey for Board of Equalization 2018 | \$2,500.00    |
| 6/12/2014  | Cox Communications | Harkey for Board of Equalization 2014 | \$1,000.00    |
| 1/22/2014  | Cox Communications | Harkey for Board of Equalization 2014 | \$500.00      |
| 11/5/2012  | Cox Communications | Harkey for Assembly 2012              | \$75.00       |
| 10/30/2012   | Cox Communications | Harkey for Assembly 2012              | \$1,000.00    |
| 12/19/2011   | Cox Communications | Harkey for Assembly 2012              | \$1,000.00    |
| 12/19/2011   | Cox Communications | Harkey for Board of Equalization 2014 | \$1,000.00    |
| 6/2/2011   | Cox Communications | Harkey for Assembly 2012              | \$2,500.00    |
| 10/8/2010  | Cox Communications | Harkey for Assembly 2010              | \$1,500.00    |
| 12/15/2009   | Cox Communications | Harkey for Assembly 2010              | \$1,000.00    |
| 12/1/2009  | Cox Communications | Harkey for Assembly 2010              | \$1,000.00    |

|              |                    |                           |                    |
|--------------|--------------------|---------------------------|--------------------|
| 5/29/2009    | Cox Communications | Harkey for Assembly 2010  | \$1,000.00         |
| 10/15/2008   | Cox Communications | Diane Harkey for Assembly | \$3,600.00         |
| 5/13/2008    | Cox Communications | Diane Harkey for Assembly | \$500.00           |
| 3/6/2008     | Cox Communications | Diane Harkey for Assembly | \$200.00           |
| 3/20/2007    | Cox Communications | Diane Harkey for Assembly | \$1,500.00         |
| <b>Total</b> |                    |                           | <b>\$49,350.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

---

### **Time Warner Cable Donated \$22,800.00 To Harkey Over The Course Of Her Career**

---

According to the California Secretary of State's Cal-Access, Time Warner Cable donated \$22,800.00 to Harkey over the course of her career.

| <b>Time Warner Cable's Contributions To Harkey</b> |                   |                                       |                    |
|--|-------------------|---------------------------------------|--------------------|
| <b>Date</b>  | <b>Name</b>       | <b>Committee</b>                      | <b>Amount</b>      |
| 3/28/2016  | Time Warner Cable | Harkey for Board of Equalization 2018 | \$3,000.00         |
| 3/28/2016  | Time Warner Cable | Harkey for Board of Equalization 2018 | \$2,000.00         |
| 5/15/2015  | Time Warner Cable | Harkey for Board of Equalization 2018 | \$5,000.00         |
| 10/28/2014   | Time Warner Cable | Harkey for Board of Equalization 2014 | \$6,800.00         |
| 5/30/2014  | Time Warner Cable | Harkey for Board of Equalization 2014 | \$2,000.00         |
| 11/21/2013   | Time Warner Cable | Harkey for Board of Equalization 2014 | \$1,000.00         |
| 10/22/2012   | Time Warner Cable | Harkey for Assembly 2012              | \$1,000.00         |
| 8/18/2011  | Time Warner Cable | Harkey for Assembly 2012              | \$1,000.00         |
| 10/13/2010   | Time Warner Cable | Harkey for Assembly 2010              | \$1,000.00         |
| <b>Total</b>                                       |                   |                                       | <b>\$22,800.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

---

### **Barona Band Of Mission Indians Donated \$50,200.00 To Harkey Over The Course Of Her Career**

---

According to the California Secretary of State's Cal-Access, Barona Band of Mission Indians donated \$50,200.00 to Harkey over the course of her career.

| <b>Barona Band of Mission Indian's Contributions To Harkey</b> |                                |                                       |               |
|--|--------------------------------|---------------------------------------|---------------|
| <b>Date</b>  | <b>Name</b>                    | <b>Committee</b>                      | <b>Amount</b> |
| 6/12/2017  | Barona Band of Mission Indians | Harkey for Board of Equalization 2018 | \$1,500.00    |
| 4/27/2015  | Barona Band of Mission Indians | Harkey for Board of Equalization 2018 | \$2,000.00    |
| 10/20/2014   | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$800.00      |
| 9/15/2014  | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$5,000.00    |
| 9/25/2013  | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$2,800.00    |
| 9/25/2013  | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$1,000.00    |
| 8/23/2012  | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$1,500.00    |
| 4/20/2012  | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$1,500.00    |

|              |                                |                                       |                    |
|--------------|--------------------------------|---------------------------------------|--------------------|
| 8/15/2011    | Barona Band of Mission Indians | Harkey for Assembly 2012              | \$1,000.00         |
| 4/28/2011    | Barona Band of Mission Indians | Harkey for Assembly 2012              | \$2,000.00         |
| 9/17/2010    | Barona Band of Mission Indians | Harkey for Assembly 2010              | \$3,000.00         |
| 4/6/2010     | Barona Band of Mission Indians | Harkey for Assembly 2010              | \$1,000.00         |
| 9/9/2009     | Barona Band of Mission Indians | Diane Harkey for Assembly             | \$2,000.00         |
| 6/12/2017    | Barona Band of Mission Indians | Harkey for Board of Equalization 2018 | \$1,500.00         |
| 4/27/2015    | Barona Band of Mission Indians | Harkey for Board of Equalization 2018 | \$2,000.00         |
| 10/20/2014   | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$800.00           |
| 9/15/2014    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$5,000.00         |
| 9/25/2013    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$2,800.00         |
| 9/25/2013    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$1,000.00         |
| 8/23/2012    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$1,500.00         |
| 4/20/2012    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$1,500.00         |
| 8/15/2011    | Barona Band of Mission Indians | Harkey for Assembly 2012              | \$1,000.00         |
| 4/28/2011    | Barona Band of Mission Indians | Harkey for Assembly 2012              | \$2,000.00         |
| 9/17/2010    | Barona Band of Mission Indians | Harkey for Assembly 2010              | \$3,000.00         |
| 4/6/2010     | Barona Band of Mission Indians | Harkey for Assembly 2010              | \$1,000.00         |
| 9/9/2009     | Barona Band of Mission Indians | Diane Harkey for Assembly             | \$2,000.00         |
| <b>Total</b> |                                |                                       | <b>\$50,200.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

**By 2011, Harkey Received \$19,000 From The Tobacco Industry And Repeatedly Voted On The Side Of Big Tobacco Including Against Increasing Tobacco Taxes**

**Harkey Received At Least \$19,000 In Tobacco-Related Campaign Contributions While Working To Protect The Tobacco Industry**

**2011: Harkey Received \$19,000 From The Tobacco Industry In The Prior Years**

**2011: Harkey Received \$19,000 From The Tobacco Industry In The Prior Years.** “San Diego County Republican lawmakers reaped a trove of campaign contributions from the tobacco industry during the last election cycle, according to a study released by the American Lung Association in California. [...] Given to current lawmakers 2003-10\* \$47,743: Sen./Assemblyman Mark Wyland, R-Solana Beach \$30,600: Sen./Assemblywoman Mimi Walters, R-Lake Forest \$29,100: Assemblyman Martin Garrick, R-Solana Beach \$25,100: Assemblyman Nathan Fletcher, R-San Diego \$23,900: Sen./Assemblyman Joel Anderson, R-La Mesa \$20,300: Assemblyman Kevin Jeffries, R-Lake Elsinore \$19,000: Assemblywoman Diane Harkey, R-Dana Point” [San Diego Union-Tribune, 7/21/11]

---

**2009: Harkey Voted Against The State Budget In Which The Bulk Of Its Tax Increases Were On Tobacco Products, Oil Companies, And A Vehicle License Fee**

---

**Harkey Voted Against The 2009 State Budget, Which Had A Tax Increase.** “The five Assembly Republicans whose districts are partly or entirely in San Diego County – Joel Anderson, Nathan Fletcher, Martin Garrick, Diane Harkey and Kevin Jeffries – all voted against the massive tax hikes in the state budget deal. All also voted to keep Mike Villines, who helped draft the deal including the tax hikes, as Assembly GOP leader when Villines was targeted for breaking his anti-tax pledge. The five are engaged in political kabuki – letting Villines allegedly resolve the budget crisis, but without punishing him for orchestrating the tax hikes that will stagger this state. So much for their promises to protect taxpayers. Local Republicans should feel betrayed.” [San Diego Union-Tribune, [2/28/09](#)]

---

**Harkey Said That A Proposition To Increase Taxes On Tobacco Would Direct Money To Special Interests Such As “Health Insurance Companies, Huge Hospital Corporations... To Benefit Themselves”**

---

**HEADLINE: “Special Interests Would Be Winners With Prop. 56”** [San Diego Union-Tribune, Diane Harkey Op-Ed, [10/6/16](#)]

**Harkey Said That A Proposition To Increase Taxes On Tobacco Would Direct Money To Special Interests Such As “Health Insurance Companies, Huge Hospital Corporations And Other Medical Providers To Benefit Themselves.”** “It's nothing new for California's powerful special interests to use the initiative process when the Legislature chooses not to act. In fact, several of the 17 initiatives on the November ballot are just that. But none is as deceptive as Proposition 56, the \$1.4 billion tobacco tax increase. The special interests who spent millions to get the initiative on the ballot want us to think it's all about helping people stop smoking, but the fact is the vast majority of the money from the new tax will go straight into the coffers of those special interests. Despite what Proposition 56 proponents say, just 13 percent of the money raised will go to tobacco-related programs. Meanwhile, 82 percent of the money will go to health insurance companies, huge hospital corporations and other medical providers to benefit themselves. And because these special interests chose to go to the ballot box to pass this, there are few checks and balances to ensure the money is used responsibly.” [San Diego Union-Tribune, Diane Harkey Op-Ed, [10/6/16](#)]

---

**Harkey Voted At Least Three Times To Protect Businesses Who Sell Tobacco To Minors**

---

**2012: Harkey Voted Against Strengthening The Disciplinary Process For Businesses Who Sell Tobacco To Minors On Its Final Vote.** In August 2012, Harkey voted against a bill reforming “existing law, the California Cigarette and Tobacco Licensing Act of 2003, [that] requires a retailer to obtain a license from the State Board of Equalization to engage in the sale of cigarette and tobacco products in California. Existing law, the Stop Tobacco Access to Kids Enforcement Act, or STAKE Act, establishes various requirements for retailers relating to tobacco sales to minors. Existing law also makes it a misdemeanor for a retailer to knowingly or under circumstances in which it has knowledge, or should otherwise have grounds for knowledge, sell, give, or in any way furnish a minor with tobacco products or paraphernalia. [...] This bill would remove the schedule for board action in response to the occurrence of a violation, as defined, of the STAKE Act or the misdemeanor provision. The bill would declare that these changes would not result in the limitation or termination of specified board investigations and actions. The bill would require the board to assess a civil penalty and to suspend or revoke a retailer’s license, as specified, for the 3rd, 4th, or 5th violation. The bill would require the assessment of an additional civil penalty, as specified, to be deposited in the existing Cigarette and Tobacco Products Compliance Fund, which would be made available, upon appropriation by the Legislature, to fund these suspension and revocation activities.” The bill passed 60 to 18. [AB 1301, [8/22/12](#); California Legislative Information, [8/22/12](#)]

**2011: Harkey Voted Against Strengthening The Disciplinary Process For Businesses Who Sell Tobacco To Minors On Its First Vote In The Assembly.** In May 2011, Harkey voted against a bill reforming “existing law, the California Cigarette and Tobacco Licensing Act of 2003, [that] requires a retailer to obtain a license

from the State Board of Equalization to engage in the sale of cigarette and tobacco products in California. Existing law, the Stop Tobacco Access to Kids Enforcement Act, or STAKE Act, establishes various requirements for retailers relating to tobacco sales to minors. Existing law also makes it a misdemeanor for a retailer to knowingly or under circumstances in which it has knowledge, or should otherwise have grounds for knowledge, sell, give, or in any way furnish a minor with tobacco products or paraphernalia. [...] This bill would remove the schedule for board action in response to the occurrence of a violation, as defined, of the STAKE Act or the misdemeanor provision. The bill would declare that these changes would not result in the limitation or termination of specified board investigations and actions. The bill would require the board to assess a civil penalty and to suspend or revoke a retailer's license, as specified, for the 3rd, 4th, or 5th violation. The bill would require the assessment of an additional civil penalty, as specified, to be deposited in the existing Cigarette and Tobacco Products Compliance Fund, which would be made available, upon appropriation by the Legislature, to fund these suspension and revocation activities." The bill passed 61 to 15. [AB 1301, [5/31/11](#); California Legislative Information, [5/31/11](#)]

**2011: Harkey Voted Against Strengthening The Disciplinary Process For Businesses Who Sell Tobacco To Minors In Committee.** In May 2011, Harkey voted against a bill reforming "existing law, the California Cigarette and Tobacco Licensing Act of 2003, [that] requires a retailer to obtain a license from the State Board of Equalization to engage in the sale of cigarette and tobacco products in California. Existing law, the Stop Tobacco Access to Kids Enforcement Act, or STAKE Act, establishes various requirements for retailers relating to tobacco sales to minors. Existing law also makes it a misdemeanor for a retailer to knowingly or under circumstances in which it has knowledge, or should otherwise have grounds for knowledge, sell, give, or in any way furnish a minor with tobacco products or paraphernalia. [...] This bill would remove the schedule for board action in response to the occurrence of a violation, as defined, of the STAKE Act or the misdemeanor provision. The bill would declare that these changes would not result in the limitation or termination of specified board investigations and actions. The bill would require the board to assess a civil penalty and to suspend or revoke a retailer's license, as specified, for the 3rd, 4th, or 5th violation. The bill would require the assessment of an additional civil penalty, as specified, to be deposited in the existing Cigarette and Tobacco Products Compliance Fund, which would be made available, upon appropriation by the Legislature, to fund these suspension and revocation activities." The bill passed 12 to 5. [AB 1301, [5/27/11](#); California Legislative Information, [5/27/11](#)]

---

### **Harkey Voted Against Allowing College And University Police To Fine Those Who Violate Smoking Bans On College Campuses**

---

**Harkey Voted Against Allowing College And University Police To Fine Those Who Violate Smoking Bans On College Campuses.** "The Assembly has moved to close a loophole in state law that allows those who ignore no-smoking rules on college campuses to escape fines. The legislation, carried by Assemblyman Marty Block, D-San Diego, passed the Assembly on a mostly party-line vote last week. The measure will now work its way through the Senate. Under current law, college and university police do not explicitly have the power to issue citations for lighting up in no-smoking areas. As a result, rules can be ignored, particularly by those from the community on campus for events. Students can be referred to advisers and deans for disciplinary action. Assembly Bill 795 would change that by extending fining authority to university and college police. [...] Local Republicans voting no included Brian Jones of Santee, Kevin Jeffries of Lake Elsinore, Martin Garrick of Solana Beach and Diane Harkey of Dana Point." [San Diego Union-Tribune, [5/24/11](#)]



## Key Visuals

### Video

### Audio

### Images

### Ethics

#### Point Center Lawsuit

**Sherryl Wiseman, Along With Other Elderly People, Protested Diane Harkey's Holiday Party As She Lost \$600,000 In Point Center:**



[Orange County Register, [12/17/13](#)]

**Audi Of Mission Viejo Hosted The Party And Ladera Rancho Officials And Chamber Of Commerce Members Attended.** “More than 30 people from the Ladera Rancho Chamber of Commerce, Ladera Ranch Civic Council and the offices of Assemblywoman Diane Harkey, R-Dana Point, participated in Harkey's annual holiday party Dec. 17 in Mission Viejo. The event was hosted by Audi of Mission Viejo, which is owned by Ladera Ranch resident Matt Gunderson.” [Orange County Register, 12/27/13]

### Front Pages

### Headlines

## Personal Finance

**HEADLINE: “Orange County Real Estate Lender Dan Harkey Is Accused Of Bilking Investors”** [Los Angeles Times, [2/18/09](#)]

**HEADLINE: “Lawsuit Against O.C. Lender Illustrates Dangers Of 'Hard-Money' Lending”** [Los Angeles Times, [5/4/09](#)]

**HEADLINE: “Protesters Gather Outside Diane Harkey’s Holiday Party”** [Orange County Register, [12/17/13](#)]

**HEADLINE: “SEC Probes O.C. Real Estate Lender Point Center Financial”** [Los Angeles Times, [2/25/09](#)]

**HEADLINE: “O.C. Real Estate Lender Under Investigation”** [Orange County Register, [2/25/09](#)]

**HEADLINE: “Assemblywoman’s Rise Tied To Troubled Lending Firm”** [Orange County Register, [3/17/09](#)]

**HEADLINE: “Lawsuit Accuses Husband Of Assemblywoman Of Fraud”** [Orange County Register, [2/18/09](#)]

**HEADLINE: “Diane Harkey: I Never Worked For Point Center”** [Orange County Register, [4/30/13](#)]

**HEADLINE: “Harkey Trial Is Delayed Until Late October”** [Orange County Register, [9/20/12](#)]

**HEADLINE: “Bankruptcy Delays Investment Fraud Trial Naming Harkey”** [Orange County Register, [2/15/13](#)]

**HEADLINE: “Harkey Firm Files Bankruptcy, Delays Trial”** [Orange County Register, [2/20/13](#)]

**HEADLINE: “Jury Begins Hearing Harkey Investor Lawsuit”** [Orange County Register, [4/16/13](#)]

**HEADLINE: “Harkey: Investor Losses Caused By ‘Catastrophic Change In Market’”** [Orange County Register, [5/8/13](#)]

**HEADLINE: “Jury: Point Center Financial Breached Duty To Investors”** [Orange County Register, [7/11/13](#)]

**HEADLINE: “Jury Awards \$10 Million In Damages Against Legislator's Husband”** [Los Angeles Times, [7/15/13](#)]

**HEADLINE: “Harkey Jury Awards \$1 Million In Punitive Damages”** [Orange County Register, [7/16/13](#)]

**HEADLINE: “Residents Find Solace In Dan Harkey Fraud Verdict”** [Desert Sun, 7/12/13]

**HEADLINE: “OC Assemblywoman To Fight Wage Garnishment”** [Orange County Register, [8/3/14](#)]

**HEADLINE: “Investor Sues Diane Harkey’s Campaign To Recoup Money”** [Orange County Register, [4/18/14](#)]

**HEADLINE: “Developer Dan Harkey Sues Palm Desert Victim”** [Desert Sun, [8/10/14](#)]

**HEADLINE: “Angry Investors Call For Harkey To Resign”** [Orange County Register, [3/1/13](#)]

**HEADLINE: “Creditors Seek To Oust Controversial Loan Broker”** [Orange County Register, [7/29/13](#)]

**HEADLINE: “Judge Ousts Harkey From Point Center”** [Orange County Register, [7/31/13](#)]

**HEADLINE: “Bankruptcy Trustee Sues Loan Broker Dan Harkey”** [Orange County Register, [8/30/13](#)]

**HEADLINE: “State Threatens To Revoke Lender’s Real Estate Licenses”** [Orange County Register, [12/3/13](#)]

**HEADLINE: “Husband Of O.C. Assemblywoman Accused Of Misleading Investors”** [Los Angeles Times, [12/3/13](#)]

---

## Political Career

---

---

### Campaigns

---

**HEADLINE: “Candidates For Issa's Seat A Wealthy Bunch”** [San Diego Union-Tribune, [1/22/18](#)]

---

### Board Of Equalization

---

**HEADLINE: “Your Tax Dollars At Work Paying For Politicians’ Sinecures”** [Sacramento Bee, Editorial, [4/2/17](#)]

**HEADLINE: “Audit: Unexplained Misallocated Millions For State Tax Board”** [Associated Press via U.S. News & World Report, [3/27/17](#)]

**HEADLINE: “Here’s The Audit Shaking Up The Board Of Equalization”** [Sacramento Bee, [3/31/17](#)]

**HEADLINE: “Accused Of Mismanagement, California’s Tax Collection Agency 'Is In Complete Disarray,' Officials Say”** [Los Angeles Times, [5/7/17](#)]

**HEADLINE: “Jerry Brown Calls For Probe Into Troubled Tax Board, Restricts Its Spending, Hiring”** [Sacramento Bee, [4/13/17](#)]

**HEADLINE: “California Board Of Equalization, Classic Case Of Going Astray”** [San Diego Union-Tribune, Editorial, [5/25/17](#)]

**HEADLINE: “California Should Ax Board Of Equalization”** [Fresno Bee, Editorial, [4/3/17](#)]

**HEADLINE: “State Investigators Probe Troubled California Tax Board”** [Associated Press, [6/20/17](#)]

**HEADLINE: “Criminal Investigation Targets California Tax Board Leaders”** [Sacramento Bee, [6/20/17](#)]

**HEADLINE: “In Massive Shake-Up, Gov. Jerry Brown Breaks Up California's Scandal-Plagued Tax Collection Agency”** [Los Angeles Times, [6/27/17](#)]

**HEADLINE: “Gutting Of California Tax Collection Agency Has Begun”** [San Francisco Chronicle, [6/23/17](#)]

**HEADLINE: “California's Tax Board Members Aren't Happy About How New Disclosure Rules Are Being Applied”** [Los Angeles Times, [7/27/17](#)]

**HEADLINE: “Neutered California Tax Board Forces Quick Transition”** [Associated Press via ABC News, [7/2/17](#)]

**HEADLINE: “California Lawmakers Consider Making Positions On Troubled State Tax Board Appointed Rather Than Elected”** [Los Angeles Times, [6/7/17](#)]

**HEADLINE: “California Controller Says Troubled Tax Board Should Be Stripped Of Power”** [Sacramento Bee, [3/31/17](#)]

**HEADLINE: “State Workers Should Lose Jobs Over Nepotism Findings, Board Says”** [Sacramento Bee, [11/15/17](#)]

**HEADLINE: “\$5,000 For Trash Cans At State Office? Tax Board’s Furniture Bill Skyrockets”** [Sacramento Bee, [6/26/17](#)]

## **Ethics**

---

### **Audit Finding The Harkey Misused 113 Public Employees**

---

**HEADLINE: “Audit: California Tax Collectors On ‘Parking Lot Duty’ For Promotional Events As Politicos Push Boundaries”** [Sacramento Bee, [3/24/17](#)]

**HEADLINE: “Accused Of Mismanagement, California's Tax Collection Agency 'Is In Complete Disarray,' Officials Say”** [Los Angeles Times, [5/7/17](#)]

**HEADLINE: “Under Fire For ‘Shark Tank’ Showmanship, California Tax Board Limits Its Outreach”** [Sacramento Bee, [1/25/17](#)]

**HEADLINE: “BOE Member Wants To Curb Troubled California Tax Agency’s Mega-Conferences”** [Sacramento Bee, [4/14/17](#)]

**HEADLINE: “Facing Spending Sanctions, Troubled California Tax Board Suspends Its Public Outreach”** [Sacramento Bee, [4/25/17](#)]

**HEADLINE: “Tempers Flare As Troubled California Tax Board Weighs Audit Reforms”** [Sacramento Bee, [5/23/17](#)]

---

### **Harkey Had \$147,448 In Behested Payments**

---

**HEADLINE: “Private Donors Pour Millions Into California Politicians’ Pet Projects”** [Orange County Register, [4/27/17](#)]

---

### **Harkey Accepted \$16,000 From Developers Who Borrowed From Her Husband’s Business**

---

**HEADLINE: “Assemblywoman Diane Harkey Accepted \$16,600 From Firms Borrowing From Husband's Company”** [Los Angeles Times, [3/3/09](#)]

## **Trump**

**HEADLINE: “Many GOP House Candidates Wary Of Embracing Trump”** [Orange County Register, [2/16/18](#)]

---

## **Crime & Public Safety Issues**

---

### **Marijuana**

---

**HEADLINE: “DIANNE HARKEY: Pot Legalization Could Create A Banana Republic”** [Press-Enterprise, Diane Harkey Op-Ed, [1/16/16](#)]

**HEADLINE: “Premature For California To Plan For Cannabis Banking”** [Orange County Register, Diane Harkey Op-Ed, [8/20/15](#)]

**HEADLINE: “Don’t Sanction Criminality”** [Press-Enterprise via Diane Harkey, Diane Harkey Op-Ed, [6/27/15](#)]

---

## Health Care Issues

---

### Tobacco

---

**HEADLINE: “Special Interests Would Be Winners With Prop. 56”** [San Diego Union-Tribune, Diane Harkey Op-Ed, [10/6/16](#)]

---

## Tax Issues

---

### Tax Cuts And Jobs Act Of 2017

---

**HEADLINE: “The Problem With California Going Rogue”** [Orange County Register, Diane Harkey Op-Ed, [10/12/17](#)]

**HEADLINE: “California Republicans In Congress Should Remember The ‘No New Tax’ Pledge”** [Orange County Register, [11/14/17](#)]



---

# Personal & Professional History

---

# Biography

## Career

The following provides a brief overview of Harkey's professional career:

### Political

- **(2015-Present): Board Member, 4<sup>th</sup> District, California State Board of Equalization (one term)**
- **(2008-2014): Assemblywoman, 73<sup>rd</sup> District, California State Assembly (three terms)**
- **(2006-2007): Mayor, Dana Point (one term/year)**
- **(2004-2008): Member, City Council, Dana Point City Council (one term)**

### Professional

- **Security Pacific**
- **Bank of America**
- **Guaranty Bank**

## Banking

---

### **Harkey: "I Began Working With A Bank Called Security Pacific Bank When I Was 20 Years Old"**

---

#### **Harkey: "I Began Working With A Bank Called Security Pacific Bank When I Was 20 Years Old."**

HARKEY "Because I graduated at 17, it's not hard to figure out, you know I went to work, that I didn't go right to college. It took me until I was 23 before I decided I'd better get back to work, err back to work in college because I began working with a bank called Security Pacific Bank when I was 20 years old and realized, prior to that I was a phone operator, but prior to that you know I realized that I had to really get an education because I was basically training people on a career path that I wanted so I put myself back to school at nights with Orange Coast College and Saddleback College. Eventually wrapped it up at UCI and got my economics degree." [Corona Chamber of Commerce via YouTube, uploaded [1/16/18](#)] (VIDEO)

---

### **By 2004, Harkey Worked For Guaranty Bank And Bank Of America As Well**

---

**By 2004, Harkey Worked For Guaranty Bank And Bank Of America As Well.** "I guess I didn't realize until then how controlled the city was," said Harkey, a retired banking executive who worked with Security Pacific, Bank of America and Guaranty Bank, based in Texas. Harkey has spent the most by far in the council race, which also includes businesswoman Lara Anderson and planning commissioner Greg Powers." [Los Angeles Times, [10/13/04](#)]

---

### **Harkey Spent 30 Years In Banking Involved In Real Estate Making A "Six-Figure Salary" And According To Her, "Was The First Vice President In A Major Bank To Be Part-Time"**

---

**Harkey: "I Was The First Vice President In A Major Bank To Be Part-Time."** "A lot of times I had to put my career on a little bit of a hold and just stay where I could earn some money or even go three days a week in a lot of times because back when I decided to go part-time, I was paid three-fifths salary but I actually worked from my house, full-time, and in the office three days a week but that's the way it started. I was the first vice president in a major bank to be part-time. But you know, it was not without a penalty. But that being said, it allowed me to continue to grow and stay in my field of endeavor. [Corona Chamber of Commerce via YouTube, uploaded [1/16/18](#)] (VIDEO)

**LA Times: Harkey Made A "Six-Figure" Salary During Her Banking Career.** "In the lawsuit filed last month, the investors contend that Point Center neglected to inform them about the risky nature of its loans and that Harkey,

a defendant in the lawsuit, used proceeds from bad loans to donate nearly \$1.1 million to her political campaigns. Harkey said she used her own money -- from a prior 'six-figure' banking career -- to donate to her campaigns for the state Senate and Assembly. 'It came from my personal income. I don't care what the lawsuit says. It's frivolous. It's full of lies. And it will all come out in court,' she said." [Los Angeles Times, [3/3/09](#)]

**Harkey Spent 30 Years In Banking And As A Vice President In the National Homebuilding Division.** "My 'real' education was the 30 years I spent in banking, as a corporate as well as National Homebuilding Division Vice President. Employers included: Security Pacific Bank, B of A, and Guaranty Bank." [Orange County Register, 12/9/04]

**Harkey Was A Real-Estate Consultant.** "Harkey, 53, a real-estate consultant, said she can use her development background -- and her independence -- as the projects move forward. 'I don't know how you can work without being influenced when somebody has bought and paid for your position on the council,' Harkey said." [Orange County Register, 11/4/04]

---

**Harkey Retired From Banking In The Early 2000s But In 2005, The Orange County Register Reported Harkey As A "Semi-Retired Banker"**

---

**Harkey Retired From Banking In The Early 2000s.** "Harkey had a 30-year career in banking, starting in an entry-level position. She went to college while working and graduated cum laude from UC Irvine with a 1994 degree in economics. She retired as a bank executive in the early part of this decade." [Orange County Register, [3/17/09](#)]

**October 2005: The Orange County Register Reported Harkey As A "Semi-Retired Banker."** "Name: Diane Harkey Age: 54 Profession: Semi-retired banker, councilwoman Family: husband Dan, daughter Jaclyn, 21 Hobbies: Horseback riding, reading history and politics books and magazines, including her favorite, 'The Economist,' cooking, working State Senate could be in her future: Dana Point Councilwoman Diane Harkey announced Tuesday that she is looking into running for State Senate to replace John Campbell." [Orange County Register, [10/27/05](#)]

**By 2004, Harkey Had Retired.** "'I guess I didn't realize until then how controlled the city was,' said Harkey, a retired banking executive who worked with Security Pacific, Bank of America and Guaranty Bank, based in Texas. Harkey has spent the most by far in the council race, which also includes businesswoman Lara Anderson and planning commissioner Greg Powers." [Los Angeles Times, [10/13/04](#)]

**Evidence Of Bankruptcy, Judgments, & Liens**

**Evidence Of Bankruptcy, Judgments, & Liens**

As of March 2018, Harkey is associated with the following bankruptcy, judgments, or liens:

| Harkey's Bankruptcy, Judgements, Or Liens |             |  |                        |                                       |              |         |      |
|---|-------------|--|------------------------|---------------------------------------|--------------|---------|------|
| Case Number                               | Filing Date | Debtor                                 | Creditor/Secured Party | Type                                  | Jurisdiction | Amount  | Link |
|   | 8/26/1994   | 1. Harkey, Danny J<br>2. Harkey, Diane | IRS                    | Federal Tax Lien<br>(Released 5/9/95) | CA           | \$9,662 |      |
|   | 8/25/1994   | 1. Harkey, Danny J<br>2. Harkey, Diane | IRS                    | Federal Tax Lien<br>(Released 5/9/95) | CA           | \$9,662 |      |

|  |                                 |               |                 |                     |            |  |  |
|--|---------------------------------|---------------|-----------------|---------------------|------------|--|--|
|  | 10/9/2013<br>(Listed As Active) | Harkey, Dan J | Harkey, Diane L | Financing Statement | California |  |  |
|  | 9/26/2013<br>(Listed As Active) | Harkey, Dan J | Harkey, Diane L | Financing Statement | California |  |  |

[Nexis Bankruptcy, Judgments, & Liens Search, accessed 3/7/18]

**In The October 2013 Financing Statement Between Diane And Dan Harkey, The Collateral Information Is Listed As Dan Harkey's Stock In Various Companies Including CalComm And National Financial Lending.**

“Collateral Information Description: 10/09/2013 137381595466 - 100% OF THE DEBTOR'S STOCK IN INVESTMENT DATA SYSTEMS, INC., A CALIFORNIA 100% OF THE DEBTOR'S STOCK IN INVESTMENT DATA SYSTEMS, INC., A CALIFORNIA CORPORATION CORPORATION 100% OF THE DEBTOR'S STOCK IN NATIONAL FINANCIAL LENDING, INC., A CALIFORNIA 100% OF THE DEBTOR'S STOCK IN NATIONAL FINANCIAL LENDING, INC., A CALIFORNIA CORPORATION CORPORATION 100% OF THE DEBTOR'S STOCK IN CALCOMM CAPITAL, INC., A CALIFORNIA CORPORATION 100% OF THE DEBTOR'S STOCK IN CALCOMM CAPITAL, INC., A CAL”  
[Nexis Bankruptcy, Judgments, & Liens Search, accessed 3/7/18]

**In The September 2013 Financing Statement Between Diane And Dan Harkey, The Collateral Information Is Listed As Various Vehicles.**

“Collateral Information Description: 09/26/2013 137379660395 - 2006 MERCEDES SL500 - VIN # WDBSK75F16F112836 2006 MERCEDES SL500 - VIN # WDBSK75F16F112836’ [Nexis Bankruptcy, Judgments, & Liens Search, accessed 3/7/18]

## Civil Suits

### Harkey's Civil Suits

#### Civil Suits In Which Harkey Was The Defendant

As of January 2018, Harkey is associated with the following civil suits as a defendant:

| Harkey's Civil Suits |   |                                |  |                 |  |                                    |                       |   |
|----------------------|---|--------------------------------|--|-----------------|--|------------------------------------|-----------------------|---|
| Filing Date          | Case Name   | Case # or ID                   | Type   | Plaintiff       | Defendant  | Disposition Date                   | Disposition           | Link  |
| 1/30/15              | <i>Don Mealing, Trustee Of The Mealing Family Trust v. Harkey</i>             | 30-2015-007691<br>32-CU-CL-CJC | Other Collections                            | Don Mealing     | Diane Harkey; Dan Harkey                                     | 5/16/16                            | Court-Order Dismissal | <a href="#">Link</a>                          |
| 7/21/14              | <i>Don Mealing Trustee Of The Mealing Family Trust v. Rancho Sierra Vista</i> | 30-2014-007353<br>05-CU-CL-CJC | Other Collections                            | Don Mealing     | Dan Harkey; Diane Harkey; Cindy Forrest; Rancho Sierra Vista | 1/21/16<br>(Request for Dismissal) | Dismissed by Mealing  | <a href="#">Link</a>                          |
| 6/13/14              | McGahey-Conservatorship   | 30-2014-007279<br>89-MH-CN-CJC | Mental Health; LPS Conservatorship (WI 5350) | Public Guardian | Diane Harkey (Conservator)                                   |                                    |                       | <a href="#">Link</a>                          |
| 5/8/14               | <i>Harkey v. Mealing</i>  | 30-2014-                       | Contract - Other                             | Dan Harkey      | Numerous Defendants  |                                    |                       | <a href="#">Link</a> ; <a href="#">Appell</a> |

|          |   |  |                                |   |   |   |   |                                |
|----------|---|--|--------------------------------|---|---|---|---|--------------------------------|
|          |   | 007218<br>04-CU-<br>CO-<br>CJC                 |                                |   | including<br>Harkey as a<br>cross -<br>defendant                                |   |   | <a href="#">ate<br/>Ruling</a> |
| 4/7/14   | <i>Don Mealing, Trustee Of The Mealing Family Trust v. Diane Harkey For Board Of Equalization 2014, An Unincorporated Association</i> | 30-<br>2014-<br>007150<br>46-CU-<br>CL-CJC     | Other<br>Collections           | Don<br>Mealing  | Diane<br>Harkey; Dan<br>Harkey;<br>Diane Harkey<br>for Board of<br>Equalization | 11/18/16<br>(Request for<br>Dismissal);<br>10/24/16<br>(Appellate<br>court) | Dismissed<br>by<br>Mealing;<br>Appellate<br>court ruled<br>against<br>Mealing | <a href="#">Link;</a>          |
| 5/3/12   | <i>Michaels Law Group v. Diane L Harkey</i>   | 30-<br>2012-<br>005665<br>71-CU-<br>BT-CJC     | Business<br>Tort               | Michaels<br>Law<br>Group  | Diane L<br>Harkey   | 10/24/12<br>(Request for<br>Dismissal)                                      | Dismissed<br>by<br>Michaels<br>Law Group                                      | <a href="#">Link;</a>          |
| 12/31/08 | <i>Taxpayers for Improving Public Safety v. Arnold Schwarzenegger</i>   | 2008-<br>000307<br>89                          | Judicial<br>Review -<br>Other  | Taxpayers<br>for<br>Improving<br>Public<br>Safety and<br>others | Various State<br>Officials<br>including<br>Harkey                               | 8/7/09  | Judgement   | <a href="#">Link</a>           |
| 11/6/08  | <i>Lloyd Charton, As Trustee Of Behalf Of The Lloyd And Stella Charton 1999 Trust v. National Financial Lending, LLC</i>              | 30-<br>2008-<br>001144<br>01-CU-<br>MC-<br>CXC | Misc.<br>Complaints<br>- Other | Numerous<br>Plaintiffs  | Dan Harkey,<br>Diane<br>Harkey, Point<br>Center<br>Financial                    |   |   | <a href="#">Link;</a>          |

[California Court Case Search, accessed [1/16/18](#); Orange County Superior Court, accessed [2/8/18](#); Sacramento County Superior Court, accessed [2/9/18](#)]

---

### Civil Suits In Which Harkey Was The Plaintiff

---

As of January 2018, Harkey is associated with the following civil suits as a plaintiff:

| Harkey's Civil Suits |                                    |   |                                 |                 |             |   |                        |  |
|----------------------|------------------------------------|---|---------------------------------|-----------------|-------------|---|------------------------|--|
| Filing Date          | Case Name                          | Case # or ID  | Type                            | Plaintiff       | Defendant   | Disposition Date  | Disposition            | Link   |
| 12/12/14             | <i>Harkey v. Harkey</i>            | 14D010<br>906   | Dissolution<br>without<br>Child | Diane<br>Harkey | Dan Harkey  |   | Judgement              | <a href="#">Link;</a>                              |
| 8/26/13              | <i>Diane Harkey v. Mark Wyland</i> | 30-<br>2013-<br>006713<br>43-CU-<br>MC-<br>CJC and<br>S23186<br>2 | Misc.<br>Complaints<br>- Other  | Diane<br>Harkey | Mark Wyland | 11/12/13<br>(Request for<br>Dismissal);<br>Wyland<br>motioned for<br>Attorney<br>Fees | Dismissed<br>by Harkey | <a href="#">Link;</a><br><a href="#">Appellate</a> |



|          |                                     |                                |                                 |              |   |                                |                                       |                       |
|----------|-------------------------------------|--------------------------------|---------------------------------|--------------|---|--------------------------------|---------------------------------------|-----------------------|
| 10/22/10 | <i>Diane Harkey v. Amy Gallaher</i> | 30-2010-004192<br>69-CL-UD-HNB | Unlawful Detainer - Residential | Diane Harkey | Amy Gallaher  | 3/2/11                         | Court Dismissal – Lack of Prosecution | <a href="#">Link;</a> |
| 4/21/06  | <i>Harkey v. Harman</i>             | 06CC00917                      | Judicial Review - Other         | Diane Harkey | Tom Harman; Orange County Register of Voters; Larry Caballero | 5/3/06 (Request for Dismissal) | Dismissed by Harkey                   | <a href="#">Link;</a> |
| 9/24/98  | <i>Harkey v. Harkey</i>             | 98D009212                      | Dissolution with Child          | Diane Harkey | Dan Harkey  | 6/12/08 (Order of Dismissal)   | Dismissed and Destroyed               | <a href="#">Link;</a> |

[California Court Case Search, accessed [1/16/18](#); Orange County Superior Court, accessed [2/8/18](#); Sacramento County Superior Court, accessed [2/9/18](#)]

### Dan Harkey And Point Center's Civil Suits

As Of January 2018, Dan Harkey and Point Center is associated with the following civil suits:

| Harkey's Civil Suits |   |             |      |              |                     |                  |             |                      |
|----------------------|---|-------------|------|--------------|---------------------|------------------|-------------|----------------------|
| Filing Date          | Case Name   | Case Number | Type | Filing Party | Party Filed Against | Disposition Date | Disposition | Link                 |
|                      | <i>Brewer Corporation v. Point Center Financial</i> | S217079     |      |              |                     | 04/30/2014       |             | <a href="#">Link</a> |

[California Court Case Search, accessed 1/16/18]

## Personal Information

## Political Donations

### Personal Political Donations

#### According To The California Secretary Of State's Power Search, Harkey Has Given \$70,580.00 To State-Level Political Candidates And Committees

According to the California Secretary of State's Power Search, Harkey has given \$70,580.00 to state-level political candidates and committees.

| Harkey Political Giving History - State |   |       |             |
|---|---|-------|-------------|
| Date                                    | Candidate (Office Sought) or Committee        | Party | Amount      |
| 6/30/2015                               | Young Kim for Assembly 2016                   | R     | \$500.00    |
| 10/31/2014                              | Restore California PAC                        |       | \$2,500.00  |
| 9/25/2014                               | Anna Bryson for Assembly 2014                 | R     | \$250.00    |
| 9/8/2014                                | JANET NGUYEN FOR SENATE 2014                  | R     | \$500.00    |
| 5/22/2014                               | Marc Steinorth for Assembly 2014              | R     | \$1,000.00  |
| 12/30/2013                              | The Family Action PAC                         |       | \$100.00    |
| 6/20/2013                               | Bonnie Garcia for Senate 2014                 | R     | \$3,000.00  |
| 6/17/2013                               | California Republican Party                   | R     | \$1,000.00  |
| 9/30/2012                               | Batey for Assembly 2012                       | R     | \$2,000.00  |
| 9/27/2012                               | Sherry Hodges for State Assembly 2012         | R     | \$3,000.00  |
| 3/9/2012                                | California Republican Party/V10               | R     | \$250.00    |
| 2/17/2012                               | California Republican Party/V10               | R     | \$1,000.00  |
| 10/20/2011                              | The Family Action PAC                         |       | \$500.00    |
| 6/14/2011                               | California Women's Leadership Association PAC |       | \$500.00    |
| 5/23/2010                               | Tax Fighters for Anderson Senate 2010         | R     | \$2,500.00  |
| 5/18/2010                               | Linda Halderman for Assembly 2010             | R     | \$2,500.00  |
| 3/17/2010                               | WARREN FOR ASSEMBLY 2010, ACQUANETTA          | R     | \$2,000.00  |
| 12/3/2009                               | The Family Action PAC                         |       | \$1,000.00  |
| 4/21/2009                               | California Women's Leadership Association PAC |       | \$1,000.00  |
| 2/6/2009                                | California Republican Party / v8              | R     | \$1,000.00  |
| 12/8/2008                               | The Lincoln Club Of San Diego County          |       | \$500.00    |
| 11/19/2008                              | TaxpayersAdvocate.org PAC                     |       | \$500.00    |
| 10/29/2008                              | TaxpayersAdvocate.org PAC                     |       | \$2,000.00  |
| 8/23/2008                               | Friends for Abram Wilson                      | R     | \$3,600.00  |
| 6/30/2007                               | Judy Lloyd for State Assembly                 | R     | \$250.00    |
| 5/22/2007                               | Friends of Mimi Walters                       | R     | \$500.00    |
| 5/8/2007                                | Friends of Mimi Walters                       | R     | \$1,000.00  |
| 3/1/2007                                | DeVore in '06                                 | R     | \$1,000.00  |
| 9/15/2006                               | MCCLINTOCK FOR LT. GOVERNOR                   | R     | \$1,500.00  |
| 8/3/2006                                | DeVore in '04                                 | R     | \$3,200.00  |
| 8/3/2006                                | DeVore in '04                                 | R     | \$1,800.00  |
| 7/5/2006                                | California Women's Leadership Association PAC |       | \$1,000.00  |
| 5/8/2006                                | Californians for Schwarzenegger - 2006        | R     | \$10,000.00 |
| 3/8/2006                                | California Republican Party / v8              | R     | \$75.00     |
| 3/8/2006                                | California Republican Party / v8              | R     | \$55.00     |
| 11/3/2005                               | California Border Police                      |       | \$10,000.00 |
| 6/26/2005                               | Tom Wilson for State Assembly                 | R     | \$1,500.00  |
| 5/24/2005                               | Jim Silva for Assembly                        | R     | \$1,000.00  |
| 5/13/2005                               | Mimi Walters for State Assembly               | R     | \$1,500.00  |
| 10/4/2004                               | Lincoln Club of Orange County Federal PAC     |       | \$2,000.00  |

|               |                         |   |                    |
|---------------|-------------------------|---|--------------------|
| 2/20/2004     | Campbell for Senate     | R | \$500.00           |
| 10/7/2002     | Bill Simon for Governor | R | \$1,000.00         |
| <b>Total:</b> |                         |   | <b>\$70,580.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#)]

### According To An FEC Individual Contribution Search, Harkey Has Given \$112,475.82 To Federal Political Candidates And Committees

According to an FEC individual contribution search, Harkey has given \$112,475.82 to federal political candidates and committees.

| <b>Harkey Political Giving History - Federal</b> |  |              |                     |
|--|--|--------------|---------------------|
| <b>Date</b>                                      | <b>Candidate (Office Sought) or Committee</b>      | <b>Party</b> | <b>Amount</b>       |
| 08/2004-04/2017                                  | Republican Party Of Orange County (Federal)        | R            | \$20,075.00         |
| 08/1992-04/2016                                  | California Republican Party Federal Account        | R            | \$18,065.00         |
| 03/28/2014                                       | Gorell For Congress                                | R            | \$2,000.00          |
| 09/30/2013                                       | Carl Demaio For Congress                           | R            | \$2,600.00          |
| 09/08/2013                                       | Walters For Congress                               | R            | \$2,000.00          |
| 06/24/2013                                       | Nestande For Congress                              | R            | \$2,300.00          |
| 09/24/2012                                       | Darrell Issa Victory Fund                          | R            | \$1,000.00          |
| 09/24/2012                                       | Issa For Congress                                  | R            | \$1,000.00          |
| 04/2007-09/2012                                  | Republican Party Of San Diego County               | R            | \$18,900.00         |
| 01/2007-12/2011                                  | Romney For President Inc.                          | R            | \$4,800.00          |
| 10/13/2010                                       | Carly For California Inc.                          | R            | \$2,400.00          |
| 06/2005-07/2010                                  | John Campbell For Congress                         | R            | \$11,491.82         |
| 11/02/2008                                       | Committee To Re-Elect Congressman Dana Rohrabacher | R            | \$2,300.00          |
| 10/07/2008                                       | McCain-Palin Victory California                    | R            | \$10,000.00         |
| 03/2005-03/2007                                  | Ed Royce For Congress                              | R            | \$1,250.00          |
| 07/30/2004                                       | Lincoln Club Of Orange County Federal Pac, The     | R            | \$2,000.00          |
| 03/15/2004                                       | Bush-Cheney '04 Inc.                               | R            | \$1,000.00          |
| 03/1994-08/1997                                  | Friends Of Ron Packard                             | R            | \$1,794.00          |
| <b>Total:</b>                                    |  |              | <b>\$112,475.82</b> |

[FEC, individual contribution search, accessed [1/16/18](#)]

### Self-Financing

### According To The California Secretary Of State's Power Search, Harkey Has Given \$1,421,566.48 In Loans, Monetary Contributions, And Non-Monetary Contributions To Her Political Campaigns

According to the California Secretary of State's Power Search, Harkey has given \$1,421,566.48 in loans, monetary contributions, and non-monetary contributions to her political campaigns.

| <b>Harkey Political Giving History - State</b> |   |               |
|--|---|---------------|
| <b>Date</b>                                    | <b>Candidate (Office Sought) or Committee</b> | <b>Amount</b> |
| 4/30/2014                                      | Harkey for Board of Equalization 2014         | \$40,000.00   |
| 4/17/2014                                      | Harkey for Board of Equalization 2014         | \$15,000.00   |
| 12/30/2013                                     | Harkey for Board of Equalization 2014         | \$50,000.00   |
| 3/6/2012                                       | Harkey for Assembly 2012                      | \$250.00      |
| 12/19/2011                                     | Harkey for Assembly 2012                      | \$571.03      |
| 4/1/2011                                       | Harkey for Board of Equalization 2014         | \$100,000.00  |
| 1/29/2009                                      | Harkey for Assembly 2010                      | \$3,000.00    |
| 12/5/2008                                      | Diane Harkey for Assembly                     | \$20,000.00   |
| 11/3/2008                                      | Diane Harkey for Assembly                     | \$30,000.00   |
| 11/15/2007                                     | Diane Harkey for Assembly                     | \$1,167.58    |
| 6/29/2007                                      | Diane Harkey for Assembly                     | \$50,000.00   |

|               |  |                       |
|---------------|--|-----------------------|
| 4/16/2007     | Diane Harkey for Assembly                | \$794.07              |
| 1/17/2007     | Diane Harkey for Assembly                | \$50,000.00           |
| 6/29/2006     | Diane Harkey for State Senate            | \$15,000.00           |
| 5/8/2006      | Diane Harkey for State Senate            | \$100,000.00          |
| 4/10/2006     | Diane Harkey for State Senate            | \$150,000.00          |
| 4/6/2006      | Diane Harkey for State Senate            | \$25,000.00           |
| 3/31/2006     | Diane Harkey for State Senate            | \$20,000.00           |
| 3/28/2006     | Diane Harkey for State Senate            | \$100,000.00          |
| 3/12/2006     | Diane Harkey for State Senate            | \$100,000.00          |
| 3/2/2006      | Diane Harkey for State Senate            | \$100,000.00          |
| 2/21/2006     | Diane Harkey for State Senate            | \$150,000.00          |
| 2/21/2006     | Diane Harkey for State Senate            | \$500.00              |
| 2/8/2006      | Diane Harkey for State Senate            | \$1,008.80            |
| 12/30/2005    | Diane Harkey for State Senate            | \$75,000.00           |
| 10/25/2005    | Diane Harkey for State Senate            | \$100,000.00          |
| 2004          | Diane Harkey for Dana Point City Council | \$124,275.00          |
| <b>Total:</b> |  | <b>\$1,421,566.48</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#); City of Dana Point, Campaign Disclosure Statement, [10/19/04](#); Late Contribution Report, [10/29/04](#)]

**According To The California Secretary Of State's Power Search, Diane Harkey And Dan Harkey Used The Harkey Family Trust To Donate \$4,000.00 To Harkey's Campaign For State Assembly.**

According to the California Secretary of State's Power Search, Diane Harkey and Dan Harkey used the Harkey Family Trust to donate \$4,000.00 to Harkey's campaign for state assembly.

| <b>Harkey Political Giving History - State</b> |                                       |   |                   |
|--|---------------------------------------|---|-------------------|
| <b>Date</b>                                    | <b>Donor</b>                          | <b>Candidate (Office Sought) or Committee</b> | <b>Amount</b>     |
| 10/15/2010                                     | Harkey Family Trust - Diane L. Harkey | Harkey for Assembly 2010                      | \$1,000.00        |
| 10/15/2010                                     | Harkey Family Trust - Dan J. Harkey   | Harkey for Assembly 2010                      | \$1,000.00        |
| 9/15/2010                                      | Harkey Family Trust - Diane L. Harkey | Harkey for Assembly 2010                      | \$1,000.00        |
| 9/15/2010                                      | Harkey Family Trust - Dan J. Harkey   | Harkey for Assembly 2010                      | \$1,000.00        |
| <b>Total:</b>                                  |                                       |   | <b>\$4,000.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#)]

**Campaign Committee Political Contributions**

**Harkey's State Campaign Committees Have Donated \$372,048.00 To State-Level Political Candidates And Committees**

According to the California Secretary of State's Power Search, Harkey's state campaign committees have donated \$372,048.00 to state-level political candidates and committees.

| <b>Harkey's State Campaign Committees' State Political Contributions</b> |                                       |   |              |               |
|--|---------------------------------------|---|--------------|---------------|
| <b>Date</b>  | <b>Contributor Name</b>               | <b>Recipient Committee</b>                      | <b>Party</b> | <b>Amount</b> |
| 2/16/2018  | Harkey for Board of Equalization 2018 | Republican Party of San Diego County            | R            | \$5,000.00    |
| 2/15/2018  | Harkey for Board of Equalization 2018 | Republican Party of Orange County (State Acct.) | R            | \$5,000.00    |
| 2/2/2018   | Harkey for Board of Equalization 2018 | Republican Party of San Diego County            | R            | \$5,000.00    |

|            |                                       |   |   |             |
|------------|---------------------------------------|---|---|-------------|
| 2/1/2018   | Harkey for Board of Equalization 2018 | Republican Party of Orange County (State Acct.)                           | R | \$5,000.00  |
| 2/1/2018   | Harkey for Board of Equalization 2018 | Travis Allen for Governor 2018  | R | \$5,000.00  |
| 1/16/2018  | Harkey for Board of Equalization 2018 | Give Voters A Voice - Representatives and Taxpayers Against Tax Increases |   | \$10,000.00 |
| 9/18/2017  | Harkey for Board Equalization 2018    | California Republican Party - State                                       | R | \$90.00     |
| 9/13/2017  | Harkey for Board Equalization 2018    | California Republican Party - State                                       | R | \$5,000.00  |
| 8/3/2017   | Harkey for BOE 2018                   | California Women's Leadership Association PAC                             |   | \$1,000.00  |
| 7/30/2017  | Harkey for Board of Equalization 2014 | Riverside County Party (State Acct)                                       | R | \$5,000.00  |
| 6/16/2017  | Harkey for Board of Equalization 2014 | Riverside County Party (State Acct)                                       | R | \$1,500.00  |
| 5/12/2017  | Harkey for Board of Equalization 2018 | Republican Party of San Diego County                                      | R | \$5,000.00  |
| 4/28/2017  | Harkey for Board of Equalization 2018 | Republican Party of Orange County (State Acct.)                           | R | \$7,500.00  |
| 4/28/2017  | Harkey for Board of Equalization 2018 | Republican Party of Orange County (State Acct.)                           | R | \$2,500.00  |
| 4/14/2017  | Harkey for BOE 2018                   | Bill Brough State Assembly 2018   | R | \$1,500.00  |
| 1/24/2017  | Harkey for Board Equalization 2018    | California Republican Party - State                                       | R | \$2,500.00  |
| 9/22/2016  | Harkey for Board Equalization 2018    | California Republican Party State   | R | \$1,250.00  |
| 9/22/2016  | Harkey for Board Equalization 2018    | California Republican Party State   | R | \$1,250.00  |
| 6/15/2016  | Harkey for BOE 2018                   | California Women's Leadership Association PAC                             |   | \$500.00    |
| 2/26/2016  | Harkey for Board of Equalization 2018 | Republican Party of San Diego County                                      | R | \$5,000.00  |
| 5/12/2015  | Harkey for Board of Equalization 2018 | Republican Party of San Diego County                                      | R | \$2,500.00  |
| 10/4/2014  | Harkey for Senate 2014                | Vidak for Senate 2013   | R | \$2,000.00  |
| 10/3/2014  | Harkey for Board of Equalization 2014 | Republican Party of San Diego County                                      | R | \$10,000.00 |
| 9/12/2014  | Harkey for Board of Equalization 2014 | Riverside County Party (State Acct)                                       | R | \$500.00    |
| 5/30/2014  | Harkey for Board of Equalization 2014 | Republican Party of San Diego County                                      | R | \$10,000.00 |
| 5/7/2014   | Harkey for Board of Equalization 2014 | Republican Party of San Diego County                                      | R | \$10,000.00 |
| 4/14/2014  | Harkey for Assembly 2012              | Republican Party of San Diego County                                      | R | \$5,000.00  |
| 4/14/2014  | Harkey for Board of Equalization 2014 | Republican Party of San Diego County                                      | R | \$5,000.00  |
| 12/7/2013  | Harkey For Assembly 2012              | Republican Party of Orange County (State Acct.)                           | R | \$500.00    |
| 10/10/2013 | Harkey for Assembly 2012              | Riverside County Party (State Acct)                                       | R | \$1,000.00  |
| 7/24/2013  | Harkey for Assembly 2012              | CALIFORNIA REPUBLICAN PARTY   | R | \$2,500.00  |
| 5/28/2013  | Harkey for Senate 2014                | Republican Party of Orange County (State Acct.)                           | R | \$500.00    |
| 4/29/2013  | Harkey for Senate 2014                | Republican Party of Orange County (State Acct.)                           | R | \$2,500.00  |
| 4/26/2013  | Harkey for Senate 2014                | Vidak for Senate 2013   | R | \$2,000.00  |
| 4/24/2013  | Harkey for Senate 2014                | Republican Party of San Diego County                                      | R | \$2,500.00  |
| 4/10/2013  | Harkey for Assembly 2012              | Republican Party of San Diego County                                      | R | \$2,500.00  |
| 4/4/2013   | Harkey For Assembly 2012              | Republican Party of Orange County (State Acct.)                           | R | \$120.00    |
| 2/27/2013  | Harkey For Assembly 2012              | Republican Party of Orange County (State Acct.)                           | R | \$300.00    |
| 1/23/2013  | Harkey for Assembly 2012              | California Republican Party   | R | \$2,500.00  |
| 11/30/2012 | Harkey for Assembly 2012              | Republican Party of San Diego County                                      | R | \$12,000.00 |
| 10/5/2012  | Harkey for Assembly 2012              | Norby for Assembly 2012   | R | \$2,000.00  |

|            |                                |  |              |                     |
|------------|--------------------------------|--|--------------|---------------------|
| 8/31/2012  | Harkey for Assembly 2012       | Republican Central Committee of San Luis Obispo County                                 | R            | \$10,000.00         |
| 8/21/2012  | Harkey for Assembly 2012       | Republican Party of San Diego County   | R            | \$2,500.00          |
| 5/24/2012  | Harkey for Assembly 2012       | Republican Central Committee of San Luis Obispo County                                 | R            | \$20,000.00         |
| 5/22/2012  | Harkey For Assembly 2012       | Republican Party of Orange County (State Acct.)  | R            | \$5,000.00          |
| 3/30/2012  | Harkey For Assembly 2012       | Republican Party of Orange County (State Acct.)  | R            | \$2,500.00          |
| 3/12/2012  | Harkey for Assembly 2012       | Tim Donnelly for Assembly 2012   | R            | \$1,900.00          |
| 2/28/2012  | Harkey for Assembly 2012       | Republican Party of San Diego County   | R            | \$2,500.00          |
| 1/26/2012  | Harkey for Assembly 2012       | California Republican Party/V10  | R            | \$2,500.00          |
| 12/26/2011 | DIANE HARKEY FOR ASSEMBLY      | BILL BERRYHILL FOR SENATE 2012   | R            | \$2,000.00          |
| 12/26/2011 | Harkey for Assembly 2012       | Sherry Hodges for State Assembly 2012  | R            | \$2,000.00          |
| 10/20/2011 | Harkey for Assembly 2012       | Tim Donnelly for Assembly 2012   | R            | \$2,000.00          |
| 10/19/2011 | Harkey for Assembly 2012       | California Republican Party  | R            | \$140.00            |
| 10/12/2011 | Harkey For Assembly 2012       | Republican Party of Orange County (State Acct.)  | R            | \$500.00            |
| 7/21/2011  | Harkey For Assembly 2012       | Republican Party of Orange County (State Acct.)  | R            | \$2,500.00          |
| 5/7/2011   | Harkey for Assembly 2012       | Republican Party of San Diego County   | R            | \$2,500.00          |
| 4/5/2011   | Harkey for Assembly 2010       | California Republican Party  | R            | \$1,000.00          |
| 4/5/2011   | Harkey for Assembly 2010       | California Republican Party  | R            | \$2,500.00          |
| 3/31/2011  | Harkey for Assembly 2012       | Republican Party of San Diego County   | R            | \$198.00            |
| 12/15/2010 | Harkey for Assembly 2010       | Diane Harkey for Assembly  | R            | \$30,000.00         |
| 10/22/2010 | Harkey for Assembly            | MINTZ FOR ASSEMBLY 2010, NATHAN  | R            | \$3,000.00          |
| 10/14/2010 | Diane Harkey for Assembly 2010 | Shoemaker For Assembly 2010  | R            | \$2,000.00          |
| 10/13/2010 | Harkey For Assembly 2010       | Stoker for Assembly 2010   | R            | \$3,000.00          |
| 10/8/2010  | Harkey for Assembly 2010       | California Republican Party  | R            | \$5,000.00          |
| 9/29/2010  | Harkey for Assembly 2010       | Allan Mansoor for Assembly 2010  | R            | \$1,900.00          |
| 9/27/2010  | Harkey for Assembly 2010       | Wilson for State Assembly 2010   | R            | \$3,900.00          |
| 9/27/2010  | Harkey for Assembly 2010       | Friends of Jack Sieglock for Assembly 2010   | R            | \$2,000.00          |
| 9/7/2010   | Harkey for Assembly 2010       | Allan Mansoor for Assembly 2010  | R            | \$2,000.00          |
| 8/18/2010  | Harkey for Assembly 2010       | California Women's Leadership Association PAC  |              | \$1,000.00          |
| 7/24/2010  | Harkey for Assembly 2010       | Blakeslee for Senate 2010  | R            | \$3,900.00          |
| 6/2/2010   | Diane Harkey for Assembly      | Republican Party of Orange County (State Acct.)  | R            | \$2,500.00          |
| 5/28/2010  | Harkey for Assembly 2010       | Taxpayers for Etta Waterfield, Assembly 2010   | R            | \$2,500.00          |
| 5/11/2010  | Harkey for Assembly 2010       | StopProp15.com, a coalition of taxpayers, governmental advocates, and small businesses |              | \$5,700.00          |
| 4/30/2010  | Harkey for Assembly 2010       | California Republican Party / v8   | R            | \$30,000.00         |
| 4/19/2010  | Harkey for Assembly 2010       | Republican Party of San Diego County   | R            | \$2,500.00          |
| 4/14/2010  | Harkey For Assembly 2010       | Stoker for Assembly 2010   | R            | \$2,500.00          |
| 3/30/2010  | Harkey for Assembly 2010       | Amante for Assembly 2010   | R            | \$3,900.00          |
| 3/24/2010  | Diane Harkey For Assembly      | California Republican Party / v8   | R            | \$2,500.00          |
| 3/16/2010  | Harkey for Assembly 2010       | Mimi Walters for Treasurer 2010  | R            | \$2,000.00          |
| 12/31/2009 | Harkey for Assembly 2010       | Wilson for State Assembly 2010   | R            | \$2,000.00          |
| 11/3/2009  | Harkey for Assembly 2010       | Republican Party of San Diego County   | R            | \$2,000.00          |
| 10/27/2008 | DIANE HARKEY FOR ASSEMBLY      | BILL BERRYHILL FOR ASSEMBLY  | R            | \$3,600.00          |
| 10/26/2008 | Diane Harkey for Assembly      | Sieglock for Assembly  | R            | \$3,600.00          |
| 10/18/2008 | Diane Harkey for Assembly      | John McCann for Assembly   | R            | \$3,600.00          |
| 10/10/2008 | Diane Harkey For Assembly      | California Republican Party / V8   | R            | \$30,200.00         |
| 4/4/2008   | Diane Harkey for Assembly      | Republican Party of Orange County (State Acct.)  | R            | \$2,500.00          |
|            |                                |  | <b>Total</b> | <b>\$372,048.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#)]

## News Clips

**February 2014: Harkey Was The Leading Contributor To The Re-Election Of Local Councilmember Karen Lloreda At \$250.** “Filing opened Monday for what is expected to be a wide-open City Council election June 7, the



only council race in the county regularly held in June. Three council seats will be open -- those of incumbents Mike Eggers, Eileen Krause and Karen Lloreda. Although they have not yet formally announced their intentions, Lloreda has held a fund-raiser and is expected to run for reelection, while Krause remains undecided and Eggers is not expected to run. [...] Lloreda leads the duo in campaign money raised in the past six months, with a total of \$4,000. Her leading contributors are Diane Harkey of Capistrano Beach, with a gift of \$250, and Newport Beach attorney Paul Hamilton, with a gift of \$330, according to her statement.” [Los Angeles Times, [2/15/94](#)]

## Personal Finance

### Significant Findings

- ✓ In 2018, Harkey had an estimated net worth of between \$715,003 and \$1,534,999.
- ✓ 2008-2014: Harkey earned at least \$740,214.06 in salary and per diem payments in the California State Assembly.
  - ✓ Harkey received \$173,233.50 from per diem payments, a system that was subject to abuse by lawmakers as they conveyed for short period of times to ensure it applied.
- ✓ In 2009, the Harkeys owned a multimillion-dollar home and a car collection that included a Bentley, a Porsche, and two Mercedes Benzes. In 2007, Dan Harkey bought a Learjet for \$13 million. In 2014, Harkey and her husband owned \$25,000 worth of horses.

NOTE: For detailed descriptions of Harkey's personal financial disclosures by year, see Appendix I – Personal Financial Disclosures.

## Harkey's Federal Personal Financial Disclosure Summary

NOTE: For detailed descriptions of Harkey's personal financial disclosures by year, see Appendix I – Personal Financial Disclosures.

| Harkey PFD Toplines |               |             |             |                 |          |              |     |             |          |
|---------------------|---------------|-------------|-------------|-----------------|----------|--------------|-----|-------------|----------|
| Year                | Earned Income | Asset Value |             | Unearned Income |          | Transactions |     | Liabilities |          |
|                     |               | MIN         | MAX         | MIN             | MAX      | MIN          | MAX | MIN         | MAX      |
| 2018                | \$142,747     | \$765,003   | \$1,550,000 | \$25,003        | \$80,000 |              |     | \$15,001    | \$50,000 |

[Harkey 2018 Public Financial Disclosure Report, filed [2/10/18](#)]

## Taxpayer-Funded Salaries

### 2017-2018: Harkey Earned More Than \$140,000 A Year In Salary On The Board Of Equalization

**June 2017: An Independent Commission Approved A 3% Raise For Board Members To \$147,000.** “And, despite the problems, an independent commission this week approved a 3 percent raise for board members, who will now make \$147,000 a year.” [San Francisco Chronicle, [6/23/17](#)]

**Board Members Had Been Previously Making \$142,731.** “The only elected tax board in the country, the panel is responsible for collecting \$60 billion in taxes annually for the state. Four of the members are elected by districts, receiving annual salaries of \$142,577, while the fifth member is the state controller.” [Los Angeles Times, [6/27/17](#)]

| Year         | Board Of Equalization Salary |
|--------------|------------------------------|
| 2018         | \$147,000                    |
| 2017         | \$142,577                    |
| 2016         | 0*                           |
| 2015         | 0*                           |
| <b>TOTAL</b> | <b>N/A</b>                   |

[Los Angeles Times, [6/27/17](#); Sacramento Bee, [6/23/17](#)]

*NOTE: Harkey's Board member salaries were not available on the Board of Equalization website.*

**2008-2014: Harkey Earned At Least \$740,214.06 In Salary And Per Diem Payments In The California State Assembly**

**Over Her Six Years In The California State Assembly, Harkey Had Earned A Least \$566,980.56 In Taxpayer-Funded Salary**

**When Harkey First Took Office In The California State Assembly, She Earned A \$95,290.92 A Year, \$7,940.91 A Month.** [California State Assembly, Rules Committee, received [3/9/18](#)]

**Harkey's Salary Did Not Change During Her Time In The State Assembly.** [California State Assembly, Rules Committee, received [3/9/18](#)]

**Over Her Six Years In The California State Assembly, Harkey Had Earned A Least \$566,980.56 In Taxpayer-Funded Salary.** [California State Assembly, Rules Committee, received [3/9/18](#)]

| Year         | State Assembly Salary |
|--------------|-----------------------|
| 2014         | \$95,290.92           |
| 2013         | \$90,525.96           |
| 2012         | \$95,290.92           |
| 2011         | \$95,290.92           |
| 2010         | \$95,290.92           |
| 2009         | \$95,290.92           |
| 2008         |                       |
| <b>TOTAL</b> | <b>\$566,980.56</b>   |

[California State Assembly, Rules Committee, received [3/9/18](#)]

**Harkey Received \$173,233.50 From Per Diem Payments**

**Harkey Received \$173,233.50 From Per Diem Payments For 1,151 Days Of 1,229 Session Days.** [California State Assembly, Rules Committee, received [3/9/18](#)]

**2011: California Paid State Lawmakers \$142 Per Day When In Session But The System Was Subject To Abuse By Lawmakers As They Convened For Short Period Of Times To Ensure It Applied**

**2011: Harkey Received \$28,230 In Per Diem Payments.** "Chairman Charles Murray expressed frustration over the commission's limited reach. Basically, all we can do is raise it or lower it," he said of per diem. "As far as telling them what to do, we can sit back and spend hours saying how screwy the situation is" to no avail. Per diem for local lawmakers [...] Assembly members, 2010 Senator Party/Community Per diem Lori Saldaña D-San Diego \$28,513\* Kevin Jeffries R-Lake Elsinore \$28,513 Joel Anderson R-La Mesa \$28,372\* Marty Block D-San Diego \$28,372 Diane Harkey R-Dana Point \$28,230" [San Diego Union-Tribune, [2/18/11](#)]

**The State Paid Lawmakers \$142 Per Day When The Legislature Was In Session But The System Was Subject To Abuse By Lawmakers As They Convened For Short Period Of Times To Ensure It Applied.** "By convening for less than a half-hour on Friday, the 80 members of the Assembly and 40 members of the Senate entitled themselves to \$568 each. That's almost a \$70,000 cost to taxpayers. The reason? On top of their \$95,291 annual salary, lawmakers can collect \$142 per day when the legislature is in session. Those daily payments halt if the legislature takes off four or more days in a row. By convening for a short time on Friday, the legislature kept the Presidents Day holiday as a three-day weekend, meaning they could collect the daily payments while on recess

Saturday, today and Monday. ‘It’s abuse,’ said Ted Costa, a longtime Capitol watchdog and leader of the group People’s Advocate.” [San Diego Union-Tribune, [2/18/11](#)]

**The Per Diem Payments Were Meant To Offset The Cost Of Two Households But Inflated Member Salaries By \$30,000 Tax Free.** “‘It’s abuse,’ said Ted Costa, a longtime Capitol watchdog and leader of the group People’s Advocate. The ‘per diem’ payments are designed to offset the cost of maintaining two households. The expense payments can inflate member salaries by \$25,000 to \$30,000 a year, and in most cases it’s tax-free.” [San Diego Union-Tribune, [2/18/11](#)]

**2004-2008: Harkey Earned \$47,680.80 In Salary And Benefits On The Dana Point City Council**

**Over Her Four Years On The City Council, Harkey Had Earned A Total Of \$34,480.80 In Taxpayer-Funded Stipend**

**2004-2008: Harkey Was Entitled To A \$718.35 Per Month Stipend And A \$275 Per Month Auto Allowance As A Member Of The City Council.** [City of Dana Point, received [2/22/18](#)]

**The Monthly Stipend Did Not Change Over The Course Of Harkey’s Time On The City Council.** [City of Dana Point, received [2/22/18](#)]

**Over Her Four Years On The City Council, Harkey Had Earned A Total Of \$34,480.80 In Taxpayer-Funded Salary.** [City of Dana Point, received [2/22/18](#)]

| Year         | City Council Stipend (Annualized) |
|--------------|-----------------------------------|
| 2008         | \$8,620.20                        |
| 2007         | \$8,620.20                        |
| 2006         | \$8,620.20                        |
| 2005         | \$8,620.20                        |
| 2004         |                                   |
| <b>TOTAL</b> | <b>\$34,480.80</b>                |

[City of Dana Point, received [2/22/18](#)]

| Year         | Auto Allowance (Annualized) |
|--------------|-----------------------------|
| 2008         | \$3,300.00                  |
| 2007         | \$3,300.00                  |
| 2006         | \$3,300.00                  |
| 2005         | \$3,300.00                  |
| 2004         |                             |
| <b>TOTAL</b> | <b>\$13,200.00</b>          |

[City of Dana Point, received [2/22/18](#)]

**2008: Harkey Voted Against Increasing Stipends In Dana Point: “Regardless Of Whether The Economy Is Weak Or Strong, Elected Officials Should Be The Last People To Consider Enhancing Their Own Perks.”**

**2008: Harkey Voted Against Stipend Increases And Health-Care Benefits For Councilmembers And Planning Commissioners.** “In the longest Dana Point City Council meeting in recent memory, the council decided not to give itself a pay raise, moved council meetings to the second and fourth Mondays of each month in 2009 and voted to form a Surfing Heritage Museum task force. [...] A proposed ordinance to give City Council members and planning commissioners stipend increases and health-care benefits failed, with Mayor Joel Bishop and Councilman Steven Weinberg approving and Harkey, Anderson and Mayor Pro Tem Lisa Bartlett voting against.” [Orange County Register, [11/19/08](#)]

**2008: Harkey Was Absent For The Second Reading Of The Ordinance And Did Not Vote On Pulling The Ordinance.** “Before any comments or votes could be made on a second reading of an ordinance that would raise City Council members' monthly stipend, the item was pulled from the agenda Tuesday night. [...] The council voted to pull the item per staff request, with Councilman Steven Weinberg, Mayor Joel Bishop and Mayor Pro Tem Lisa Bartlett voting in favor. Anderson voted against holding the item. Councilwoman Diane Harkey was absent. The ordinance would provide the first raise for council members in six years – to \$933.86 a month from \$718.35 – and could increase annual total council-member compensation by \$53,984 – \$12,931 in stipends and \$41,053 in health benefits if the optional health benefits were taken by each member. Two weeks ago, the council approved the proposal with only two ‘yes’ votes. The vote was 2-1-1-1, with Bishop and Weinberg supporting, Bartlett opposing, Anderson abstaining and Harkey absent. Because of the Nov. 4 elections, the council will not meet again to discuss the stipend increase until Nov. 18.” [Orange County Register, [10/22/08](#)]

**2008: Harkey Was Absent For A Vote To Pass The First Reading Of A 30% Pay Increase For Council Members And To Reinstate Optional Health Benefits.** “A divided Dana Point City Council passed the first reading of a 30 percent pay increase for council members and reinstatement of optional health benefits. The vote Tuesday night was 2-1-1-1, with Mayor Joel Bishop and Councilman Steven Weinberg supporting, Mayor Pro Tem Lisa Bartlett opposing, Councilwoman Lisa Anderson abstaining and Councilwoman Diane Harkey absent. No one from the public commented at the meeting. The pay raise, which would be the first in six years, would increase the stipend for council members to \$933.86 a month -- a raise of \$215.51. The ordinance also would raise the Planning Commission stipend by \$45 a month, to \$195.” [Orange County Register, 10/9/08]

**Harkey Cited Family Medical Issues And Her 2008 State Assembly Campaign As Reasons For Missing The Two Reading Votes.** “Harkey, now assemblywoman-elect of the 73rd district, was absent from the previous two discussions of the pay-increase ordinance because of family medical issues and the state election. Before Tuesday's meeting she released a statement saying she did not support the pay raise. ‘Regardless of whether the economy is weak or strong, elected officials should be the last people to consider enhancing their own perks,’ Harkey said in her statement.” [Orange County Register, [11/19/08](#)]

**Harkey: “Regardless Of Whether The Economy Is Weak Or Strong, Elected Officials Should Be The Last People To Consider Enhancing Their Own Perks.”** “Before Tuesday's meeting she released a statement saying she did not support the pay raise. ‘Regardless of whether the economy is weak or strong, elected officials should be the last people to consider enhancing their own perks,’ Harkey said in her statement.” [Orange County Register, [11/19/08](#)]

---

**Harkey Proposed Eliminating City-Funded Health Care For Future Council Members And Planning Commissioners**

---

**Harkey Proposed Eliminating City-Funded Health Care For Future Council Members And Planning Commissioners.** “\* Benefit change: Council is also considering a rule change that would eliminate city-funded health care for future council members and planning commissioners. The proposal by Councilwoman Diane Harkey would allow those currently using the program to be grandfathered in so they do not lose their benefit. An official ordinance change will be discussed at a future council meeting.” [Orange County Register, 8/31/06]

**2018: Harkey’s Net Worth Was Reportedly Between \$715,003 And \$1,534,999**

| Year | Asset Value |             | Liabilities |          |
|------|-------------|-------------|-------------|----------|
|      | MIN         | MAX         | MIN         | MAX      |
| 2018 | \$765,003   | \$1,550,000 | \$15,001    | \$50,000 |

[Harkey 2018 Public Financial Disclosure Report, filed [2/10/18](#)]

## Political Career

### Significant Findings

- ✓ *Harkey has missed more than 1,700 Assembly votes and committee votes over the course of her career in the State Assembly and was absent or had her attendance waived for 78 days when the Assembly was in session.*
- ✓ *Harkey said she had no intention of becoming a career politician as politics was “not a career path” but “a service” and that we could not get new blood in politics “if some people keep running for the next office.”*
- ✓ *Between August 2010 and March 2011, Harkey was the Assemblymember who changed her vote the most in the state assembly including changing to be against a fine increase.*
- ✓ *In 2013, Harkey considered bids for the state senate as well as Orange County Supervisor when she was already running for Board of Equalization.*
- ✓ *In 2006, Harkey ran for State Senate after she said she was approached by “individuals high up in the republican party” and lost by 225 votes.*
  - ✓ *Harkey chose not to abide by spending limits and by the end of the campaign, Harkey spent \$936,000 of her own money for the campaign.*

## Partisanship

### **2011-2012: Harkey Voted With The Republican Party 97.3% Of The Time**

**2011-2012: Harkey Voted With The Republican Party 97.3% Of The Time.** “Given more than 3,000 chances, a dozen state legislators voted against the majority of their party fewer than 10 times during the 2011-2012 legislative session. [...] Legislator District Party House Votes Votes Against Party Percent Against Party Runner, Sharon\* 17 Rep Senate 3,187 28 0.9% Garrick, Martin 74 Rep Assembly 3,540 56 1.6% Silva, Jim 67 Rep Assembly 3,540 63 1.8% Cook, Paul 65 Rep Assembly 3,540 76 2.1% Conway, Connie 34 Rep Assembly 3,540 79 2.2% Wagner, Donald P. 70 Rep Assembly 3,540 84 2.4% Gorell, Jeff\* 37 Rep Assembly 3,540 85 2.4% Harkey, Diane L. 73 Rep Assembly 3,540 95 2.7%” [Sacramento Bee, 10/26/12]

### **Harkey On Being In The Minority In The State Legislature: “The Problem Is, There's No Need For One Party -- We Have Almost A Totalitarian State. The Other Party's Not Needed, And I'm The Other Party”**

**Harkey On Being In The Minority In The State Legislature: “The Problem Is, There's No Need For One Party -- We Have Almost A Totalitarian State. The Other Party's Not Needed, And I'm The Other Party.”** “But she knows her party is the minority in Sacramento and that she hopes to give it a louder voice. “The problem is, there's no need for one party -- we have almost a totalitarian state. The other party's not needed, and I'm the other party. So I'd like very much to have an increase in Republicans in Sacramento so we'd be necessary for the discussion, so people could end up in the middle, which is where they want to be.” [Orange County Register, [6/3/08](#)]



## **Harkey Said She Would Not Play Nice In Sacramento And That “What You Have To Do Is Bang Your Gong”**

**Harkey Said She Would Not Play Nice In Sacramento And That “What You Have To Do Is Bang Your Gong. You Have To Trim At The Edges Or Bring It To The People For A Vote. If You Bring Attention To It, Things Change.”** “Harman said he'd been targeted by conservatives precisely because he'd been effective in Sacramento by working with Democrats, producing the most bills signed into law by any Orange County legislator. ‘I have a good, solid, business-friendly Republican voting record,’ he said. ‘We're the minority party, and the Democrats block bills from getting to the floor. That's the kind of liberal, stick-in-your-eye politics you get up there in the Legislature.’ Harkey said she wouldn't play nice in Sacramento to get the Republican message across. ‘What you have to do is bang your gong,’ she said. ‘You have to trim at the edges or bring it to the people for a vote. If you bring attention to it, things change.’” [Los Angeles Times, [3/27/06](#)]

## **Harkey Was Part Of The California State Assembly Republican Caucus Leadership**

**2010: Harkey Became Part Of The California State Assembly Republican Caucus Leadership Team As Vice Chair Of The Appropriations Committee.** “Assembly Republican Leader Connie Conway, of Tulare, today announced additions to her caucus leadership team for the upcoming 2011-12 legislative session. The announcements come as Assembly Speaker John A. Perez announced his legislative committee chair and vice chair appointments. Three Republicans will serve as ranking members serving on key fiscal and legislative procedure committees. In these positions, the members will be a part of the caucus leadership team and will play an integral role in advancing the caucus goals of protecting taxpayers, creating jobs and making government more accountable. The members are: Appropriations Vice-Chair: Assemblywoman Diane Harkey, R-Dana Point” [California State Assembly, Republican Caucus, press release via States News Service, 12/15/10]

**2012: Harkey Continued In Her Role In The Republican Caucus Leadership.** “Assembly Republican Leader Connie Conway, of Tulare, today announced key additions to her leadership team, appointing Assemblyman Mike Morrell, R-Rancho Cucamonga, and Assemblyman Paul Cook, R-Yucca Valley, as Republican Whips, Assemblyman Donald P. Wagner, R-Irvine, as Deputy Republican Floor Manager and Assemblyman Jeff Gorell, R-Camarillo, to a newly-created position as Republican Outreach Chair. [...] Continuing in their current roles on the Republican Caucus leadership team are: [...] Assembly Appropriations Committee Vice Chair: Assemblywoman Diane Harkey, R-Dana Point” [California State Assembly, Republican Caucus, press release via States News Service, 5/2/12]

**2013: Harkey Continued Her Role In The Republican Caucus Leadership.** “Assembly Republican Leader Connie Conway, of Tulare, today announced the members of her leadership team for the 2013-14 Legislative Session, selecting a skilled group of Assembly Republican Caucus members from throughout California representing different backgrounds and interests. [...] The following individuals were named today by Conway to leadership positions: Assistant Republican Floor Leader: [...] Assembly Appropriations Committee Vice Chair Assembly Member Diane Harkey, R-Dana Point The Vice Chair of the Assembly Appropriations Committee is on the front lines of the debate over government spending at the State Capitol. They analyze every fiscal bill making its way through the Legislature for its impact on the state budget and state spending overall, working to restrain new government spending and overregulation.” [California State Assembly, Republican Caucus, press release via Target News Service, 3/20/13]

## **Harkey Praised California’s Republican Party For Leading The Nation And For Republicans’ Belief In “Freedom, Inclusion,” And “Opportunity For All.”**

**Harkey Praised California’s Republican Party For Leading The Nation And For Republicans Belief In “Freedom, Inclusion,” And “Opportunity For All.”** “California's Republican Party has always led the nation in the strength of our ideals, our vision for the future, and our dedication to the American dream. Republicans believe in freedom, inclusion, opportunity for all, and a commitment to building a better society in which to raise our children - the next generation of Californians. The CRP's Networks effort holds great promise in returning

California to the Golden State once again by communicating our ideals to every community and new generations of California voters.’ - Assemblywoman Diane Harkey” [California Republican Party, press release via States News Service, 4/16/09]

### **2016: Harkey Was Selected To Be One Of The Republicans Electors**

**2016: Harkey Was Selected To Be One Of The Republicans Electors.** “Though the state's other political parties are left out of the electoral college, they came up with rosters of their own. The state GOP automatically selects previous party nominees for state offices with the rest of the choices made by the party's chairman. Current state Republican Party Chairman Jim Brulte said he called Tim Clark, who led Trump's campaign in California, to ask him to fill out the list. Well-known names are on that party's slate, too, including state Sens. Joel Anderson of San Diego and Jean Fuller of Bakersfield, former Rep. Doug Ose of Elk Grove, state Board of Equalization member Diane Harkey and Republican National Committeeman Shawn Steel.” [Los Angeles Times, [11/27/16](#)]

### **Harkey Said Margaret Thatcher Was The Historical Figure She Admired Most**

**Harkey Said Margaret Thatcher Was The Historical Figure She Admired Most.** “Historical figure you most admire? This is a tough question, as I admire many who faced adversity and bounced back to accomplish great things. I guess Margaret Thatcher could be considered historical, even though she is still living. A former shopkeeper's daughter, she was known as the ‘Iron Lady’ and transformed the British economy at a time when the country's morale was at an all-time low and sinking further into apathy. She managed to push through economic and social reforms in spite of a strong opposition party. I also admire Winston Churchill for his ability to bounce back after being ousted by Clement Atlee. (And) Abraham Lincoln, who ... ended slavery and salvaged and restored the nation.” [Orange County Register, 12/9/04]

## **Attendance Record**

### **Harkey Has Missed More Than 1,700 Assembly Votes And Committee Votes Over The Course Of Her Career In The State Assembly**

| <b>Harkey State Assembly Floor Votes</b> |                       |                     |                          |                         |
|--|-----------------------|---------------------|--------------------------|-------------------------|
| <b>Session</b>                           | <b>Votes Eligible</b> | <b>Missed Votes</b> | <b>Percentage Missed</b> | <b>Percentage Voted</b> |
| 2012-2014                                | 3700                  | 508                 | 13.73%                   | 86.27%                  |
| 2010-2012                                | 3585                  | 275                 | 7.67%                    | 92.33%                  |
| 2008-2010                                | 4080                  | 434                 | 10.64%                   | 89.36%                  |
| <b>Total</b>                             | <b>11365</b>          | <b>1217</b>         | <b>10.71%</b>            | <b>89.29%</b>           |

[California State Assembly, Daily Journals, accessed [3/19/18](#)]

| <b>Harkey State Assembly Committee Votes</b> |                       |                     |                          |                         |
|--|-----------------------|---------------------|--------------------------|-------------------------|
| <b>Session</b>                               | <b>Votes Eligible</b> | <b>Missed Votes</b> | <b>Percentage Missed</b> | <b>Percentage Voted</b> |
| 2013-2014                                    | 1160                  | 153                 | 13.19%                   | 86.81%                  |
| 2011-2012                                    | 1968                  | 182                 | 9.25%                    | 90.75%                  |
| 2009-2010                                    | 2073                  | 200                 | 9.65%                    | 90.35%                  |
| <b>Total</b>                                 | <b>5201</b>           | <b>535</b>          | <b>10.29%</b>            | <b>89.71%</b>           |

[California State Assembly, Daily Journals, accessed [3/19/18](#)]

### **Harkey Was Absent Or Had Her Attendance Waived For 78 Days**

**Harkey Was Absent Or Had Her Attendance Waived For 78 Days.** [California State Assembly, received [3/9/18](#)]

**Harkey Was Paid For 1,151 Days Out Of 1,229 Days The Assembly Was In Session.** [California State Assembly, received [3/9/18](#)]

## Committees

*Note: Committees and subcommittees listed in italics represent chairmanships.*

| California State Board of Equalization |   |               |
|--|---|---------------|
| Years                                  | Committees                              | Subcommittees |
| 2015-2018                              | <i>Chair – Business Taxes Committee</i> |               |

[California State Board of Equalization, press release, [1/9/15](#)]

| California State Assembly |  |   |
|---------------------------|--|---|
| Years                     | Committees   | Subcommittees   |
| 2013-2014                 | <i>Vice Chair – Appropriations</i>                                   |   |
|                           | Banking and Finance  |   |
|                           | Budget   | Budget Subcommittee No. 5 on Public Safety<br>Budget Subcommittee No. 6 on Budget Process, Oversight and Program Evaluation |
|                           | Public Employees, Retirement, and Social Security                    |   |
|                           | Revenue and Taxation   |   |
| 2011-2012                 | <i>Vice Chair – Appropriations</i>                                   |   |
|                           | <i>Vice Chair - Revenue and Taxation (2012)</i>                      |   |
|                           | Banking and Finance  |   |
|                           | Budget   |   |
|                           | Legislative Budget   |   |
|                           | Public Employees   |   |
|                           | Retirement and Social Security                                       |   |
| 2010                      | <i>Vice Chair – Public Employees, Retirement and Social Security</i> |   |
|                           | Banking and Finance  |   |
| 2009-2010                 | <i>Vice Chair – Housing and Community Development</i>                |   |
|                           | Appropriations   |   |
|                           | Budget   |   |
|                           | Revenue and Taxation   |   |

[Harkey, press release via San Diego Rostra, [3/24/10](#); Orange County Register, [1/3/13](#)]

| Dana Point City Council |                             |               |
|-------------------------|-----------------------------|---------------|
| Years                   | Committees                  | Subcommittees |
| 2007                    | Library Task Force          |               |
| 2005                    | Investment Review Committee |               |

[Orange County Register, [10/27/05](#); Orange County Register, [1/9/07](#)]

## The California State Assembly Republican Caucus Assigned Harkey To A Number Of Committees

**2009: The California State Assembly Republican Caucus Created Eight Assembly Republican Working Groups.** “Assembly Republican Leader Mike Villines, of Fresno, today announced the creation of 8 new Assembly Republican Working Groups that will be working in the coming weeks to explore common-sense reforms to end the

status quo in Sacramento, save billions of dollars and make positive changes to build a stronger California.”  
[California State Assembly Republican Caucus, press release via US State News, 3/14/09]

**Harkey Was A Member Of The Republican E3 Working Group, Which Claimed To Protect The Environment And Grow The Economy.** “The Republican E3 Working Group is working to advance common-sense policies that will help protect California's environment, while at the same time growing the economy and creating jobs. They are working to inspire the power of the free market to encourage innovation and bring more so-called ‘green’ or ‘clean tech’ jobs to California. The Republican E3 Working Group was formed in 2008 and is currently comprised of 20 Assembly Members and 2 Senators. Chair: Assemblyman Sam Blakeslee Working Group Members: Assemblyman Anthony Adams, [...] Assemblywoman Diane Harkey...” [California State Assembly Republican Caucus, press release via US State News, 3/14/09]

**Harkey Was A Member Of The Republican Working Group On Job Creation And Economic Recovery.** “The Republican Working Group on Job Creation and Economic Recovery will be looking to identify the best policies to help get our economy back on track and to put Californians back to work. The working group will also be exploring why businesses have left California in recent years and crafting legislation to make the state more competitive with other states to inspire more companies to invest in California again and create jobs here. Chair: Assemblyman Dan Logue Working Group Members: Assemblyman Bill Berryhill, [...] Assemblywoman Diane Harkey...” [California State Assembly Republican Caucus, press release via US State News, 3/14/09]

**Harkey Was A Member Of The Republican Working Group On Securing California’s Water Future.** “The Republican Working Group on Securing California's Water Future will be focusing on California's current water crisis and what can be done to ensure the state has a sufficient water supply to meet the needs of families and businesses. Their goal will be crafting comprehensive legislation to increase above-ground water storage, expand conveyance, and improve conservation efforts across the state. Chair: Assemblywoman Jean Fuller Co-Chairs: Assemblyman Tom Berryhill and Assemblyman Bill Berryhill Working Group Members: Assemblywoman Connie Conway, Assemblyman Mike Duvall, Assemblyman Nathan Fletcher, Assemblyman Danny Gilmore, Assemblywoman Diane Harkey...” [California State Assembly Republican Caucus, press release via US State News, 3/14/09]

**Harkey Was The Chair Of The Republican Working Group On Safeguarding Federal Stimulus Dollars, Which Sought To Oversee The Use Of Federal Stimulus Dollars.** “The Republican Working Group on Safeguarding Federal Stimulus Dollars will work to ensure any stimulus dollars that California receives are spent efficiently and responsibly on the real needs of working families. In addition, members will work to identify federal dollars that come with strings attached so lawmakers avoid accepting funds that could make the deficit worse in coming years. Chair: Assemblywoman Diane Harkey Co-Chair: Assemblyman Roger Niello...” [California State Assembly Republican Caucus, press release via US State News, 3/14/09]

### **2012: Harkey Was The Highest Ranked Republican On The Assembly Committee On Appropriations And The Vice-Chair Of The Revenue And Taxation Committee**

**2012: Harkey Was The Highest Ranked Republican On The Assembly Committee On Appropriations And The Vice-Chair Of The Revenue And Taxation Committee.** “Known among Republicans for her financial acumen, Harkey worked for 30 years in corporate finance and banking at Security Pacific and Bank of America and spent four years on the Dana Point City Council, where she was the subject of an unsuccessful recall attempt. Today, she works as the Assembly Republicans' lead on financial issues. Harkey is also the highest ranked Republican of the powerful Assembly Committee on Appropriations. Harkey just became the vice chair of a second finance-related committee, Revenue and Taxation, in March. ‘Everything in the state right now revolves around finances,’ Harkey said, referring to the state's chronic budget problems. ‘My goal is to encourage, to the extent possible, solutions that don't increase debt, that attempt to fill the cash-flow hole, and try ... to encourage private sector employment.’” [Orange County Register, [5/18/12](#)]

**Harkey On Her Also Being The Vice-Chair Of Revenue And Taxation: “Everything In The State Right Now Revolves Around Finances.”** “Known among Republicans for her financial acumen, Harkey worked for 30 years in corporate finance and banking at Security Pacific and Bank of America and spent four years on the Dana Point City Council, where she was the subject of an unsuccessful recall attempt. Today, she works as the Assembly Republicans' lead on financial issues. Harkey is also the highest ranked Republican of the powerful Assembly Committee on Appropriations. Harkey just became the vice chair of a second finance-related committee, Revenue and Taxation, in March. ‘Everything in the state right now revolves around finances,’ Harkey said, referring to the state's chronic budget problems. ‘My goal is to encourage, to the extent possible, solutions that don't increase debt, that attempt to fill the cash-flow hole, and try ... to encourage private sector employment.’” [Orange County Register, [5/18/12](#)]

## Careerism & Term Limits

### Harkey Said She Had No Intention To Become A Career Politician

**Harkey: “The Purpose Of Term Limits Was To Get New Blood In The System. We Can't Possibly Do That If Some People Keep Running For The Next Office”**

**Harkey On Career Politicians: “I Think We Need To Encourage More People To Step Up, Do It For A Few Years And Leave. It's Not A Career Path, It Should Be A Service.”** “Interacting with people is what keeps Harkey going. The self-proclaimed political science junkie said she also loves the constant dynamics of politics. But while she loves being a part of it all, she said, Harkey has no intention of becoming a career politician. ‘I think we need to encourage more people to step up, do it for a few years and leave,’ she said. ‘It's not a career path, it should be a service.’” [Orange County Register, [10/27/05](#)]

**Orange County Register: “But While She Loves Being A Part Of It All, She Said, Harkey Has No Intention Of Becoming A Career Politician.”** “Interacting with people is what keeps Harkey going. The self-proclaimed political science junkie said she also loves the constant dynamics of politics. But while she loves being a part of it all, she said, Harkey has no intention of becoming a career politician. ‘I think we need to encourage more people to step up, do it for a few years and leave,’ she said. ‘It's not a career path, it should be a service.’” [Orange County Register, [10/27/05](#)]

**Harkey: “The Purpose Of Term Limits Was To Get New Blood In The System. We Can't Possibly Do That If Some People Keep Running For The Next Office.”** “The Buzz asked Harkey which of the things on the mailer Harman should not have done. ‘It's not a matter of what he shouldn't have done,’ she said. ‘The purpose of term limits was to get new blood in the system. We can't possibly do that if some people keep running for the next office.’ Harman is a termed-out assemblyman seeking to move on to the Senate, while Harkey is a sophomore councilwoman seeking to move on to the Senate. However, senators typically gain experience in the Legislature's lower house first. The Buzz did a count: Of the 39 sitting senators, 30 have served in the Assembly.” [Orange County Register, 4/3/06]

**When Asked By A Resident About Her Political Aspirations, Harkey Was Reportedly “Noncommittal In Her Response”**

**When Asked By A Resident About Her Political Aspirations, Harkey Was Reportedly “Noncommittal In Her Response.”** “Capistrano Beach resident Antony Cooke disagreed with Harkey's statement and said he believed the campaign was planned. Cooke -- who said he voted for Harkey in her 2004 council campaign -- said Harkey had not been forthcoming about her political aspirations either in 2004 or when she answered a question he posed Dec. 13 at a City Council meeting. On a video tape of that council meeting reviewed this week, Cooke asked Harkey about her political aspirations. Harkey was noncommittal in her response, but said the end of Walters' term coincided with the end of her council term in 2008.” [Orange County Register, [1/25/07](#)]



**Harkey: “I Work Around The Clock For This City. And What Comes Up In The Future, I’ll Leave That To The Future.”** “‘I work around the clock for this city,’ Harkey said on the tape. ‘And what comes up in the future, I’ll leave that to the future. I think people will be very pleased with (the) new council people I strongly supported during this past election. My goal is to keep getting new people to come forward.’” [Orange County Register, [1/25/07](#)]

## Campaigns

### Election History

| Diane Harkey Electoral History |  |                      |         |               |
|--------------------------------|--|----------------------|---------|---------------|
| Year                           | Office   | Candidates           | Results | Harkey Margin |
| 2014                           | California Board of Equalization Member District 4 General Election        | Diane L. Harkey, REP | 61.4%   | + 22.80%      |
|                                |  | Nader Shahatit, DEM  | 38.6%   |               |
| 2014                           | California Board of Equalization Member District 4 Primary Election        | Diane L. Harkey, REP | 34.8%   |               |
|                                |  | Nader Shahatit, DEM  | 33.9%   |               |
|                                |  | John F. Kelly, REP   | 10.9%   |               |
|                                |  | Van Tran, REP        | 9%      |               |
|                                |  | Shirley Horton, REP  | 8%      |               |
|                                |  | Lewis Da Silva, REP  | 3.4%    |               |
| 2012                           | California 73rd Assembly District General Election                         | Diane L. Harkey* REP | 64.3%   | + 28.60%      |
|                                |  | James Corbett DEM    | 35.7%   |               |
| 2012                           | California 73rd Assembly District Primary Election                         | Diane L. Harkey* REP | 70.2%   | + 40.40%      |
|                                |  | James Corbett DEM    | 29.8%   |               |
| 2010                           | California 73rd Assembly District General Election                         | Diane L. Harkey* REP | 62.0%   | + 24.00%      |
|                                |  | Judy Jones DEM       | 38.0%   |               |
| 2010                           | California 73rd Assembly District Republican Primary Election              | Diane L. Harkey* REP | 100.0%  |               |
| 2008                           | California 73rd Assembly District General Election                         | Diane L. Harkey REP  | 53.1%   |               |
|                                |  | Judy Jones DEM       | 40.8%   |               |
|                                |  | Andrew "Andy" Favor  | 6.1%    |               |
| 2008                           | California 73rd Assembly District Republican Primary Election              | Diane L. Harkey      | 75.0%   | + 50.00%      |
|                                |  | Mark C. Patlan       | 25.0%   |               |
| 2006                           | California State Senate 35 <sup>th</sup> District Special Primary Election | Tom Harman Rep       | 38.76%  | - 0.24%       |
|                                |  | Diane Harkey Rep     | 38.52%  |               |
|                                |  | Larry Caballero Dem  | 22.72%  |               |
| 2004                           | Dana Point City Council General Election                                   | Diane Harkey         | 28.3%   |               |
|                                |  | Lara Anderson        | 24.0%   |               |
|                                |  | Joe Snyder           | 19.7%   |               |
|                                |  | April O’Connor       | 14.5%   |               |
|                                |  | Greg Powers          | 13.5%   |               |

[2004 Election Results, Orange County Register, 11/4/04; California Secretary of State, [2006 Primary](#); [2008 Primary](#); [2008 General](#); [2010 Primary](#); [2010 General](#); [2012 Primary](#); [2012 General](#); [2014 Primary](#); [2014 General](#)]

### 2018: Harkey Ran For Congress

#### Harkey Announced Her Bid For Congress



**HEADLINE: “Darrell Issa Won't Seek Re-Election To Congressional Seat”** [San Diego Union-Tribune, 1/10/18]

**HEADLINE: “EXCLUSIVE: Republican Diane Harkey to Run for Darrell Issa’s Seat”** [Breitbart, [1/10/18](#)]

**Following Issa’s Announcement That He Would Not Seek Re-Election, Harkey Began To Run For The Seat.** “California Board of Equalization Member Diane Harkey is running to replace retiring Rep. Darrell Issa (R-CA) in the U.S. House of Representatives, multiple sources confirmed to Breitbart News on Wednesday. Harkey has previously served as a Member of the California State Assembly and currently serves as the highest-ranking elected Republican in the state as the Chair of the State Board of Equalization (BOE). She was elected to the BOE in 2014.” [Breitbart, [1/10/18](#)]

**Breitbart Reported House Majority Leader Kevin McCarthy Called Harkey The Same Day As Issa’s Announcement About Running For The Seat.** “Breitbart News can confirm that House Majority Leader Kevin McCarthy (R-CA) called Harkey on Wednesday to discuss her running for the seat. A source told Breitbart News that Harkey has the support of McCarthy and the support of outgoing Congressman Issa.” [Breitbart, [1/10/18](#)]

**Harkey’s Campaign Consultant Said Harkey Was Running For The Seat.** “Dana Point’s Diane Harkey, a member of the state Board of Equalization and a former state assemblywoman, said soon after Issa’s announcement that she would be running for the seat, according to Dave Gilliard, her campaign consultant. There were no Republicans in the race at the time of Issa’s announcement.” [Orange County Register, [1/10/18](#)]

**HEADLINE: “Candidates For Issa's Seat A Wealthy Bunch”** [San Diego Union-Tribune, [1/22/18](#)]

---

**Harkey’s Campaign Touted Her Use Of Seminars To Help Explain The Tax Code Even After Those Tax Seminars Were Part Of A Scandal Involving The Misuse Of Public Employees**

---

*NOTE: More information regarding the scandal can be found in the Ethics chapter.*

**Harkey’s Campaign Touted Her Use Of Seminars To Help Explain The Tax Code To Her Constituents.** “Her campaign said she has helped simplify the state's tax policy and, through seminars, helped accountants, business owners and others better understand California tax code. ‘In her first year at the board, Harkey successfully pushed for changes to provide clarity on 1031 exchanges in real estate transactions and soon began to establish clear guidelines for sales tax exemptions for medical devices and inventories,’ her website says.

**Harkey’s Tax Seminars Were Part Of A Scandal Involving The Misuse Of Public Employees.** “Harkey's tax seminars have also come under scrutiny and were part of a scandal that prompted an overhaul of the tax board last year. An audit last spring found a series of problems at the Board of Equalization, including an instance in which 113 tax board employees who were working at a 2016 conference in Escondido were assigned to parking, registration, break room monitoring and other menial duties in violation of the Budget Act. The audit found that the conference, which Harkey sponsored, had 23 sessions, and only two were about taxes. Harkey told the Sacramento Bee that the audit was inaccurate and that she would address any misspent funds.” [San Diego Union-Tribune, [1/24/18](#)]

**Harkey’s Campaign Website Said She Would Focus On Tax Reform.** “At the same time, Republican candidates may likely try to distance themselves from President Trump. Former State Assemblywoman and current Board of Equalization Representative Diane Harkey has also thrown her hat in the ring, saying on her campaign website that she plans to focus on tax reform. Asked about her position on the policies of the president, her campaign manager Dave Gilliard offered this: ‘I don't know if anybody in their right mind would have a position on Trump, so to speak. If it's a Donald Trump idea, that's fine. If it's a Nancy Pelosi idea, that's fine too, as long as it's good. She's not tied down to any candidate, which is to her advantage.’” [San Diego Union-Tribune, [1/14/18](#)]

---

**February 2018: In A San Diego Union-Tribune Poll, Voters Preferred Harkey When The Issue Was Trump's Border Wall**

---

**February 2018: In A San Diego Union-Tribune Poll, Voters Preferred Harkey When The Issue Was Trump's Border Wall.** “In a congressional district that includes Camp Pendleton, two former Marines running for the House of Representatives lead in the latest poll. The same survey, however, shows that their supporters are looking for very different things in their next legislator. Democrat Doug Applegate and Republican Rocky Chávez lead a pack of 12 candidates with support of 18 percent and 17 percent of voters, respectively - a difference that's within the margin of error. The San Diego Union-Tribune/10News poll was conducted by Survey USA and reached 510 people. [...] With one exception, voters also preferred the two frontrunners over all other candidates in their respective parties on all the other issues the poll addressed. When it came to the wall at the United States' border with Mexico, voters backed Board of Equalization Member Diane Harkey, R-Dana Point.” [San Diego Union-Tribune, [2/19/18](#)]

**February 2018: In A San Diego Union-Tribune Poll, Harkey Polled In Third With 10% Behind Republican Rocky Chávez.** “In a congressional district that includes Camp Pendleton, two former Marines running for the House of Representatives lead in the latest poll. The same survey, however, shows that their supporters are looking for very different things in their next legislator. Democrat Doug Applegate and Republican Rocky Chávez lead a pack of 12 candidates with support of 18 percent and 17 percent of voters, respectively - a difference that's within the margin of error. The San Diego Union-Tribune/10News poll was conducted by Survey USA and reached 510 people. [...] Harkey polled behind Chávez at 10 percent, while lawyer Mike Levin, a Democrat from San Juan Capistrano, was next with 8 percent. The poll was conducted with about a month until the filing deadline passes, so the field could see more candidates. At least 12 candidates are running, including five Republicans, five Democrats and one each from the Libertarian and the Peace and Freedom parties.” [San Diego Union-Tribune, [2/19/18](#)]

---

**2014: Harkey Won A Seat On The State Board Of Equalization**

---

---

**February 2013: Harkey Officially Announced Her Campaign For State Board Of Equalization On The Conservative FlashReport.org Website And Urged Republicans Not To Compromise On Their Principles**

---

**February 2013: Harkey Officially Announced Her Campaign For State Board Of Equalization On The Conservative FlashReport.org Website.** “Diane Harkey has made her plans to run for state Board of Equalization in 2014 official, announcing her candidacy in a piece posted on the conservative FlashReport.org website today. The Dana Point Republican, who has served in the lower house since 2008, has already opened a campaign account to run for a seat on the tax board when current Vice Chair Michelle Steel is termed out in 2014. Harkey is one of several GOP members reportedly eyeing the Southern California seat.” [Sacramento Bee, [2/12/13](#)]

**In Her Announcement, Harkey Urged Republicans Not To Compromise On Their Principles And That “People, Especially The Young, Like Winners; Let's Go Forth And Multiply To Set The Stage To Win Again.”** “In her announcement piece, Harkey talked not only about her own political future, but her ideas about rebuilding the Republican Party in the wake of 2012 losses. She urged fellow Republicans not to compromise their conservative principles, saying members ‘must 'expand' who we are, and not lose sight of what we stand for.’ ‘While the hurdle is high, working together, with candidates that aren't afraid to engage outside Republican circles, we can win,’ he said. ‘People, especially the young, like winners; let's go forth and multiply to set the stage to win again.’ [Sacramento Bee, [2/12/13](#)]

**The Orange County Register Reported That Harkey Said She Wanted To Be On The Board Of Equalization Because Reportedly She Was “Detail-Oriented” And “An Analysis Lover.”** “Harkey spent 30 years in corporate finance and banking and has an economics degree from UC Irvine. She said she wants the job because she is detail-oriented and is an analysis lover. Harkey, who lives in Dana Point, has a broad base of support, which she said is one of her strengths. She has a long list of endorsements, mostly Republicans. Shatatit has a modest list of endorsements, mostly local Democratic clubs.” [Orange County Register, [10/29/14](#)]

---

## **In February 2013, Harkey Filed Preliminary Papers To Run For The Board Of Equalization And Sponsored Events With The Board Of Equalization**

---

**February 2013: Harkey Filed Preliminary Papers To Run For The Board Of Equalization.** “In another campaign note, two area GOP legislators termed out in 2014, Sen. Mark Wyland of Carlsbad and Assemblywoman Diane Harkey of Dana Point, have filed preliminary papers to run for the state Board of Equalization in 2014.” [San Diego Union-Tribune, 2/2/13]

**October 2012: Harkey Sponsored A Board Of Equalization Events For Non-Profits.** “Individuals who manage or who are considering starting a nonprofit or exempt organization can find answers to many of their questions at the California State Board of Equalization's (BOE) Nonprofit and Exempt Organizations Tax Seminar on October 19th. The free seminar in Lake Forest is sponsored by BOE Vice Chair Michelle Steel, Assemblywoman Diane Harkey, Assemblyman Don Wagner, and Orange County Supervisor Patricia Bates. [...] ‘This is one of the most important seminars people of faith and those with non-profit status can attend to protect assets and contributions from conflicting with ever increasing government regulation and taxation,’ said Assemblywoman Diane Harkey.” [California State Board of Equalization, press release, [10/12/12](#)]

**September 2012: The Orange County Register Reported Harkey Was In A Three-Way Race For The Third District Seat On The Board Of Equalization For 2014.** “Individual investors' losses varied depending on which projects they bet on. A handful of projects ended as complete losses, while others continue to pay returns. One investor who is suing said his investments have lost 43 percent this year alone. The political stakes are high for Diane Harkey, who was first elected to the state Assembly in 2008 after earlier serving on the Dana Point City Council. She faces only token opposition in her bid for a third and final term in the Assembly in November. But she is locked in a three-way race with two other Republican legislators for the GOP-leaning Third District seat on the state Board of Equalization in 2014.” [Orange County Register, [9/17/12](#)]

**September 2013: Harkey Sponsored A Board Of Equalization Events For Non-Profits** “Nonprofit managers and others who have questions or want more information about state tax laws are invited to attend a free tax seminar in Lake Forest on Tuesday, September 17, 2013. California State Board of Equalization (BOE) Vice Chair Michelle Steel is sponsoring this free event with Assemblyman Donald P. Wagner, Assemblywoman Diane L. Harkey, and Lake Forest Mayor Scott Voigts. Representatives from the BOE, Employment Development Department, Franchise Tax Board, and the Attorney General’s Office, will offer informative presentations on sales and use taxes for nonprofits, compliance for exempt organizations, employment taxes and nonprofits, property tax exemptions, and regulations for charities.” [California State Board of Equalization, press release, [9/10/13](#)]

---

## **February 2014: Wyland Dropped Out Of The Race**

---

**February 2014: Wyland Dropped Out Of The Race.** “Sen. Mark Wyland has abandoned his pursuit of a seat on an important state tax board, bringing to an end an acrimonious primary campaign against rival Diane Harkey. Wyland of Solana Beach and Harkey of Dana Point were the two leading GOP candidates for the state Board of Equalization post representing the San Diego region. Wyland said he began having second thoughts about the campaign over the weekend following a celebration of life for his mother, a supporter of education who passed away last year.” [San Diego Union-Tribune, [2/28/14](#)]

---

## **Harkey Won A Seat On The State Board Of Equalization**

---

**Harkey Won A Seat On The State Board Of Equalization.** “Assemblywoman Diane Harkey, a Republican from Dana Point, beat Nader Shahatit, a Democrat from Highland and an auditor for the board.” [Los Angeles Times, [11/6/14](#)]

**Harkey Won A Seat On The State Board Of Equalization.** “The garnishment went to former investors in a company owned by Dan Harkey, Diane’s husband. As part of their ongoing effort to get some of the unpaid \$12.5 million judgment against him for breach of fiduciary responsibility, investors are going after the couple’s

community property. Nonetheless, voters decided Diane Harkey was a good person to handle their tax disputes, electing her in November to the state Board of Equalization. The investors' attorney says he'll be going after her paycheck from that office as well." [Orange County Register, [12/29/14](#)]

**June 2014: Harkey Proceeded To The General Election As The Second Highest Vote Getter.** "With all precincts reporting in the primary for the District 4 seat on the state Board of Equalization, Harkey, a Republican, had 33.9 percent of the vote and Democrat Nader Shahatit had 34.4 percent among the six candidates. The Board of Equalization administers California's sales, fuel, alcohol, tobacco and other taxes and collects fees that fund specific state programs. It also hears tax-dispute appeals. District 4 includes Orange, San Diego, Imperial and Riverside counties and part of San Bernardino County." [Orange County Register, [6/4/14](#)]

---

**By October 2014, Harkey Had \$195,000 In Outstanding Debt, Including \$100,000 She Loaned Herself**

---

**October 2014: Harkey's Campaign Had \$195,000 In Outstanding Debt, Including \$100,000 She Loaned Herself.** "The most startling campaign finance number in the Board of Equalization's 4th District race between Assemblywoman Diane Harkey, R-Dana Point, and Democrat Nader Shahatit, an auditor with the board, is Harkey's \$195,000 in outstanding debt with just \$25,000 cash on hand. (The debt includes \$100,000 she loaned her campaign). That debt may draw a smirk from investors who've been unable to collect the \$12.5 million judgment against Harkey's husband, Dan, and his bankrupt investment company for breach of fiduciary responsibility." [Orange County Register, [10/1/14](#)]

**Harkey Reportedly Took Money From Public Employee Unions.** "The county party, in what's been dubbed the Baugh Manifesto, announced in 2010 that it would no longer endorse local candidates who accepted public employee union contributions. The idea is to make sure officials don't feel beholden to unions when it's time to negotiate union contracts, particularly on the issue of pensions. [...] When told Nguyen would not be returning the money, Baugh was quick to point out that Nguyen isn't the first county GOP endorsee for partisan office to have taken union money since the dictum was established - Chris Norby for his 2012 Assembly campaign and Diane Harkey for her current tax board bid." [Orange County Register, [5/12/14](#)]

---

**Harkey Was Described As A "Taxpayer Advocate" On The Ballot**

---

**Harkey Was Described As A "Taxpayer Advocate" On The Ballot.** "Holding political office in Sacramento or Washington, D.C., just isn't enough for the more than two dozen politicians who have decided to go for what could be called 'incumbency plus' in their ballot designations, those short occupation descriptions that run under the candidate's name. [...] Fiona Ma, a former San Francisco supervisor and assemblywoman, is running for the state Board of Equalization as a 'CPA/Taxpayer Representative.' A pair of other candidates for seats on the board take that designation a step further. Republican Assemblywoman Diane Harkey of Dana Point Orange County and Van Tran, a former assemblyman from Orange County, both list themselves as 'Taxpayer Advocate.'" [San Francisco Chronicle, [4/15/14](#)]

**2014: Harkey Considered Bids For The State Senate As Well As Orange County Supervisor When She Was Already Running For Board Of Equalization**

---

**2013: Harkey Filed Papers To Run For State Senate And The Board Of Equalization In 2014**

---

**2013: Harkey Filed Papers To Run For State Senate And The Board Of Equalization In 2014.** "Diane Harkey, who is serving her third and final term in the state Assembly, has filed papers to run for the state Board of Equalization and the state Senate in 2014, though the former appears to be her main focus. She has scheduled a March 21 fundraiser for the Board of Equalization campaign." [Orange County Register, [2/15/13](#)]

---

**One Of Harkey's Consultants Said Harkey May Consider A Bid For Orange County Supervisor But That She Had Already Started Campaigning For Board Of Equalization**

---

**One Of Harkey's Consultants Said Harkey May Consider A Bid For Orange County Supervisor But That She Had Already Started Campaigning For Board Of Equalization.** "The candidates to replace south Orange County Supervisor Pat Bates are queuing up. Laguna Niguel Mayor Robert Ming announced his candidacy for the 5th District Board of Supervisors seat in an email sent to supporters. Frank Ury, a Mission Viejo councilman popular for his support of economic development, said he also is 'going for it.' State Assemblywoman Diane Harkey may consider a bid for the position, too, one of her consultants said, although Harkey already has started a campaign for the state Board of Equalization." [Orange County Register, [7/13/13](#)]

**Harkey's Consultant Pointed Out That Harkey Would Be One Of The Few Republicans To Hold A Statewide Constitutional Office If She Won The Board Of Equalization Seat.** "The candidates to replace south Orange County Supervisor Pat Bates are queuing up. [...] Harkey, R-Dana Point, could still choose to run for the open supervisorial seat, though her consultant Tim Clark said she already has 'tore it up' on a large fundraising campaign for the Board of Equalization race, he said. 'She's got a lot invested in (the BOE race),' Clark said, adding that winning that position would make her one of the few Republicans in a statewide constitutional office. But Clark said Harkey knows that if she enters the supervisor race, 'she would be a front-runner, even a strong front-runner.'" [Orange County Register, [7/13/13](#)]

---

## **2012: Harkey Ran For Re-Election In The State Assembly**

---

### **Harkey Had The Safest Republican District**

---

**HEADLINE: "South County Assembly Seat Shows 23-Point GOP Advantage"** [Orange County Register, [5/18/12](#)]

**Harkey Had The Safest Republican District.** "In Orange County, no state legislative race favors Republicans more than the 73rd Assembly District. The GOP has a 23 percentage point advantage in this rectangular-shaped district stretching from Dana Point and San Clemente to the Riverside County border. For incumbent Assemblywoman Diane Harkey, R-Dana Point, the numbers suggest a smooth ride in her contest with Democrat James Corbett of San Clemente." [Orange County Register, [5/18/12](#)]

---

### **Businesses For A Better San Clemente, A PAC For The San Clemente Chamber Of Commerce, Donated \$500 To Harkey**

---

**Businesses For A Better San Clemente, A PAC For The San Clemente Chamber Of Commerce, Donated \$500 To Harkey.** "Also filing a disclosure was Businesses for a Better San Clemente, a political-action committee of the San Clemente Chamber of Commerce, which reported spending \$7,000 in support of Dahl, \$4,000 in support of Mortenson and \$500 to support state Assemblywoman Diane Harkey's re-election campaign." [Orange County Register, [10/11/12](#)]

---

## **2008: Harkey Ran For State Assembly In Mimi Walters' Vacated Seat And Won**

---

**January 2007: Harkey Announced She Was Running For Mimi Walters' State Assembly Seat But That "It Was One Of Those Situations Where I Had To Make A Quick Decision. It Was Not Planned"**

---

**January 2007: Harkey Announced She Was Running For Mimi Walters' State Assembly Seat But That "It Was One Of Those Situations Where I Had To Make A Quick Decision. It Was Not Planned."** "Dana Point Mayor Diane Harkey announced she would run for Assemblywoman Mimi Walters' seat in the 73rd California State Assembly District in 2008. Harkey said Thursday that the decision came after her friend and Laguna Niguel City Councilwoman Linda Lindholm told her she would not run for Walters' seat for personal reasons. 'It was one of those situations where I had to make a quick decision,' Harkey said. 'It was not planned.'" [Orange County Register, [1/22/07](#)]



**Harkey Said That The Assembly Campaign Would Not Interfere With Her Duties As Mayor And That “City Council Is Not Intended To Be A Full-Time Job.”** “Harkey said her campaign would not impair her ability to serve the harbor city as mayor, adding that she did not shirk her duties as councilwoman during her Senate campaign. ‘I didn’t miss a beat,’ she said. ‘City Council is not intended to be a full-time job. I’m always involved. This is my home, and I’ll continue to be involved.’” [Orange County Register, [1/22/07](#)]

---

### **Harkey Celebrated Her Primary Victory At Mimi Walters’ Campaign Headquarters**

---

**HEADLINE: “Harkey Cruising To Easy Assembly Primary Win”** [Orange County Register, [6/3/08](#)]

**Harkey Celebrated Her Primary Victory At Mimi Walters’ Campaign Headquarters.** “Diane Harkey celebrated a double victory at Mimi Walters’ campaign headquarters Tuesday night as she was poised to take over the state Assembly seat that Walters is vacating -- and Walters was easily winning her primary battle for state Senate.” [Orange County Register, [6/3/08](#)]

**Harkey On Her And Walters’ Victories: “Today Is The Big Win And I Am Very Excited About It, And I Know Mimi Is Just Ecstatic.”** “‘I think it’s simply fabulous,’ Harkey said. ‘Today is the big win and I am very excited about it, and I know Mimi is just ecstatic. It is really good all around. The face of the Republican Party is changing a little bit.’” [Orange County Register, [6/3/08](#)]

**Harkey Defeated Her Primary Opponent With 74% Of The Vote.** “Harkey easily beat her Republican opponent, Mark Patlan, with 73.8 percent of the vote with all precincts reporting. Harkey said her district is predominantly Republican, meaning she’ll likely win in the November general election.” [Orange County Register, [6/3/08](#)]

---

### **Harkey Won A Seat To The State Assembly**

---

**Harkey Won A Seat To The State Assembly.** “Harkey, 57, was elected to the Assembly. She defeated Laguna Niguel Libertarian Andrew Favor and San Clemente Democrat Judy Jones. Harkey is a Dana Point councilwoman. She replaces Assemblywoman Mimi Walters, who is moving on to the state Senate.” [Orange County Register, 11/5/08]

---

### **July 2007: Five Member Of Congress, Seven State Senators, 17 Assembly Members, Three County Supervisors, And 47 Councilmembers Had Endorsed Harkey**

---

**July 2007: Five Member Of Congress, Seven State Senators, 17 Assembly Members, Three County Supervisors, And 47 Councilmembers Had Endorsed Harkey.** “It’s worth pointing out that not everyone shares Grunor’s disgust. The Harkey for Assembly endorsement list includes five Congressmen, seven state senators, 17 Assembly members, three county supervisors, and 47 council members.” [Orange County Register, [7/8/07](#)]

---

### **2006: Harkey Ran For State Senate**

---

### **Harkey Announced She Was Running For State Senate In A Special Election After She Was Approached By “Individuals High Up In The Republican Party Who Thought That I Would Be A Great New Fresh Face”**

---

**October 2005: Harkey Announced She Was Running For State Senate In A Special Election To Replace State Senator John Campbell.** “Councilwoman Diane Harkey announced Tuesday that she is opening a State Senate Committee to explore running for the 35th Senate District to replace state Sen. John Campbell. Aside from the City Council, where Harkey has been serving for the last year, this would be the second political position she is seeking. ‘I think that’s what will make me unique. I am not entrenched in Sacramento thinking,’ she said. ‘I’ll be a fresh face, I will have some new ideas. It surprised me that I was being encouraged to do this.’” [Orange County Register, [10/27/05](#)]



**Harkey Said That She Would Continue Campbell's Work To "Fight Taxes, Fight Out-Of-Control State Spending, Fight Illegal Immigration And Work To Find Solutions To Real Issues Affecting People's Everyday Lives Around The State."** "Now comes Dana Point Councilwoman Diane Harkey, vowing that she 'will continue what (Campbell) has started -- fight taxes, fight out-of-control state spending, fight illegal immigration and work to find solutions to real issues affecting people's everyday lives around the state.'" [Orange County Register, 10/31/05]

**Harkey's Announcement Surprised Her Fellow Councilmembers.** "Her colleagues on the City Council, who heard the news this week, apparently weren't among them. 'I'm still kind of in shock,' Councilman Russ Chilton said. 'I would like to hear it from her first.' Chilton said he'd be inclined to support Harkey's campaign, but would like to learn more about it. 'She's doing a good job at City Council, I don't see why she wouldn't do a good job at the Senate level,' he said. 'If she follows through, I wish her the best of luck and I'm sure she'll do fine.' Mayor Pro Tem Lara Anderson also said she was surprised. 'We need more Republican women at higher levels of government and especially in the state Senate where there aren't any Republican women,' Anderson said. 'She's a tough campaigner. If she works hard and is willing to spend what it takes, she could be the one to beat.'" [Orange County Register, [10/27/05](#)]

**Harkey Said She Was Approached By "Individuals High Up In The Republican Party Who Thought That I Would Be A Great New Fresh Face."** "Harkey said she was approached with the idea about three weeks ago, but didn't specify who was behind the encouragement. 'It was individuals high up in the Republican Party who thought that I would be a great new fresh face,' she said. Harkey said she has discussed the idea with a lot of people before making the decision." [Orange County Register, [10/27/05](#)]

**Orange County Register: "Dana Point City Councilwoman Diane Harkey Is The Darling Of The GOP Establishment."** "Forget policy if you want to see the biggest differences between the two Republicans in Tuesday's special election for the 35th state Senate District. The stark distinctions: Dana Point City Councilwoman Diane Harkey is the darling of the GOP establishment, and has given her own campaign more than \$550,000. Huntington Beach Assemblyman Tom Harman is more experienced but less loved by the GOP, and is getting help from labor unions in trying to reduce Harkey's financial advantage. While the fierce attack mailers debate who's the toughest on taxes and immigration, the positions of Harman and Harkey are remarkably similar." [Orange County Register, [4/5/06](#)]

**The Special Election Was To Be Held In April 2006.** "Orange County's string of special elections will continue April 11 with a primary to fill the state Senate seat vacated by John Campbell, who was sent to Congress in a special election earlier this month. Gov. Arnold Schwarzenegger announced that the general election for that seat and for the San Diego congressional seat vacated by confessed felon Randy ``Duke' Cunningham will be June 6, coinciding with the regularly scheduled statewide primary. Schwarzenegger could have called for an earlier date but consolidation with the June polls will be less costly." [Orange County Register, 12/16/05]

**The Decision To Have The Special Election Later Would Have Benefited Harkey As She Said, "The More Time I Have, The More Of A Campaign I Can Run And The Better Chance I Have For Success."** "Schwarzenegger's decision not to call an earlier election gives Harkey more of a chance to establish herself with voters. 'The more time I have, the more of a campaign I can run and the better chance I have for success,' said Harkey, also a Republican. GOP voters heavily outnumber Democrats in the district, meaning that the GOP winner of the primary becomes the strong favorite to win in June. The district extends from Seal Beach to Dana Point." [Orange County Register, 12/16/05]

---

## **Harkey Faced A Local Assemblymember, Tom Harman, And Outraised Him**

---

**Harkey Faced Local Assemblymember Tom Harman In The Primary Election.** "I would have personally preferred an earlier election, just to get it over with,' said Assemblyman Tom Harman, R-Huntington Beach, one of two declared Senate candidates so far. 'But I support the governor's decision and it will save money.' Harman has served in the Assembly for five years and has far greater name recognition in the district. The other candidate so far, Dana Point Councilwoman Diane Harkey, can afford a strong campaign with her own funds and has already

brought in several key endorsements -- including those of Campbell and the four Republican county supervisors.” [Orange County Register, 12/16/05]

**Harkey’s Opponent Had Fewer Endorsements, Less Money, And A Third As Many Mailers.** “Assemblyman Tom Harman (R-Huntington Beach), with six years in the Legislature and six on the Huntington Beach City Council, has found himself on the defensive. He has fewer endorsements, less campaign money and a third as many voter mail-outs as those produced by his Republican opponent, Dana Point Councilwoman Diane Harkey.” [Los Angeles Times, [3/27/06](#)]

---

### **Harkey Sent Out The First Mailers, Which Reportedly Set The Negative Tone Of The Campaign**

---

**Harkey Sent Out The First Mailers, Which Accused Her Opponent Of Being Too Liberal And Set The Tone Of The Campaign.** “The tone of the campaign was set early, with Harkey's campaign sending out the first mailers, accusing Harman of being too liberal for the conservative district. Republicans outnumber Democrats there by 100,000 voters.” [Los Angeles Times, [4/12/06](#)]

**The Orange County Register Reported Harkey Was Using The “John Campbell Approach” To The Election By Focusing On Mailing To Republican Voters.** “Diane Harkey is using the John Campbell approach to Tuesday's election, mailing early and often to likely Republican voters and encouraging them to cast absentee ballots. It worked for Campbell so well that he was able to sail to victory in his special congressional election despite weak showings on Election Day.” [Orange County Register, [4/10/06](#)]

**March 2006: Harkey Had Sent Out Twenty Mailers.** “Harkey has sent out 20 mailers introducing herself to voters and announcing her endorsements, including that of Campbell, most of the county's congressional and legislative representatives, and some conservative favorites -- state Sen. Tom McClintock and the Howard Jarvis Taxpayers Assn.” [Los Angeles Times, [3/27/06](#)]

**Six Of Harkey’s Mailers Criticized Her Opponent For Taxing Diapers, Increasing Smog Fees On SUVs, Increasing The Gas Tax, And Eliminating A Two-Thirds Vote Requirement For Raising Taxes.** “Six of the mailers criticized Harman for supporting bills that would have taxed disposable diapers, added \$3,500 in smog fees to the cost of SUVs, increased the gas tax and eroded the two-thirds vote requirement for raising taxes.” [Los Angeles Times, [3/27/06](#)]

**One Of Harkey’s Mailers Criticized Her Opponent For Supporting In-State Tuition For Undocumented Immigrations.** “Other mailers have focused on Harman's support for several bills to assist immigrants in the country illegally. In one vote, Harman supported a controversial -- and successful -- bill that granted state-resident college fee status for some illegal immigrants who graduated from California high schools.” [Los Angeles Times, [3/27/06](#)]

**March 2006: Harkey Had Sent Out At Least Ten Mailers.** “Harman, an assemblyman, has a large advantage in name identification compared with second-year Dana Point Councilwoman Harkey, but that edge may be shrinking as Harkey has sent out at least 10 mailers and is advertising on cable television. Harman has yet to open his campaign to full throttle. The race is to fill the seat vacated by John Campbell when he was elected to Congress in December.” [Orange County Register, [3/7/06](#)]

**February 2006: Harkey Sent Out Eight Mailers To Catch Up With Her Opponent’s Name Recognition.** “Diane Harkey is expected to have the upper hand in fundraising for the 35th Senate District race, where a special election is scheduled for April 11 to fill the seat vacated when John Campbell was elected to Congress. Indeed, Harkey -- who may spend as much as \$500,000 from her own bank account -- has already sent out eight mailers in an effort to catch up with the superior name recognition of another Republican, Assemblyman Tom Harman. Harman's five years in the Legislature and six years on the Huntington Beach City Council compare to Harkey's 15 months on the Dana Point City Council.” [Orange County Register, 2/27/06]

---

## **2006: Harkey's State Senate Primary Opponent Attempted To Tie Tax Liens Against Harkey's Husband's Company Onto Harkey**

---

**2006: Harkey's State Senate Primary Opponent Attempted To Tie Tax Liens Against Harkey's Husband's Company Onto Harkey.** "One thing it will do, though, is help continue to circulate the idea that Harkey hasn't paid her taxes on time. Harman himself tried that in a mailer, and was officially admonished by the county GOP because the tax liens were actually against Harkey's husband's company, of which Diane Harkey has no official interest. So while Harman has had to cease that line of attack, the Pechanga Band is beyond the reach of such admonishment." [Orange County Register, 4/3/06]

**Harkey Blamed The Liens The Recession In The 1990s.** "Last week, Harman began airing a cable TV ad faulting Harkey for having had unpaid tax liens. She blamed the liens on setbacks from the 1990s recession that hurt her husband's business. She said all the liens were paid." [Los Angeles Times, [3/27/06](#)]

---

## **A Costa Mesa Councilmember Who Voted To Allow Costa Mesa Police To Enforce Federal Immigration Law Hosted A Fundraiser For Harkey, Which Drew Protests**

---

**A Costa Mesa Councilmember Who Voted To Allow Costa Mesa Police To Enforce Federal Immigration Law Hosted A Fundraiser For Harkey, Which Drew Protests.** "Costa Mesa would be the first city in the country to enable its police to directly enforce immigration law. The Orange County Sheriff's Department is working on a similar plan, which the coalition also opposes. Garden Grove is studying whether it needs a similar plan. The activists said they believe this policy is just a first step toward more enforcement, based on Mayor Allan Mansoor's original plan to allow all patrol officers to check the legal status of anyone they come into contact with during their normal duties. City Councilman Gary Monahan, who voted in favor of the policy, said support for his decision from the community has been 'phenomenal.' 'There is no chance I am changing my mind about this,' Monahan said. On Wednesday, about a dozen opponents of the policy protested at Monahan's Costa Mesa business, Skosh Monahan's Steakhouse & Irish Pub. Monahan was hosting a fundraiser for state Senate candidate Diane Harkey. There also were a handful of counter-protesters, he said." [Orange County Register, [2/3/06](#)]

---

## **Initial Election Results Had Harkey And Her Opponent Separated By Less Than A Percentage Point And Harkey Lost The Primary Election By 235 Votes**

---

**Initial Election Results Had Harkey And Her Opponent Separated By Less Than A Percentage Point.** "A relative political novice and a veteran state lawmaker were locked in a tight race early Wednesday to advance to a run-off with the lone Democratic candidate in a special election for a state Senate seat in the traditionally conservative 35th District. Returns showed the two GOP rivals state Assemblyman Tom Harman and Dana Point City Councilwoman Diane Harkey neck-and-neck, with less than a percentage point separating them. Harman, a six-year Assembly veteran, had 38.8 percent, while former banker Harkey had 38.2 percent. The lone Democrat, public school teacher Larry Caballero, was in third place with 23 percent of the vote." [Associated Press, 4/12/06]

**Harkey's Spokesman Said Harkey's Campaign Would Call For A Recount.** "The outcome of a special election for a state Senate seat could come down to about 650 provisional votes. Republican state Assemblyman Tom Harman was ahead of GOP rival Diane Harkey by less than a percentage point Wednesday, a day after voters went to the polls in the 35th District, a traditionally conservative area about 30 miles south of Los Angeles. [...] With all precinct votes counted and more than 9,000 additional ballots counted Wednesday, Harman, a six-year Assembly veteran, had 38.8 percent of the vote. Harkey, a member of the Dana Point City Council, had 38.5 percent. [...] Harkey spokesman Scott Hart said the campaign would wait for the vote count to be complete before deciding what to do. The campaign could eventually call for a recount." [Associated Press, 4/13/06]

**Harkey Lost The Primary Election By 235 Votes.** "Republican state Assemblyman Tom Harman beat GOP rival Diane Harkey by just 236 votes to move into a June run-off for an Orange County seat in the state Senate, but Harkey's campaign said she would ask for a recount. More than 98,000 ballots were cast in the 35th District, and Harman, a six-year Assembly veteran, had 37,840 votes, or 38.8 percent. Harkey, a member of the Dana Point City

Council, had 37,604, or 38.5 percent. The lone Democrat, public school teacher Larry Caballero, was in third place with 22,176, or 22.7 percent.” [Associated Press, 4/14/06]

---

### **Harkey Pushed For A Recount Of The Election**

---

**Harkey: “We’re Definitely Going For A Recount.”** “Assemblyman Tom Harman was declared the Republican nominee for an open Orange County state Senate seat Thursday while rival GOP candidate Diane Harkey said she would ask for a recount next week. Harman, of Huntington Beach, defeated Harkey, a Dana Point councilwoman, by just 236 votes out of 98,344 ballots cast. He now heads to a June 6 runoff election with Democrat Larry Caballero, a La Palma teacher. Only a recount stands in Harman’s way. ‘We’re definitely going for a recount,’ Harkey said after spending more than two hours monitoring the last ballots to be counted from Tuesday’s election.” [Los Angeles Times, [4/14/06](#)]

**The Recount Cost The Harkey Campaign \$2,000 A Day And Was Expected To Take Four Or Five Days.** “A recount of last week’s special election in Orange County’s 35th Senate District that was decided by 236 votes is scheduled to begin tomorrow morning, Acting Registrar of Voters Neal Kelley said. The recount was requested by Dana Point Councilwoman Diane Harkey, who received 37,604 votes, 38.5 percent of the total, to 37,840 for Assemblyman Tom Harman, R-Huntington Beach, or 38.8 percent in last Tuesday’s special election. A ‘full manual recount’ will begin at 9 a.m., Kelley said. The recount, which Kelley called ‘very labor intensive,’ will cost the Harkey campaign \$2,000 a day and is expected to take four or five days, Kelley said.” [City News Service, 4/18/06]

**The Recount Took Two Weeks.** “The strength of Harman’s support among Vietnamese voters emerged from a recount of the April 11 special primary election paid for by his Republican opponent, Diane Harkey, a Dana Point city councilwoman who narrowly lost. After a two-week hand recount was completed Friday, Harman’s 236-vote lead had dipped to 225 out of about 98,000 votes cast.” [Los Angeles Times, 4/29/06]

---

### **Harkey Lost The Recount By 225 Votes, With Vietnamese Voters Having Played A Key Role In Putting Harman Over The Finish Line**

---

**Harkey Lost The Recount By 225 Votes.** “Assemblyman Tom Harman eked out his narrow state Senate victory this month, thanks to a huge advantage among absentee ballots in Vietnamese. With a recount officially completed Friday, Harman’s margin over Dana Point Councilwoman Diane Harkey shrunk slightly from the original count of 236 votes to the recount total of 225 votes. That’s still enough to make him the Republican nominee over Harkey, and send him to the June 6 general election for the 35th state Senate seat against underdog Larry Caballero, a Democrat.” [Orange County Register, [4/28/06](#)]

**Vietnamese Voters Played A Key Role In Harkey’s Defeat.** “The strength of Harman’s support among Vietnamese voters emerged from a recount of the April 11 special primary election paid for by his Republican opponent, Diane Harkey, a Dana Point city councilwoman who narrowly lost. After a two-week hand recount was completed Friday, Harman’s 236-vote lead had dipped to 225 out of about 98,000 votes cast. But the most startling result came from a review of nearly 3,000 non-English absentee ballots that were cast, most of which were printed in Vietnamese. Among those ballots, Harman was the runaway winner, surpassing Harkey by 773 votes.” [Los Angeles Times, 4/29/06]

**Harkey Spent No Money On Vietnamese-Language Campaigning.** “\*Diane Harkey, a little-known Dana Point councilwoman, shells out \$800,000 of her own money to run against Assemblyman Tom Harman in a special election to fill a vacant state Senate seat. A recount leaves her 225 votes behind Harman. Without the foreign-language ballots cast by Vietnamese-Americans, Harman would have lost. Harkey spent no money on Vietnamese-language campaigning.” [Orange County Register, [1/1/07](#)]

---

### **Harkey Dropped A Lawsuit To Validate 1,000 Absentee Ballots**

---



**Harkey Dropped A Lawsuit To Validate 1,000 Absentee Ballots.** “Harkey said she was tired but upbeat. She noted that with virtually no name recognition throughout the district at the outset of the race, she nearly won. ‘It was an absolutely fabulous campaign,’ she said. On Friday, she dropped a lawsuit she filed last week in an effort to validate more than 1,000 absentee ballots that arrived at the elections office after Election Day.” [Orange County Register, [4/28/06](#)]

**Harkey’s Opponent Made A Legal Fund In Response To Harkey’s Lawsuit.** “Eleven current and former officeholders have legal defense funds, which allow them to avoid contribution caps and raise unlimited amounts of money for legal expenses. Here are the amounts raised and spent in the funds and why the politicians say they formed them. [...] Sen. Tom Harman, R-Huntington Beach Contributions: \$50,538 Expenses: \$60,388 Legal Woes: Sued by challenger Diane Harkey in 2005 special election over election irregularities” [Sacramento Bee, [4/23/07](#)]

---

**Harkey Chose Not To Abide By Spending Limits And By The End Of the Campaign, Harkey Had Spent \$936,000 Of Her Own Money For The Campaign**

---

**Harkey Declined To Abide By Spending Limits.** “Harman was out of town with his wife, Diane, and couldn't be reached Thursday for comment. But his campaign spokeswoman, Jennifer Jacobs, said they knew the race would be close and concentrated on voters casting absentee ballots, which accounted for nearly 75% of the turnout. ‘We battled hard for the absentees and we had a ballot statement,’ she said, referring to campaign materials mailed to voters that included an official statement from Harman but none from Harkey. Candidates got statements if they agreed to abide by spending limits; Harkey declined and ultimately spent more than \$700,000 of her own money.” [Los Angeles Times, [4/14/06](#)]

**California Offered Candidates To Abide By Spending Limits In Exchange For The Chance To Purchase Space On Sample Ballots.** “State candidates may voluntarily accept expenditure limits for elections. They must declare on the Candidate Intention Statement (Form 501) whether they accept the voluntary expenditure ceiling established for each election. Candidates who accept the ceiling are designated in either the state ballot pamphlet (statewide candidates) or the voter information portion of the sample ballot (Senate and Assembly candidates) and may purchase space in the sample ballot to place a 250-word statement. The voluntary expenditure ceilings are effective for elections held between January 1, 2017 and December 31, 2018. To view a printable version of the chart below, click here.” [California Fair Political Practices Commission, accessed [1/29/18](#)]

**Harkey May Have Been Hurt By Not Abiding By Spending Limits As She Was Unable To Have An Official Ballot Statement.** “Elections lawyer Benjamin G. Davidian, who represented Harman in the recount, said Harkey suffered by not having an official ballot statement. Harman had a statement in election materials sent to every voter because he agreed to campaign spending limits that Harkey said would have hurt her ability to communicate to voters.” [Los Angeles Times, [4/29/06](#)]

**Harkey Said She Did Not Regret Forgoing The Spending Limit Of \$680,000.** “Given the short, three-month campaign and an uphill battle to make herself known against a six-year legislative incumbent, ‘We did everything we could,’ she said. ‘Could we have done more had we known? Well, who would have known?’ Harkey said she had no regrets about forgoing a ballot statement to avoid a campaign spending cap of \$680,000. She contributed nearly \$800,000 to her campaign, which spent an additional \$250,000 from donors. Harman spent about half that.” [Los Angeles Times, [4/29/06](#)]

**April 2007: At The End Of The Campaign, Harkey Put In \$936,000 In Her Campaign.** “Diane Harkey is giving a textbook performance of how to clear the field for a state legislative race. She wants to replace Assemblywoman Mimi Walters, who'll be termed out next year (unless voters are charmed into extending term limits in the February election). Harkey, currently mayor of Dana Point, comes to the table with these assets: \*She has her own dough and isn't shy about throwing it around -- she dropped \$936,000 in her failed state Senate race last year.” [Orange County Register, [4/9/07](#)]

**HEADLINE: “Harkey Outspends Harman In 35th Senate Race”** [Orange County Register, [3/31/06](#)]

**HEADLINE: “Harkey Leads Campaign Spending”** [Orange County Register, [3/7/06](#)]

**At The Start Of The Campaign, Harkey Said She Would Commit \$500,000 Of Her Own Money, Said She Would Raise Another \$500,000, And Said She Would Fight Taxes, Spending, And Illegal Immigration.**

“Harkey said she is committing \$500,000 of her own money to the campaign. She expects to raise another \$500,000. If she wins, Harkey -- who said she admires Campbell's work and recently hosted a meet and greet for him in her home -- said she hopes to continue in his footsteps in fighting taxes, out-of-control state spending, and illegal immigration, among other projects. She will rely on her banking and lending background to do the job.” [Orange County Register, [10/27/05](#)]

---

**Harkey Used The Same Campaign Consultant As Assemblyman Campbell, Whose Vacated Seat She Sought**

---

**Harkey Used The Same Campaign Consultant As Assemblyman Campbell, Whose Vacated Seat She Sought.**

“If last year's O.C. special elections are an indication, most of the ballots in Tuesday's polling to fill the vacant 35th state Senate seat have already been cast. And if Dana Point Councilwoman Diane Harkey is to have a chance against Assemblyman Tom Harman when walk-in ballots start being cast, she's probably going to have to be well ahead on the absentee ballots already completed. [...] John Campbell focused on absentee ballots, getting 52 percent of those votes each time. This carried him to victory, being outpolled among the walk-in ballots each time. Harkey, who is vying with Harman for the Republican nomination (or an outright win in the unlikely event she gets more than 50 percent of the total vote), is using the same strategy and campaign consultant as Campbell.” [Orange County Register, [4/10/06](#)]

**Scott Hart Was Harkey's Campaign Manager.** “‘It's saturation by now,’ said Harkey campaign manager Scott Hart, who scrambled over the weekend to respond to the surge of pro-Harman mail. ‘These groups only support Democrats and liberal Republicans,’ Hart said of the tribe and the California Correctional Police Officers Assn. ‘If he's the conservative candidate, as he claims, why are they backing him?’” [Los Angeles Times, [4/4/06](#)]

---

**Harkey Originally Endorsed Councilman Mike McGill For Her General Election's Assembly Seat, Who Was Against Supervisor Jim Silva For The Assembly Seat But Changed Her Endorsement To Support Silva**

---

**HEADLINE: “Harkey Dealing In Endorsement Shuffle”** [Orange County Register, [1/2/06](#)]

**Harkey Originally Endorsed Councilman Mike McGill For Her General Election's Assembly Seat, Who Was Against Supervisor Jim Silva For The Assembly Seat.**

“35th Senate District candidate Diane Harkey seemed on her way to racking up Republican establishment endorsements despite being relatively unknown in politics -- especially compared to her principal opponent, Assemblyman Tom Harman, R-Huntington Beach. Then we noticed that one of her own endorsements -- in the race to replace the termed-out Harman -- went to Cypress Councilman Mike McGill. That would seem to put her at odds with another candidate in that Assembly race, county Supervisor Jim Silva.” [Orange County Register, [1/2/06](#)]

**Harkey Said She Endorsed McGill Before She Knew Silva Was Running And Then Switched Her Endorsement To Silva, Who Had Several Endorsements From Member Of Congress And Legislators.**

“Silva has just the type of endorsement list Harkey would like, including seven GOP congressmen and nine state legislators. How likely are they to join the Good Ship Harkey if she's cheering on McGill? Probably a little more likely than it might seem. Harkey told us that she endorsed McGill, whom she's known for years, before she knew Silva was running -- and asked McGill last summer to remove that endorsement, although it remains on his Web site. She has since endorsed Silva. ‘Jim Silva has been very helpful to me,’ she said. ‘Jim has a long voting record and it's very conservative.’” [Orange County Register, [1/2/06](#)]



**2004: Harkey Won A Seat On The Dana City Council And Claimed That After Meeting With A Local Developer, She Was Motivated Her To Run As She Realized “How Controlled The City Was”**

**2004: Harkey Ran For Dana Point City Council And Said She Would Not Accept Special Interest Campaign Contributions From Large Developers**

**August 2004: Harkey Ran For Dana Point City Council.** “The city of Dana Point on Tuesday listed in the following order, the five candidates for two on the five-member Dana Point City Council in the November election. The candidates include: Lara Anderson, Diane Harkey, April O'Connor, Greg Powers, and Joe Snyder. Councilman William Ossenmacher and Mayor Joe Snyder, who is running for reelection to the council, currently hold the seats that will be run for in the election. It would be the first time on the council for the other candidates running for the office.” [Orange County Register, 8/12/04]

**In Her Candidate Statement, Harkey Said She Was The Only Candidate Who Had “Business, Finance, And Real Estate Knowledge.”** “As we move forward it will be absolutely mandatory that we are represented by someone with business, finance and real estate knowledge, since these are the areas where the council will exercise judgment. Will we be forced to rely on out-of-town developers to guide us, or should we elect one of our own to represent us? I am the only candidate (if elected, will be the only council member) who offers that experience, and I have a proven track record of dedication and commitment working for you, the people of Dana Point.” [Orange County Register, 8/19/04]

**In Her Candidate Statement, Harkey Said She Would Not Accept Special Interest Campaign Contributions From Large Developers.** “I will not accept Headlands or other large developer special interest campaign contributions. I will be a free-agent, working to protect your interests with regard to traffic, property rights, zoning code establishment and enforcement, and finding solutions to improve our disastrous beach pollution. I will keep myself educated on water issues, illegal immigration, our schools, and state budget, so that I may represent our city on all matters affecting our lives now and in the future. I have a degree in Economics, and a 25+ year career in corporate and real estate lending predominately with BofA. Dan and I have one daughter Jaelyn, 20 years old.” [Orange County Register, 8/19/04]

**The Orange County Register Reported That None Of Harkey’s Money Came From Development Companies.** “Diane Harkey and Lara Anderson, candidates for the Dana Point City Council, spent a combined total of \$131,000 on their campaigns, according to campaign statements ending Oct. 16. Candidate April O'Connor spent \$26,477 directly on her campaign, and candidate Joe Snyder, who ran separately, spent \$12,829. None of the money came from development companies. Because of reporting errors, the amounts were incorrect in a story in the News section of the Nov. 4 edition of the Register, and the Register incorrectly reported that O'Connor and Snyder together outspent Harkey and Anderson. O'Connor, a Dana Point Planning Commission member, did not receive direct contributions of more than \$250 from persons who had projects pending before the commission during the prior 12 months.” [Orange County Register, 11/28/04]

**Harkey Claimed She Went To A Local Developer To Get His Support But He Turned Her Down, Which Motivated Her To Run As She Realized “How Controlled The City Was” After That Meeting**

*NOTE: Further research into Harkey and her relationship with Edwards and his Headlands development project can be found in Ethics.*

**Harkey Claimed She Was Motivated Her To Run After A Local Developer Declined To Support Her Bid As She Realized “How Controlled The City Was” After That Meeting.** “Harkey said she decided to run after meeting with Edwards to seek his support. He told her that he had already picked his candidates, she said, and offered to help her land a seat on the planning commission if she didn't run -- a contention Edwards denied. ‘I guess I didn't realize until then how controlled the city was,’ said Harkey, a retired banking executive who worked with Security Pacific, Bank of America and Guaranty Bank, based in Texas. Harkey has spent the most by far in

the council race, which also includes businesswoman Lara Anderson and planning commissioner Greg Powers.” [Los Angeles Times, [10/13/04](#)]

**2004: Sanford Edwards, A Local Developer, Formed An Independent Expenditure Committee To Support City Council Candidates As He Sought To Pursue A Development Project.** “This year, two South County developers have formed independent expenditure committees to buy campaign signs and banners in support of two incumbent council candidates and mail brochures attacking a third. In the 2002 council race, the same developers -- Sanford Edwards of Dana Point and Makallon Resorts of Newport Beach -- gave \$70,000 out of a total \$125,000 in contributions to four independent campaign committees. The money helped elect James V. Lacy and Russ Chilton. [...] Edwards has been a lightning rod in the coastal community because of his plan to develop the Headlands, a majestic bluff above the ocean in Dana Point. In January, he won approval from the California Coastal Commission to build 125 homes, a 90-room beachside inn and a 35,000 square-foot shopping mall on 53 acres of the promontory. An additional 68 acres will remain open space, with 28 acres set aside as a conservation area.” [Los Angeles Times, [10/13/04](#)]

---

#### **2004: Harkey Won A Seat On The Dana Point City Council**

---

**2004: Harkey Won A Seat On The Dana Point City Council.** “The big spenders lost out in this seaside town. Diane Harkey and Lara Anderson, who between them shelled out a small-potatoes \$49,000 on their City Council campaigns, were celebrating their wins Wednesday. And Mayor Joe Snyder and slate-mate April O'Connor, who spent \$150,000 in developer contributions, were dealing with defeat.” [Orange County Register, 11/4/04]

**Harkey On The Amount Of Money Spent In The City Council Election: “I Had I Had Faith That The People Of Dana Point Would See Through Things.”** “This year's race was for the council of one of the smallest but most densely populated cities in Orange County (about 6 square miles and about 36,000 people). But it featured the most spending. The total is about \$250,000 and counting -- more of any other city in Orange County. ‘I believe that if people get information without spin, just get the facts, that they can make good decisions.’ Harkey said of her win. ‘People are smarter than the politicians and the media make them out to be. I had I had faith that the people of Dana Point would see through things.’” [Orange County Register, 11/4/04]

---

#### **February 2005: In The City Council Race, Harkey Spent \$173,000 And Loaned Herself \$137,000 And Said She Would Not Raise The Full Amount She Loaned And That “You Just Write It Off And Say Adios.”**

---

**HEADLINE: ‘Council Seats Don't Come Cheap; Harkey Leads The Pack, Having Spent An Average Of \$22 For Each Vote Received.’** [Orange County Register, 2/24/05]

**February 2005: In The City Council Race, Harkey Spent \$173,000 And Loaned Herself \$137,000 And Said She Would Not Raise The Full Amount She Loaned And That “You Just Write It Off And Say Adios.”** “But Harkey said this week she won't try to raise the full \$137,000 she loaned her campaign. ‘You just write it off and say adios,’ she said. ‘I feel like I made an investment in the community.’ Harkey said she may have one spring fundraiser that could bring in up to \$25,000 but that would be it. Each of the candidates spending breaks down as such: Harkey spent about \$173,000; O'Connor spent \$47,211; incumbent Snyder spent \$28,807; Lara Anderson spent \$14,849; and planning commissioner Greg Powers spent \$12,705.” [Orange County Register, 2/24/05]

**Harkey Said She May Have One Fundraiser In The Spring To Bring In \$25,000 But Said That Would Be It.** “Harkey said she may have one spring fundraiser that could bring in up to \$25,000 but that would be it. Each of the candidates spending breaks down as such: Harkey spent about \$173,000; O'Connor spent \$47,211; incumbent Snyder spent \$28,807; Lara Anderson spent \$14,849; and planning commissioner Greg Powers spent \$12,705.” [Orange County Register, 2/24/05]

**The President Of The Center For Government Studies Said That Harkey's Loan “Certainly Raises A Political Question” As “People Won't Know Before The Election (Past) Who Her Contributors Are.”** “Bob Stern, president of the Center for Governmental Studies in Los Angeles, compared the sizable sums to a similar

race in Santa Monica, where candidates spent \$370,000 to win a council seat in a city of 100,000 residents -- or nearly three times the size of Dana Point. [...] In the Dana Point race, Diane Harkey, a former banker and real estate consultant, defeated planning commissioner April O'Connor and incumbent Mayor, Joe Snyder, loaning herself \$137,000 to wage her campaign. The sizable loan is legal, Stern said, but dubious. 'It certainly raises a political question,' Stern said. 'Now, she will go out and fundraise and there is something wrong with that, because people won't know before the election (past) who her contributors are.'" [Orange County Register, 2/24/05]

**September 2004: Harkey Said She Was Funding Her Campaign.** "The Capistrano Beach Community Association hosted a Dana Point City Council Candidate Forum on Saturday, Aug. 21, at Sunset Park. Acting Association President, Glenn Brumage moderated the forum. The candidates responded to various questions. According to residents that attended the event, on the subject of campaign finance, the candidates, (in the order they appear in this week's Dana Point News questionnaire) stated the following: Diane Harkey stated that she is funding her campaign." [Orange County Register, 9/2/04]

---

### **Harkey Said That The City Of Dana Point Should Fund Non-Profits That Benefited The City But Opposed Council Members Donating Funds To Non-Profits To Benefit Them Politically**

---

**Harkey Said That The City Of Dana Point Should Fund Non-Profits That Benefited The City But Opposed Council Members Donating Funds To Non-Profits To Benefit Them Politically.** "Yes, I think the City should help fund non-profits that benefit Dana Point, providing that it is the City and not the council member who is 'perceived' as the donor of the funds. What do I mean by this? Currently under Policy 116, approved by the present City Council, each council member is allowed to allocate up to \$10,000 for donations to non-profits that they would like to support (or a total of \$50,000 per year for 5 council members) with a majority council vote. In other words, they are allowed to use your tax dollars to curry favor, support or endorsements for potential political gain in lieu of efforts or donations of their own. [...] To summarize, I encourage funding of non-profits by the City for organizations that benefit our community, and I especially encourage individuals to donate their time and/or money to these groups. However, no one should achieve personal benefit from spending your tax dollars, except you. ([www.diane4dp.com](http://www.diane4dp.com))" [Orange County Register, 9/2/04]

---

### **Harkey Supported The Creation Of A Citizen Beach Commission And A Citizen Parks Commission To Keep The Beaches Clean And Expand Recreation Facilities**

---

**Harkey Supported The Creation Of A Citizen Beach Commission And A Citizen Parks Commission To Keep The Beaches Clean And Expand Recreation Facilities.** "First, clean up the beaches - the reason most of us chose to live here. Those of us who are long-time residents recall bringing our children to the 'Baby Beach,' grabbing a hot dog for lunch, and then touring the Marine Institute (aka: Ocean Institute). [...] We also need to constantly access if what we are paying for is working. We need a citizen Beach Commission. We could also use a pool and recreation facilities for children beyond the tot-lot years. A citizen Parks Commission could help formulate a plan of action." [Orange County Register, 10/14/04]

## **Board Of Equalization**

---

### **Temporary Tax Relief For Businesses Affected By Fires And Storms**

---

---

#### **Harkey Supported Providing Temporary Relief To Businesses Affected By Storms In Riverside County**

---

**Harkey Supported Providing Temporary Relief To Businesses Affected By Storms In Riverside County.** "Riverside County businesses impacted by the recent storms may qualify for various fee and penalty waivers, state officials announced today. The California Board of Equalization approved a temporary relief program under which proprietors who suffered damage or major interruptions to their business can apply to be spared fees, interest charges and other penalties that might otherwise accrue for not submitting their quarterly tax payments to the state on time. Applicants may also be exempt from paying for copies of tax records. 'We wanted to provide some sunshine to businesses that were seriously affected by the recent storms,' said BOE member Diane Harkey, who

represents the Fourth Equalization District, encompassing Riverside, Imperial and San Diego counties, as well as portions of San Bernardino County.” [City News Service, 7/28/15]

---

**Harkey Supported The Board Of Equalization’s Decision That Tax Filers Affected By The Blue Cut Fire Could Request An Extension And Other Services**

---

**Harkey Supported The Board Of Equalization’s Decision That Tax Filers Affected By The Blue Cut Fire Could Request An Extension And Other Services.** ‘The State Board of Equalization (BOE) announced today that business owners and tax and feepayers affected by the Blue Cut Fire in San Bernardino County may request extensions to file their returns, ask for relief from penalties and/or interest for some taxes and fees, or to request replacement copies of records lost or damaged. Emergency tax or fee relief is available from the BOE for business owners and tax and feepayers directly affected by disasters declared as state of emergencies. Governor Edmund G. Brown Jr. issued an emergency proclamation for San Bernardino County on Tuesday, August 16, due to the effects of the Blue Cut Fire. ‘We want to offer help to businesses that were seriously affected by the Blue Cut Fire,’ said BOE Vice Chair Diane L. Harkey. ‘Our offices are here to discuss their options on filing extensions and waiving of interest and penalties.’” [Board of Equalization, press release, [8/24/16](#)]

---

**Rob Lowe**

---

---

**2016: Harkey Voted To Lower Rob Lowe’s Tax Burden Regarding The Sale Of His Home, Which Would Save Him \$514,000, Despite A Lack Of Records For Some Deductions**

---

**February 2016: Harkey Voted To Lower Lowe’s Tax Burden, Which Would Save Him \$514,000, Despite A Lack Of Records For Some Deductions.** “The Lowe email followed a 3-2 vote by the board that reduced the taxable profit on his family’s home sale, despite a lack of records to justify some deductions. The lower figure saves the celebrity couple \$514,000 after a decade of debate with the state. Diane Harkey and George Runner, both Republicans, voted with Democrat Ma to cut Lowe’s tax burden. Yvette Stowers, Democratic Controller Betty Yee’s surrogate on the board, sided with Horton, who is also a Democrat.” [Sacramento Bee, [2/29/16](#)]

**December 2015: Harkey Voted To Rescind A Unanimous November Vote And Reopen A Case Regarding The Sale Of Rob Lowe’s Home And Their Taxable Gain.** “The state Board of Equalization voted unanimously last month to settle a long-running dispute between the Franchise Tax Board and actor Rob Lowe over taxes on the sale of his Montecito home in 2005. Never mind. Late Wednesday, the board voted 3-2 to rescind the action and reopen the Lowe case because of confusion among board members over the exact amount of taxable gain that Lowe and his wife, Sheryl Berkoff, realized from the \$25 million sale. ‘We had some confusion,’ Republican member George Runner said. He, fellow Republican Diane Harkey and Democrat Fiona Ma voted to rescind the November action, opposed by the board’s chairman, Democrat Jerome Horton, and Yvette Stowers, Controller Betty Yee’s surrogate on the board.” [Orange County Register, [12/17/15](#)]

**Harkey Motioned For The Original Unanimous Vote But Said, “There Were A Lot Of Numbers Flying Around.”** “The confusion is over whether Lowe should be given credit for \$1.3 million in interest he paid while he owned the home. Harkey, who made the motion that passed in November, said, ‘There were a lot of numbers flying around.’” [Orange County Register, [12/17/15](#)]

---

**Staff**

---

---

**Russell Lowery, Chief Of Staff**

---

**2017: Russell Lowery Was Harkey’s Chief Of Staff.** “Russell Lowery, chief of staff to board Chairwoman Diane Harkey, also is reaching out to lawmakers trying to retain the agency’s power as a tax court, describing the Encinitas coffee shop and Irvine taco truck cases. On Thursday, Harkey’s office gave The Bee documents from both cases showing that the Board of Equalization had dismissed the higher taxes it had intended to charge the businesses. If the board loses its authority as a tax court, Lowery says, big business will still be able to hire

attorneys and fight the state in civil court. Smaller outlets would lose an avenue for representation.” [Sacramento Bee, [6/15/17](#)]

## State Assembly

### Vote Changes

#### **Between August 2010 And March 2011, Harkey Was The Assemblymember Who Changed Her Votes The Most In The State Assembly Including Changing To Be Against A Fine Increase**

**Between August 2010 And March 2011, Harkey Was The Assemblymember Who Changed Her Votes The Most In The State Assembly Including Changing Her Yes Vote To A No Vote On A Fine Increase.** “By long-standing tradition, lawmakers in California’s Assembly who are running for re-election or are seeking a new seat this year will tout their yes or no votes on all manner of bills in the coming months. But that might not be a true reflection of the stand they took when the bill was being debated. California is one of 10 states in which lawmakers are allowed to change or add their votes after a bill has passed or failed. In all cases, the lawmaker’s change cannot affect the fate of the legislation. Assembly members in California are among the most aggressive in exercising that option, frequently adding their vote to bills that were taken up while they were not on the floor or changing their votes after the final tally has been announced in the chamber. [...] The First Amendment Coalition found 86 instances of vote-switching during a review of the practice from August 2010 through March 2011. The coalition did not study vote additions. It found that Assemblywoman Diane Harkey, R- Dana Point, changed her vote the most, nine times, on everything from increasing the fine for failing to repair an air bag (yes to no) to establishing standards for tattoo parlors (no to yes).” [Associated Press, 3/13/12]

### Laguna Niguel

#### **August 2009: The Mercury News Provided The Earliest Reporting That Harkey Represented From Laguna Niguel**

**August 2009: The Mercury News Provided The Earliest Reporting That Harkey Represented From Laguna Niguel.** “Republicans warned that releasing inmates ahead of schedule would embolden predators. ‘These are crimes against women, actual crimes,’ said Assemblywoman Diane Harkey, R-Laguna Niguel, invoking the Dugard case among others. Authorities say Dugard was snatched and held for 18 years by a sex offender who had been paroled from a federal prison in Kansas.” [Mercury News, [8/30/09](#)]

### District

#### **2011: Harkey’s District Lost Oceanside And Camp Pendleton In Redistricting**

**2011: Harkey’s District Lost Oceanside And Camp Pendleton In Redistricting.** “The maps also make significant changes to Assembly districts in North County and Southwest Riverside County, all represented by Republicans. Districts that stretch over North County and parts of Riverside County would be eliminated. For example, Assemblyman Kevin Jeffries’ 66th district, which reaches from East County to Corona in Riverside County, would be cut in half. The San Diego County portion would be swallowed up by a new district that would cover much of the county’s northeastern part, spanning from Escondido east to the border with Imperial County. The northern portion would be part of a Southwest Riverside district including Temecula, Murrieta and Lake Elsinore. Likewise, Orange County-based Assemblywoman Diane Harkey’s 73rd district, which runs along the coast from Oceanside to Laguna Niguel, would lose Oceanside and Camp Pendleton.” [North County Times via San Diego Union-Tribune, [6/10/11](#)]



**Harkey's District No Longer Included San Diego County.** "Republicans whose districts had included San Diego County but no longer do: Sen. Mimi Walters of Laguna Niguel, 100 percent; Assemblywoman Diane Harkey of Laguna Niguel, 100 percent." [San Diego Union-Tribune, [1/28/13](#)]

## Town Halls

### **2010: Harkey Told A Woman Who Attended A Town Hall And Had Been Unemployed For At Least 99 Weeks That The Job Market Would Be Better In 10 Years**

**2010: Harkey Told A Woman Who Attended A Town Hall And Had Been Unemployed For At Least 99 Weeks That The Job Market Would Be Better In 10 Years.** "Long on time and short on cash, Breznay is one of the 99ers, the estimated 3.5 million people in the U.S. who have been unemployed for at least 99 weeks, the maximum amount of time the jobless can receive unemployment checks. In California, 200,000 people have fallen off the unemployment rolls after maxing out their benefits. [...] Breznay has written to Gov. Arnold Schwarzenegger and received no response. She went to one of Assemblywoman Diane Harkey's town hall meetings only to be told by the Republican that the job market will get better in 10 years ('I thought, 'Lady, I don't have 10 years')." [Orange County Register, [10/2/10](#)]

## Fundraising

### **Harkey Was Fundraising When The Assembly's Pay Was Halted And Signed A Letter Questioning If Her Pay Could Be Frozen**

**Harkey Was Fundraising When The Assembly's Pay Was Halted.** "It's been a month of firsts. A majority-vote budget gets passed by a Legislature whose members won't get paid because Controller John Chiang pronounced the budget unbalanced after Gov. Jerry Brown vetoed it. But here's something that hasn't changed -- fundraisers are stacking up like hotcakes at a benefit breakfast. No fewer than 18 lawmakers have been passing the hat for past or future campaigns so far this week alone. Monday, Republican Sen. Bill Emmerson was looking to bulk up his campaign chest for re-election next year. Tuesday saw nine legislators making the restaurant rounds from Spataro to Chops to Esquire Grill and beyond: Democratic Assemblymen Marty Block, Das Williams and V. Manuel Pérez, and Sen. Curren Price; plus Republican Assembly members Dan Logue, Katcho Achadjian, Chris Norby and Diane Harkey, and Sen. Sam Blakeslee." [Sacramento Bee, 6/22/11]

**Harkey Signed A Letter To Question If The State Controller Can Freeze The Assembly's Pay.** "Five Assembly Republicans took a first step today toward ensuring that state Controller John Chiang can never cut their pay again. The five lawmakers requested a legal opinion from Attorney General Kamala Harris about whether Chiang has authority to determine whether a proposed budget is balanced and, if not, whether he can freeze their pay. 'We are concerned that this issue is likely to return in future budgets proposed by the state Legislature,' said the letter, which focuses on the question of authority without seeking to regain the \$4,830 in pay that each lawmaker will have lost this month if the Legislature passes a budget sometime today. Signers were Republicans Donald Wagner of Irvine, Allan Mansoor of Costa Mesa, Diane Harkey of Dana Point, Chris Norby of Fullerton, and Mike Morrell of Rancho Cucamonga." [Sacramento Bee, 6/28/11]

## Unfavorability

### **2009: Diane Harkey Watch, A Group Critical Of Harkey, Conducted A Poll Which Showed That At The Time, Harkey's Favorability Was 23% And Her Unfavorability Was 21.5%**

**March 2009: Diane Harkey Watch, A Group Critical Of Harkey, Conducted A Poll Which Showed That At The Time, Harkey's Favorability Was 23% And Her Unfavorability Was 21.5%.** "It doesn't take much to bring out the legion of Diane Harkey haters. Folks at the Diane Harkey Watch even took the initiative last week to try to find out how many Harkey haters are out there -- and if that number might grow because of the current legal



problems of the Dana Point Assembly member and her husband Dan. [...] Harkey had a 23-percent favorable rating and a 21.5-percent unfavorable rating. (Fifty-three percent of respondents either didn't know of Campbell or Harkey, or had no opinion of them. So much for your informed South County electorate.) [...] The Salt Lake City-based NSON specializes in Republican polling. They surveyed 400 registered voters on March 11 and 12. The poll has a margin of error of plus or minus 4.9 percent.” [Orange County Register, [3/17/09](#)]

**The Poll Claimed That Allegations Of Dan Harkey’s Business Was Funding Harkey’s Political Campaigns Would Affect 59% Of Voters.** “The survey then moved in the direction of a push poll -- a political poll designed to influence a voter's outlook -- by bringing up the Harkeys' legal troubles: ‘Do these lawsuit claims affect your potential vote for Diane Harkey in the 2010 election?’ Fifty-nine percent of the people said it probably would affect their vote.” [Orange County Register, [3/17/09](#)]

---

## Staff

---

### Sherry Hodges, Chief Of Staff

---

**2011: Sherry Hodges Was Harkey’s Chief Of Staff.** “Hold on. The plot could thicken further. Newly elected Councilwoman Farrah Douglas is running for the state Assembly’s new 76th District against former Oceanside Councilman Rocky Chavez and Sherry Hodges, Assemblywoman Diane Harkey’s chief of staff.” [San Diego Union-Tribune, [9/19/11](#)]

**2012: Sherry Hodges Resigned As Harkey’s Chief Of Staff To Run For Office.** “Republican Sherry Hodges announced Friday she was stepping down as chief of staff to Assemblywoman Diane Harkey to focus on her own upcoming bid.” [San Diego Union-Tribune, [1/3/12](#)]

---

### Bill Brough, Chief Of Staff

---

**2013: Bill Brough, Harkey’s Former Chief Of Staff, Ran For Harkey’s Assembly Seat After She Termed Out.** “Dana Point Councilman Bill Brough says he's running for state Assembly. Brough, who has served on the City Council since 2010, announced he will run for the 73rd Assembly District seat in 2014, when the term of Assemblywoman Diane Harkey expires. Harkey, R-Dana Point, is a candidate for the state Board of Equalization and also has taken out papers to run for state Senate. [...] Brough previously was Harkey's chief of staff and an aide to now-former Congressman Christopher Cox. ‘I've got a lifelong history of public service,’ he said. ‘I've served in the military, I've served in Washington, I've served for Mrs. Harkey, I've served on the council and I'd like, if the people are willing, to serve them in Sacramento.’” [Orange County Register, [2/28/13](#)]

---

### George Andrew, Capitol Director

---

**Harkey’s Capital Director Was George Andrews, Former Executive Director Of The Orange County GOP.** “George Andrews headed to Sacramento last week after two years as executive director of the county GOP. But he didn’t make his getaway before an ethnicity-related misunderstanding. [...] Andrews leaves his job here to become capital director for incoming Assemblywoman Diane Harkey, R-Dana Point.” [Orange County Register, [12/1/08](#)]

**By 2011, Harkey Was No Longer Harkey’s Capitol Director.** Senator Joel Anderson (R - El Cajon) today formally announced the staff members he has hired for his two district offices: [...] San Diego District Director George Andrews previously served as Capitol Director for Orange County Assemblywoman Diane Harkey and as Executive Director of the Republican Party of Orange County. He has extensive experience with several candidates throughout California including the campaigns of Steve Poizner, Van Tran and Diane Harkey and was Executive Director for the California Border Police Initiative. Andrews received a Bachelors degree in Political Science and History from UC Davis.” [California State Senator Joel Anderson, press release, [4/1/11](#)]

---

### Jody Vaughn, District Director

---

**2012: Jody Vaughn Was Harkey's District Director.** "Julie Wright, president of the Aliso Viejo Chamber of Commerce, left, Don Garcia, Aliso Viejo mayor, Jody Vaughn, district director for Assemblywoman Diane Harkey, and Martin Paine, district director for Sen. Mimi Walters, hold the proclamation given in recognition of the city's new Chamber of Commerce." [Orange County Register, [10/2/12](#)]

---

### **Katie Phillips, Legislative Assistant**

---

**2011: Katie Phillips Was A Legislative Assistant For Harkey.** "Every year, a group of former San Clemente Police Department members places flowers at Steed's grave in El Toro Cemetery. Ehlow said this year is no exception. Katie Phillips, Harkey's legislative assistant, said she has contacted Caltrans. 'I have an e-mail into CalTrans regarding the issue to see if they can provide us with some answers,' Phillips said via email. 'I received a letter from them in September which stated the sign would read 'Officer Richard T. Steed Memorial Highway.' Hopefully CalTrans will be helpful in facilitating the correction to the issue.'" [Orange County Register, [11/29/11](#)]

---

### **Steven Lamotte, District Representative**

---

**2011: Steven Lamotte Was District Representative For Harkey.** "Mayor Dave Leckness of Mission Viejo, Martin Payne District Representative for Senator Mimi Walters, Steven Lamotte, District Representative for Assemblywoman Diane Harkey, Jordan Gonzales Field Representative to Assemblyman Jeff Miller, and the South Orange County Chamber of Commerce were at CDA Law Center participating in the dedication their new offices while celebrating saving over 2,000 homes from foreclosure. All of our elected officials say their offices receive numerous calls from constituents, complaining about the modification abuses by the banks." [PR Newswire, [4/21/11](#)]

---

### **Lauren Picciano**

---

**Lauren Picciano Worked For Harkey.** "The belief that all politics isn't and doesn't have to be corrupt is bipartisan among O.C. young activists. Lauren Picciano is president-elect of the Orange County Young Republicans. The 26-year old from Dana Point works for Assemblywoman Diane Harkey. 'I don't think as a nation we should be discouraged,' Picciano said. 'If we get discouraged, we let other people take control of our country.'" [Orange County Register, [12/14/08](#)]

---

### **2012: Harkey Increased Pay For Two Of Her Staffers**

---

**2012: Harkey Increased Pay For Two Of Her Staffers.** "Three local lawmakers rewarded staff members with promotions and pay raises in December, even as the state is bracing to once again squeeze spending on public services because of a daunting budget deficit. The payroll changes were revealed in records released by the Assembly Rules Committee. The data showed: • Assemblyman Marty Block, D-San Diego, approved increases for three of his employees and promoted another, which came with a 9 percent hike in pay. • Assemblywoman Diane Harkey, R-Dana Point, signed off on new jobs for two employees, whose pay boosts are in the 5 percent range." [San Diego Union-Tribune, [1/2/12](#)]

**Harkey Increased The Pay To A Field Representative By 33.8% And A Communications Staffer By 15%.** "Assemblywoman Diane Harkey, R-Dana Point: Field representative: 33.8 percent raise, to \$36,120 Communications staffer: 15 percent raise, to \$43,788" [San Diego Union-Tribune, [1/2/12](#)]

## **Dana Point City Council**

### **Mayor Of Dana Point**

---

### **Harkey Served One Term/Year As Mayor Of Dana Point**

---

**2006: Harkey Was Unanimously Elected Mayor For A Year.** “At its first meeting on Dec. 13, the new City Council elected Diane Harkey as mayor and approved the second reading of the Town Center Plan. After new Councilmen Joel Bishop and Steven Weinberg and Councilwoman Lisa Bartlett were sworn in, Bartlett nominated Harkey for mayor. She was elected unanimously.” [Orange County Register, 12/21/06]

**2007: Harkey Was No Longer Mayor Of Dana Point.** “At its Tuesday night meeting, the Dana Point City Council reorganized for 2008, selecting Joel Bishop to be the new mayor, replacing former mayor Diane Harkey. Mayor Pro Tem Lisa Bartlett will remain in her position for another year. There was no debate and no other nominations for the council's top two positions, both of which were approved 5-0. Bishop said he was looking forward to 2008.” [Orange County Register, [12/5/07](#)]

**Harkey Said Her Time As Mayor Was “One Of The Highlights Of My Life.”** “Harkey provided a retrospective of her three years on the council before handing over the reins to Bishop and thanked the community and the council for the chance to serve in the city's top office. ‘I can't tell you how much the people in the community mean to me,’ she said, ‘even my detractors. I love Dana Point and that means I love the people in it. I will never forget this. It's one of the highlights of my life.’” [Orange County Register, [12/5/07](#)]

**Harkey Held Public Office Hours During Her Time As Mayor.** “Bishop has a list of about 50 items to do or watch in 2008, including some projects city staff is already working on such as the certification of the city's housing element, improving the medians on Pacific Coast Highway and constructing the pedestrian bridge at Del Obispo. Bishop said he also wants to look into building a skateboard park in the city. In addition, Bishop promised to continue a tradition started by Harkey of having public office hours once a week.” [Orange County Register, [12/5/07](#)]

---

**2005: Harkey Was Nominated As Mayor Pro Tem But Withdrew Her Nomination After A Fellow Councilmember Was Nominated To Avoid Dividing The Council**

---

**2005: Harkey Was Nominated As Mayor Pro Tem But Withdrew Her Nomination After A Fellow Councilmember Was Nominated To Avoid Dividing The Council.** “Dana Point City Council on Monday elected Councilman Wayne Rayfield as mayor and Councilwoman Lara Anderson mayor pro tem. Both will serve for one year. Councilman Jim Lacy, who had been mayor pro tem for the last year, nominated Rayfield. Lacy had been the acting mayor since the council's last meeting on Dec. 8, pending the reorganization. Rayfield nominated Councilwoman Diane Harkey for mayor pro tem, but she withdrew herself from consideration after Councilman Russell Chilton nominated Anderson for the position. Harkey said she wanted to keep the council unified.” [Orange County Register, 1/20/05]

|                      |
|----------------------|
| <b>Recall Effort</b> |
|----------------------|

---

**2007: A Group Called, Ethics Matter - Recall Diane Harkey, Began To Recall Harkey After It Failed Twice To Garner 20 Signatures To Begin Gathering Signatures To Recall Harkey**

---

**2007: A Group Called, Ethics Matter - Recall Diane Harkey, Sought To Recall Harkey.** “The petition problems have not stopped the recall group, which calls itself ‘Ethics Matter. Recall Diane Harkey,’ from moving forward. Lacy said the group has already raised about \$5,000. The recall group also launched a phone campaign last week to households in Dana Point which states some of their allegations against Harkey. Lacy said the campaign targeted ‘high-priority’ voters.” [Orange County Register, [7/18/07](#)]

**The Group Sought To Recall Harkey Over “Gross Failure In Ethics.”** “Dana Point residents who say Mayor Diane Harkey failed the city on Tuesday announced their effort to recall her and throw a wrench into her campaign for state Assembly. The group planned to serve Harkey with an intent to circulate recall petitions notice Tuesday night at the City Council meeting, citing ‘gross failure in ethics,’ but Harkey called in sick. Jerry Grunor, part of the recall effort, said he would mail Harkey the notice via certified mail Thursday. [...]

Once the notice is verified by city officials, the group will have four months to gather the almost 4,600 signatures necessary to get the recall on the ballot.” [Orange County Register, 7/4/07]

**August 2007: The City Approved Of The Recall Effort To Begin Gathering Signatures.** “The effort to recall Mayor Diane Harkey is moving forward after the city approved the recall petition on Monday. The recall issue has divided the town for the past two months. Now, recall proponents say they'll start collecting the almost 4,600 signatures necessary to get the recall on the ballot. They have four months to get the required signatures. Harkey has begun responding to some of the recall group's claims, which she says are defamatory.” [Orange County Register, [8/22/07](#)]

**The Recall Effort Initially Failed To Garner Twenty Valid Signatures To Start The Process.** “The effort to remove Mayor Diane Harkey from office hit a snag on Tuesday when the city found that the initial recall petition did not have 20 valid signatures. Recall supporters say they will submit a new petition by the end of the week. [...] If the new petition is approved by the city, supporters will have four months to gather almost 4,600 signatures to get the recall on the ballot.” [Orange County Register, [7/10/07](#)]

**Ethics Matter - Recall Diane Harkey Failed To Garner Enough Signatures On Its Second Attempt To Initiate A Recall Campaign Against Harkey.** “The campaign to recall Mayor Diane Harkey stumbled again this week when its second intent to recall petition could not be verified by the Orange County Registrar of Voters. One of the signatures was not valid due to what recall proponent Jim Lacy called a technicality. Lacy said he expects a new petition, with new wording to reflect an additional ethics charge against Harkey, will be submitted early next week. The recall group submitted the first petition on July 5, but the city deemed three of the necessary 20 signatures invalid.” [Orange County Register, [7/18/07](#)]

---

**The Group Accused Harkey Ethical Wrongdoing, Including Speaking During Public Comment On The Town Center Plan And Of Swearing At A Meeting But The Later Proved To Be False**

---

**The Group Accused Harkey Ethical Wrongdoing, Including Speaking During Public Comment On The Town Center Plan, Which Harkey Denied Any Wrongdoing.** “The recall proponents accuse Harkey of ethical wrongdoings, including speaking during public comment on the Town Center Plan, which she recused herself from voting on, and swearing during a City Council meeting. Harkey denies any wrongdoing and defends her record with the city. She did not submit a rebuttal to the city clerk during the allotted time period.” [Orange County Register, 8/16/07]

**Harkey Said She Was Exercising Her First Amendment Rights By Speaking During Public Comment On The Town Center Plan.** “The recall group, which calls itself ‘Ethics Matter -- Recall Diane Harkey,’ claims Harkey acted unethically by speaking during public comment on the Town Center plan, which she recused herself from voting on, and swearing during City Council meetings, among other things. Harkey has said she was just exercising her First Amendment rights on Town Center and did not do anything wrong.” [Orange County Register, [8/22/07](#)]

**The Group Claimed Harkey Swore During A Specific Council Meeting, Which Proved To Be False.** “The recall group had posted a video on their Web site of a March 2006 City Council meeting accusing Harkey of swearing as she left the room during public comments; a female voice can be heard cursing. Last week Harkey's lawyer sent a letter to the recall group asking them to take down the swearing allegations on their Web site because they were unfounded. On Tuesday night, after another resident named Caroline Cooke as the person swearing, her husband Antony Cooke did not deny that the voice heard on the video was that of his wife and fellow recall proponent. As of Tuesday the video on the Web site was edited to remove the foul language.” [Orange County Register, [8/22/07](#)]

**Ethics Matter – Recall Diane Harkey Claimed Harkey Was Ignoring The City As She Ran For State Assembly.** “The ‘Ethics Matter’ group also objects to Harkey's campaign for the California Senate in 2006 and her current campaign for state Assembly, claiming she is ignoring the city to run for higher office. Harkey disputes that

claim and points to the strong political support for her Assembly campaign, including the backing of current Assemblywoman Mimi Walters.” [Orange County Register, [8/22/07](#)]

---

**Harkey: “It’s Laughable. There’s Always Malcontent, That’s Just Standard. But I Think The People Of This City Are Very, Very Happy, As Evidenced By The Lack Of Attendance At Council Meetings”**

---

**Harkey: “It’s Laughable. There’s Always Malcontent, That’s Just Standard. But I Think The People Of This City Are Very, Very Happy, As Evidenced By The Lack Of Attendance At Council Meetings.”** “Harkey, reached by phone, described the recall effort as unbelievable and said she had acted honorably in office. ‘It’s laughable,’ she said. ‘There’s always malcontent, that’s just standard. But I think the people of this city are very, very happy, as evidenced by the lack of attendance at council meetings.’” [Orange County Register, [7/4/07](#)]

**Harkey On The Initial Failure: “It’s A Shame That A Small Band Of Negative Voices Can Pursue Personal Vendettas And Create The Appearance Of Havoc In A Beautiful And Well-Run City.”** “Harkey said the recall supporters represented a minority opinion. ‘It’s a shame that a small band of negative voices can pursue personal vendettas and create the appearance of havoc in a beautiful and well-run city,’ she said.” [Orange County Register, [7/10/07](#)]

---

**Four Dana Point City Council Members, Including Harkey, Signed A Document Opposing The Recall Effort But Later Nullified It As The Recall Group Claimed The City Violated The State’s Open Meeting Law**

---

**Three Of Four City Council Members, Including Harkey, Signed A Document Opposing The Recall Effort As Well As Harkey.** “Four of the five City Council members have signed a statement opposing the effort to recall Mayor Diane Harkey. [...] Mayor Diane Harkey and council members Lisa Bartlett, Joel Bishop and Steven Weinberg signed the document, which says accusations against Harkey are ‘not well founded’ and that the recall detracts from city business. Councilwoman Lara Anderson did not sign.” [Orange County Register, [9/13/07](#)]

**Recall Proponents Accused The City Council Of Violating The State’s Open Meeting Law, The Brown Act.** “Recall proponents responded immediately by sending a letter to City Attorney Patrick Muñoz accusing the council members of violating the state’s opening meeting law. The statement is worded as a resolution, but isn’t on any official letterhead. [...] No one denies that the City Council members are entitled to their own opinions about the recall. But Jim Lacy, former City Councilman and recall proponent, said the document was meant to establish that the recall did not have City Council support and was a clear case of a Brown Act violation. ‘There’s no question about it,’ he said. ‘It’s not even close. Their intention was to promote this as a collective decision of the City Council to establish that the City Council had collectively decided to oppose the recall.’” [Orange County Register, [9/13/07](#)]

**The Document Was Signed The Same Day As A City Council Meeting And Contained The Word Resolution.** “Terry Francke is the general counsel with Californians Aware, an organization that promotes open government and free speech. He said that, in his opinion, the resolution was likely a violation of the Brown Act, a state law that requires public agencies to post agendas and meet publicly, unless a topic is exempt. However, Francke also acknowledged the argument that the document could be seen as nothing more than a statement of personal political beliefs. One point of concern, Francke said, is that the document is dated Sept. 4 -- the same day as a City Council meeting, further blurring the line between official and non-official city action. The council did not discuss or debate the recall issue during that meeting, and there was nothing on the agenda pertaining to the recall. ‘I’m afraid using the word resolution and releasing this document after a council meeting really does blur that distinction and leaves them open to severe criticism at least,’ he said.” [Orange County Register, [9/13/07](#)]

**The City Council Claimed No Wrongdoing But Voted, Including Harkey, To Prevent Any Action From The Document.** “The Dana Point City Council answered allegations Tuesday night accusing four of the five council members of violating the Brown Act, the state’s open meeting law, but maintained that it did nothing wrong. [...] City Attorney Patrick Muñoz has emphatically denied any wrongdoing by the council. But the council did take action to prevent a potential lawsuit, which Muñoz said Lacy has threatened, relating to the resolution. The action



essentially prohibits the council from taking any official action based on the resolution. Councilwoman Lara Anderson, who did not sign the resolution, also abstained from voting on the motion.” [Orange County Register, [9/19/07](#)]

---

### **The Recall Effort Failed to Garner Enough Signatures To Place It On The Ballot**

---

**The Recall Effort Failed to Garner Enough Signatures To Place It On The Ballot.** “Recall over The effort to recall former Mayor Diane Harkey came to an end after recall proponents were unable to gather the almost 4,600 signatures necessary to get the recall on the ballot.” [Orange County Register, [1/2/08](#)]

---

### **The Group Sought To Protest A Fundraiser Harkey Had At The Ritz Restaurant**

---

**The Group Sought To Protest A Fundraiser Harkey Had At The Ritz Restaurant.** “Only about 4,600 valid signatures are needed to put the measure on the ballot, so it clearly has a chance to qualify. But so far, Team Harkey has trumped its opponents when it comes to campaign competence. Consider the fundraiser she had earlier this month in Newport Beach. It was going to be at the Ritz restaurant, and Team Recall responded by scheduling a demonstration there. Harkey-ites then spread word that the fundraiser would be at the private Pacific Club instead. So the recall backers showed up near the club with their signs at the time of the event. One problem: Harkey ended up having her gig at the Ritz after all. Presumably with something to laugh about over cocktails.” [Orange County Register, [8/27/07](#)]

---

### **The Republican Party Of Orange County Central Committee Opposed The Recall Petition**

---

**The Republican Party Of Orange County Central Committee Opposed The Recall Petition.** “The Republican Party of Orange County Central Committee, which governs the county party, voted unanimously on Monday to reject the recall, calling the charges against Harkey ‘not well founded.’” [Orange County Register, [8/22/07](#)]

**The Committee Voted To Discourage People From Signing The Petition.** “But Harkey foes didn't end that day with an unfettered glow of good news. That evening, in an emergency action, the county GOP's governing Central Committee voted unanimously to oppose the recall and to discourage people from even signing the petitions.” [Orange County Register, [8/27/07](#)]

## **Budgets**

---

### **As Mayor, Dana Point Proposed Two Balanced Budgets For Fiscal Years 2008 And 2009, In Which Harkey Expressed Concerns Over State Funding, Leading The Council To Cut \$1 Million In Expenditures**

---

**As Mayor, Dana Point Proposed Two Balanced Budgets For Fiscal Years 2008 And 2009, In Which Harkey Expressed Concerns Over State Funding, Leading The Council To Cut \$1 Million In Expenditures.** “The City Council held its first public hearing on the 2007-2009 proposed budgets Tuesday night. City staff will now incorporate the council's comments and requests into the budget and bring back a modified version for approval on June 19. The proposed budget is balanced for fiscal years 2008 and 2009, meaning the city has more revenue than expenses for both years. The city has projected general fund total revenues for fiscal year 2008 of \$31,555,900. The expenditures are projected to be \$28,884,444 with a surplus of \$2,671,456. The surplus would be allocated as follows: \$1,050,000 would be transferred to the Capital Improvement Program and \$575,000 would go into the Facilities Improvement Fund. [...] Chotkevys and Mayor Diane Harkey both voiced concerns about the amount of state funding the city might receive, leading the council to cut more than \$1 million in proposed expenditures for both years. The \$2 million saved would go to a reserve fund for potential state budget impacts.” [Orange County Register, [6/7/07](#)]

**Seven Months Into The Fiscal Year, Dana Point Expected To Have \$2 Million More.** “Seven months into the current fiscal year, the city's budget is doing better than expected, according to city staff. Director of Administrative Services Mike Killebrew said the city would finish the year with nearly \$2 million more than



projected due to increased revenue and some cost savings in department budgets. The Transient Occupancy Taxes, which comprise about one-third of the city's revenue, were up \$800,000 from projected figures. The record-high revenue comes from a tax charged for hotel stays in Dana Point. In other words, the recent economic downturn in America has not affected the high-end resorts in town. In fact, the drop in value of the dollar worldwide may have increased international tourism, City Councilwoman Diane Harkey said. 'With the dollar crashing, it makes it a lot easier for people all around the world to come here,' she said." [Orange County Register, [3/19/08](#)]

---

**2007: Harkey Said The City Of Dana Point Was In "Good Shape" And That "Our Finances Are In Good Standing, The City Is Safe And It Continues To Be One Of The Best Places To Live, Work And Play."**

---

**2007: Harkey Said The City Of Dana Point Was In "Good Shape" And That "Our Finances Are In Good Standing, The City Is Safe And It Continues To Be One Of The Best Places To Live, Work And Play."** "The City of Dana Point is doing well, according to Mayor Diane Harkey, who spoke at the State of the City lunch on April 26. 'We're in good shape,' she said. 'Our finances are in good standing, the city is safe and it continues to be one of the best places to live, work and play.'" [Orange County Register, 5/3/07]

---

**Recusals**

---

---

**Harkey Recused Herself From A Council Discussion On A Surfing Heritage Museum In Sea Terrace Park**

---

**April 2008: Harkey Had To Recuse Herself From A Vote On A Proposed Surfing Museum That Would Be Too Close To Harkey's Property.** "A proposed surfing museum is riding a wave of support into Dana Point. The question remains as to where the museum would be built. The Dana Point City Council voted 3-0 Tuesday night to continue moving forward with plans to bring a surfing museum into town. The city will next host a series of public meetings to further discuss the project and possible locations for the museum. The museum will be privately funded. 'This is the most exciting thing I can remember happening in our community since I've been here,' Capistrano Beach resident Richard Gardner said. City Councilwoman Diane Harkey had to recuse herself because her property is too close to the proposed location of the museum at the corner of Niguel Road and Pacific Coast Highway. City Councilman Steven Weinberg left the meeting early and did not vote on the proposal. The Surfing Heritage Foundation, which has a museum in San Clemente, approached the city in August to discuss building a museum in Dana Point." [Orange County Register, [4/17/08](#)]

**Harkey Recused Herself From A Council Discussion On A Surfing Heritage Museum In Sea Terrace Park.** "Council chambers were packed Tuesday night with Niguel Shores residents concerned about the decision to add a 30,000-square-foot Surfing Heritage Museum with the Surfing Heritage Foundation in Sea Terrace Park. Councilwoman Lara Anderson motioned to change the action from a decision to tentatively choose Sea Terrace Park as the location for the museum to an action of forming a task force with two council members to gauge residents' opinions and gather more information on a Sea Terrace Park location. Her motion was approved unanimously by the voting council. Councilwoman Diane Harkey recused herself from the discussion." [Orange County Register, [11/19/08](#)]

---

**City Clerk**

---

---

**2005: Harkey Voted For Firing The City Clerk That Some Viewed Was A Political Appointment**

---

**Harkey Voted For Firing The City Clerk That Some Viewed Was A Political Appointment.** "The Dana Point City Council voted Friday to fire the city clerk whose appointment 14 months ago led to charges of cronyism due to her relationship with the then-mayor. Sharon Street lost her \$90,000-a-year job, effective immediately, by a 4-1 vote at an emergency council meeting. 'The city clerk serves at the will of the council,' Mayor Wayne Rayfield said after the vote. 'This was not a performance issue, it's a political appointment, and the majority of the council felt we ought to seek a new clerk.' Neither Street nor Councilman James V. Lacy, who voted against her ouster,

could be reached for comment. [...] Rayfield said he and Councilwoman Diane L. Harkey would meet next week to begin ‘putting together an open recruitment process’ to find a successor.” [Los Angeles Times, [1/29/05](#)]

**Harkey Was On The Committee To Find A New City Clerk.** “Rayfield and Councilwoman Diane Harkey will serve on a committee to overlook the city’s process to recruit a new city clerk. Joe Snyder, who served on the previous council and was a strong supporter of Street’s hiring, lost in his bid last November to be re-elected to the council.” [Orange County Register, 2/3/05]

---

**2008: Harkey Voted Against Placing The City Clerk Under The City Manager, Rather Than The City Council, And Said “I’m Not One To Diminish My Responsibilities I Was Elected To Perform”**

---

**2008: The City Council Voted On Reorganizing The City Clerk’s Office Amid Concerns Of A Conflict Of Interest Between Councilmembers And The City Clerk During Election Years.** “At the request of Mayor Joel Bishop, the council also discussed reorganizing the structure of the city clerk’s office. The clerk is currently under the direction of the City Council, which some council members thought could be a conflict of interest, particularly during an election year. ‘It’s sort of like putting the fox in charge of the henhouse,’ Councilman Steven Weinberg said. ‘I’m not here. I don’t know if she’s working eight hours a day, taking a two hour lunch break ...the city manager does.’” [Orange County Register, [1/16/08](#)]

**Harkey Voted Against Placing The City Clerk Under The City Manager, Rather Than The City Council, And Said “I’m Not One To Diminish My Responsibilities I Was Elected To Perform.”** “The council voted 3-2 to place the city clerk under the city manager, so that she would not be subject to political retribution from the City Council. Councilwoman Diane Harkey and Mayor Pro Tem Lisa Bartlett were opposed to the change, arguing that the current system was working. Harkey said the change could place too much power in the hands of the city manager, who is also the city’s treasurer. ‘It’s too much under one hat,’ she said. ‘I’m not one to diminish my responsibilities I was elected to perform.’” [Orange County Register, [1/16/08](#)]

---

**Contracts**

---

**Harkey Was Absent On A Vote To Increase A Law Firm’s Rate**

---

**Harkey Was Absent On A Vote To Increase A Law Firm’s Rate.** “Raise: The law firm of Rutan & Tucker LLP will be getting more money from the city. The City Council voted 4-0 Wednesday to increase the firm’s rate to \$203 an hour, a 9.7 percent increase. The council also voted to increase the retainer to \$7,865, a 10 percent increase. Councilwoman Diane Harkey was absent.” [Orange County Register, 12/16/05]

---

**Harkey Supported Michael Dec, A Developer, On The City’s Planning Commission As Said A Developer Could Be Useful And That He Did Not Have Projects In Dana Point**

---

**Harkey Supported Michael Dec, A Developer, On The City’s Planning Commission As Said A Developer Could Be Useful And That He Did Not Have Projects In Dana Point.** “All five seats on the Planning Commission were filled at Tuesday night’s City Council meeting from a field of 13 applicants. Liz Fitzgerald, a realtor, was reappointed to the commission; Ed Conway, a realtor, and Michelle Brough, a lawyer, were also appointed. Michael Dec, a developer, was appointed first alternate, and Barbara Merriman, retired, was named second alternate. Incumbent April O’Connor was nominated for reappointment but the motion failed by a 2-3 vote. Conway, Fitzgerald and Merriman were appointed unanimously: Brough and Dec were appointed with 3-2 votes. Anderson said she did not want a developer on the commission. Mayor Diane Harkey said Dec does not have projects in Dana Point and thought his knowledge would be useful.” [Orange County Register, [3/21/07](#)]

---

**Representing The City**

---

---

**Harkey Was Nominated As The City's Representative For The South Orange County Major Investment Study Policy Working Group**

---

**Harkey Was Nominated As The City's Representative For The South Orange County Major Investment Study Policy Working Group.** "Councilwoman Diane Harkey was nominated as the city's representative for the South Orange County Major Investment Study Policy Working Group. The Orange County Transportation Authority group will be working on an assessment of alternatives to improving travel in south Orange County. Councilman James Lacy was chosen as the alternate." [Orange County Register, 7/20/06]

---

**Transparency**

---

---

**2007: Harkey Voted To Move Council Meetings To Tuesdays Which Harkey Said The Community Wanted For "A Long Time"**

---

**2007: Harkey Voted To Move Council Meetings To Tuesdays Which Harkey Said The Community Wanted For "A Long Time."** "At its first full meeting on Monday, the new Dana Point City Council voted to change its meeting schedule and appoint council representatives to various committees and task forces. The council voted 4-1, with Councilman Steven Weinberg against, to move meetings to the first and third Tuesday of each month, with Planning Commission to meet on the second and fourth Tuesdays. The scheduling change was put in place immediately, meaning the next council meeting will be on Tuesday. The council cited several reasons for the change, including accommodating the Dana Point News. Previously, the council met after the newspaper's deadline. 'Our community has wanted Tuesday night meetings for a long time,' Mayor Diane Harkey said." [Orange County Register, [1/9/07](#)]

---

**Harkey Voted Against Approving A Programming Policy For A 24-7 Cable Television Channel For The City**

---

**Harkey Voted Against Approving A Programming Policy For A 24-7 Cable Television Channel For The City.** "The City Council has approved a programming policy for its cable television channel, the first step toward 24-7 programming dedicated exclusively to the city. The council approved the policy Tuesday night by a 3-2 vote, with Mayor Diane Harkey and Mayor Pro Tem Lisa Bartlett against. The policy allows for, among other things, public meetings, including the Planning Commission and Traffic Commission, to be broadcast. However, the policy is only a framework and specific programming decisions have not yet been made. Harkey and Bartlett expressed concern over funding the programming and dedicating staff time to creating television programming." [Orange County Register, 5/17/07]

---

**Development**

---

---

**Harkey Said Called A Median That Required A \$200,000 Transfer From The City's Capital Improvement Program Reserves "Absolutely Beautiful"**

---

**Harkey Said Called A Median That Required A \$200,000 Transfer From The City's Capital Improvement Program Reserves "Absolutely Beautiful."** "The council also approved landscaping for medians on Street of the Golden Lantern. The landscaping, already in place at one median, adjacent to Jeremiah, is drought tolerant and seems to have taken well. 'The median is absolutely beautiful,' Mayor Diane Harkey said. The project requires a \$200,000 transfer from the city's capital improvement program reserves." [Orange County Register, [10/3/07](#)]

---

**Community Events**

---

---

**Harkey Said A Local Cycling Prix, Expected To Raise \$26,000 For Charity, Was Not Worth It For The City As "We're Not In A Great Economy" And Was Expected To Cost The City \$88,000**

---

**Harkey Said A Local Cycling Prix, Expected To Raise \$26,000 For Charity, Was Not Worth It For The City As “We're Not In A Great Economy” And Was Expected To Cost The City \$88,000.** “The council also approved moving a portion of the Dana Point Grand Prix of Cycling to Del Prado Street by a 4-1 vote. The race, scheduled for June 8, is expected to draw more participants than the nearly 400 people who rode in last year's inaugural event. One of the turns on last year's course raised safety concerns because it was slightly narrower than the minimum requirements for a sanctioned race. Moving the race to Del Prado allows for a wider race course and the possibility of certification for the State Masters Division Championships. The move also increases the cost of the race because of greater traffic impacts and more staff time required. Two lanes of traffic will remain open during the race on Del Prado. Hay bales and fencing will separate the cyclists from drivers. Councilwoman Diane Harkey said she supported the race but felt the projected \$88,000 expenditure by the city -- including \$30,000 of sponsorship money -- was not worth the \$26,000 expected to be raised for charity. ‘We're not in a great economy,’ she said. ‘I'd like to keep it on a smaller scale this year if we could.’” [Orange County Register, [2/20/08](#)]

## Ratings

### American Conservative Union

**2013: The American Conservative Union Awarded Harkey With The ACU Defenders Of Liberty Award For Scoring A 100%.** “The American Conservative Union (ACU) today announced its second annual ACU Ratings of the California State Legislature, honoring the Golden State's true conservatives. The nation's oldest and largest grassroots conservative organization began a new initiative to expand the highly touted ACU Congressional Ratings program to state legislatures, grading members on their votes on key conservative issues. The California 2013 State Legislative Ratings guide is now available online at [conservative.org](#). [...] The ‘ACU Defenders of Liberty Award’ goes to those members of the California State Legislature who scored 100 percent on the ACU California 2013 State Legislative Ratings. In the State Senate, the recipient is Mark Wyland. In the Assembly: Tim Donnelly, Curt Hagman and Diane Harkey.” [American Conservative Union, press release, [12/19/13](#)]

**2012: The American Conservative Union Awarded Harkey With The ACU Conservative Award For Scoring An 80% Or Higher.** “The American Conservative Union (ACU) today announced its inaugural ACU Ratings of the California State Legislature during an event in Sacramento, California honoring the Golden State's true conservatives. The nation's oldest and largest grassroots conservative organization began a new initiative to expand the highly touted ACU Congressional Ratings program to state legislatures, grading members on their votes on key conservative issues. [...] The winners of the ‘ACU Conservative’ award - given to those members who scored 80 percent or higher - in the State Senate are Tom Berryhill, Sam Blakeslee, Anthony Cannella, Jean Fuller, Ted Gaines, Minority Leader Bob Huff, Doug LaMalfa, Sharon Runner, Tony Strickland, Mimi Walters and Mark Wyland. In the Assembly, winners include: Katcho Achadjian, Bill Berryhill, Republican Leader Connie Conway, Paul Cook, Beth Gaines, Martin Garrick, Jeff Gorell, Shannon Grove, Curt Hagman, Diane Harkey, Kevin Jeffries, Brian Jones, Dan Logue, Jeff Miller, Brian Nestande, Jim Nielsen, Chris Norby, Kristin Olsen, David Valadao and Don Wagner.” [American Conservative Union, press release, [8/7/12](#)]

### Howard Jarvis Taxpayers Association

**2011: The Howard Jarvis Taxpayers Association Gave Harkey A 96.3% Rating.** “There is a gulf between Democrats and Republicans in San Diego County when it comes to voting on tax issues in Sacramento. The Howard Jarvis Taxpayers Association issued its annual report card Thursday, awarding most Republicans in the San Diego County delegation with As. All but one Democrat flunked. The group, a powerful anti-tax voice throughout California, based its grades on how members voted on some 22 different bills addressing taxpayer issues. Among the San Diego County delegation, Sen. Joel Anderson, R-La Mesa, and Assemblywoman Diane Harkey, R-Dana Point, tied for the top percentage at 96.3 percent.” [San Diego Union-Tribune, [11/19/11](#)]

**2009: The Howard Jarvis Taxpayers Association Gave Harkey A 100% Rating And An A.** “Nevertheless, the watchdog Howard Jarvis Taxpayers Association has released its annual legislative report card, which is a reasonable gauge of lawmakers' performance. Those who paid attention this year won't be surprised that more than

half their legislators got failing grades. For those who haven't paid attention, the report card should be a wake-up call. Things aren't well in the state Capitol. [...] The Jarvis evaluation wasn't all dour. Republican Assembly members Diane Harkey of San Juan Capistrano and Joel Anderson of El Cajon earned 100-percent ratings and grades of A.” [Orange County Register, Editorial, [11/27/09](#)]

### Orange County Business Council

**2014: The Orange County Business Council Initially Gave Harkey A 94.4% Score.** “Orange County Business Council (OCBC) is proud to announce Assemblyman Travis Allen, 72nd District, as 'Legislator of the Year.' [...] Posted below is a summary of how the rest of Orange County's delegation ranks in order of support for OCBC positions on the 31 bills identified during OCBC's 'One Voice, Two Capitols' advocacy trips in the Spring of 2014. The adjusted calculation is based upon the number of times a legislator voted with OCBC, divided by the total number of times a legislator was present for a vote. SENATE Bob Huff – 95.5% Mark Wyland – 95.5% Mimi Walters – 92% Lou Correa – 82.4% ASSEMBLY Travis Allen – 100% Diane Harkey – 94.4%” [Orange County Business Council, press release via GlobeNewswire, [9/24/14](#)]

**However, The Orange County Business Council Later Gave Harkey A 100% Score.** “Orange County Business Council (OCBC) has issued a correction of its Legislative Scorecard, originally produced and distributed September 23, 2014. A transposition of one vote due to a last-minute so-called 'gut and amend' bill, along with a motion to reconsider, caused the score for the delegation to be skewed for some legislators. OCBC is thrilled to announce that after a recalculation, in addition to Assemblyman Travis Allen, seven more members of the OC delegation scored 100 percent in alignment with OCBC legislative positions. [...] Below is a summary of how Orange County's delegation members rank in order of support for OCBC positions on the 31 bills OCBC tracked in 2014. The adjusted calculation is based upon the number of times a legislator voted with OCBC, divided by the total number of times a legislator was present for a vote. SENATE Bob Huff – 100% Mark Wyland – 100 % Mimi Walters – 100% Lou Correa – 88.2% ASSEMBLY Travis Allen – 100% Diane Harkey – 100%” [Orange County Business Council, press release via GlobeNewswire, [9/26/14](#)]

**2012: The Orange County Business Council Gave Harkey A Perfect Score.** “Orange County Business Council took positions and advocated on behalf of dozens of state bills throughout the legislative session. Posted below is a summary of how Orange County's delegation ranks in order of support for OCBC positions on the 29 bills identified during OCBC's 'One Voice, Two Capitols' advocacy trip in the Spring of 2012. The adjusted calculation is based upon the number of times a legislator voted with OCBC, divided by the total number of times a legislator was present for a vote. [...] Assembly: Diane Harkey: 100%” [Orange County Business Council, press release, [10/18/12](#)]

### National Federation Of Independent Businesses

**2013: The National Federation Of Independent Businesses Awarded Harkey 100%.** “A small-business group has handed out favorable grades to San Diego-area Republican legislators, but not to local Democrats. The score card issued by the National Federation of Independent Businesses tracked votes on 13 measures in 2012, from pension reform to curbing global warming to requiring companies to pick up old mattresses when selling a new bed. [...] Republicans whose districts had included San Diego County but no longer do: Sen. Mimi Walters of Laguna Niguel, 100 percent; Assemblywoman Diane Harkey of Laguna Niguel, 100 percent.” [San Diego Union-Tribune, [1/28/13](#)]

**2010: The National Federation Of Independent Businesses Awarded Harkey A Perfect Score.** “The National Federation of Independent Business awarded high marks to Republicans. Democrats didn't do so well based on votes on 13 measures related to taxes, health care and workers compensation. Assembly Republicans in the San Diego-area delegation who scored a perfect 100 percent were Martin Garrick, Kevin Jeffries and Diane Harkey. Fletcher received a 90 percent, and Joel Anderson an 82 percent.” [San Diego Union-Tribune, 10/8/10]



## Sierra Club

**2012: The Sierra Club California Gave Harkey An 8% Rating.** [Sierra Club via Wayback Machine, accessed [3/2/18](#)]

**2011: The Sierra Club Gave Harkey A 36% Rating.** “In addition to Block, the Sierra Club’s rankings for local Assembly Democrats were: Toni Atkins of San Diego, 83 percent; and Ben Hueso of San Diego, 62 percent. In the Senate, Democrat Christine Kehoe of San Diego supported Sierra Club positions 79 percent of the time and Juan Vargas of San Diego 64 percent of the time. Among Assembly Republicans, Nathan Fletcher of San Diego and Diane Harkey of Dana Point tied at 36 percent. They were followed by Brian Jones of Santee at 25 percent, Martin Garrick of Solana Beach at 18 percent and Kevin Jeffries of Lake Elsinore at 17 percent.” [San Diego Union-Tribune, [11/2/11](#)]

## Congress Of California Seniors

**2012: The Congress Of California Seniors Gave Harkey A 32% And A 33% Rating.** [Congress of California Seniors, accessed [3/5/18](#)]

## California Clean Money Action Fund

**2012: California Clean Money Action Fund Gave Harkey A 0% Clean Money Score.** [California Clean Money Action Fund, accessed [3/5/18](#)]

## California Labor Federation

**2012: The California Labor Federation Gave Harkey A 7% Rating.** [California Labor Federation, accessed [3/5/18](#)]

## Clean Water Action

**2012: Clean Water Action Gave Harkey A 33% Rating.** [Clean Water Action via Wayback Machine, accessed [3/5/18](#)]

## California League Of Conservation Voters

**As Of 2012, Harkey Had An 11% Lifetime Score With The California League Of Conservation Voters.** [California League of Conservation Voters, accessed [3/5/18](#)]

**2012: The California League Of Conservation Voters Gave Harkey A 0% Rating.** [California League of Conservation Voters, accessed [3/5/18](#)]

**2011: The California League Of Conservation Voters Gave Harkey An 18% Rating.** [California League of Conservation Voters, accessed [3/5/18](#)]

## Planned Parenthood Affiliates Of California

**2012: Planned Parenthood Affiliates Of California Gave Harkey A 0% Rating.** [Planned Parenthood Action California, accessed [3/2/18](#)]

## Consumer Federation Of California

**2012: The Consumer Federation Of California Gave Harkey A 0% Rating.** [Consumer Federation of California, accessed [3/2/18](#)]

**As Of February 2013, Harkey Had A 6% Lifetime Rating With The Consumer Federation Of California.** [Consumer Federation of California, accessed [3/2/18](#)]

### **Equality California**

**2012: Equality California Gave Harkey A 0% Rating.** [Equality California via Wayback Machine, accessed [3/2/18](#)]

### **Humane Society Legislative Fund**

**2012: The Humane Society Legislative Fund Gave Harkey A 14% Rating.** [Human Society Legislative Fund, accessed [3/5/18](#)]

## Ethics

### Significant Findings

- ✓ *In 2009, Harkey's husband and his company, Point Center Financial, were sued by its investors, which included many retirees, for operating a "classic Ponzi scheme" in hard money lending.*
- ✓ *In the lawsuit, Harkey was accused of using money earned from the company to self-finance her political campaigns.*
- ✓ *Harkey claimed contributions to her own campaign came from her income & her wealth from her banking career. But later admitted "sometimes" the contributions came from "my income. Sometimes it was his income. Sometimes it's both of our incomes"*
- ✓ *Dan Harkey was found guilty of eleven cases of elder abuse – and then counter-sued the victims. Dan Harkey's lawyer said Diane Harkey was part of the lawsuit.*
- ✓ *In 2013, a jury initially found Dan Harkey liable for \$10 million in damages for "malice, oppression, or fraud" in breach of fiduciary duty.*
- ✓ *Harkey tried to deny any involvement with the company but had previously disclosed she was a corporate officer & invested in her husband's company.*
- ✓ *Harkey was dismissed in the lawsuit but the court ordered Harkey's wages to be garnished to pay the settlement – in response, Harkey claimed she was separated from her husband.*
- ✓ *A state Department of Finance audit accused Harkey of reassigning board employees without approval at a November 2016 conference that Harkey sponsored, in which 113 board of equalization employees worked in "registration, parking lot duty, and break area facilitation" unrelated to their jobs.*
- ✓ *Under Harkey's chairmanship, Governor Brown cut the board's staff by 90%, created a new department to collect sales taxes, and took the Board's power as a tax court.*
- ✓ *Harkey said the reform "will kill the BOE and taxpayer rights" and was an example of government overreach.*
- ✓ *During Harkey's time on the Board of Equalization, the Board was accused of having misallocated tens of millions and being understaffed with its HQ containing toxic mold.*
- ✓ *In 2017, the Orange County Register reported that private donors donated \$140,000 in behested payments to Harkey, which critics argued could be a way for donors to "curry official favor."*
- ✓ *In 2017, Harkey had \$147,448 in behested payments including \$73,250 related to Harkey's "Connecting Women to Power" conferences.*

## Harkey's "Ponzi Scheme" Business Found Guilty Of Elder Abuse & Other Fraudulent Practices

**2009: Harkey's Husband And His Company, Point Center Financial, Were Sued By Its Investors, Which Included Many Retirees, For Operating A "Classic Ponzi Scheme" In Hard Money Lending**

---

**Harkey's Husband, Dan J. Harkey, Was President Of Point Center Financial, Inc.**

---

**Harkey's Husband, Dan J. Harkey, Was President Of Point Center Financial, Inc.** "Diane L. Harkey Age: 53 Birthplace: Joliet, Ill. Years in California: 43 years Years in Dana Point: 25 years Family Married to Dan J. Harkey, Mortgage Banker, President of Point Center Financial, Inc. located in San Juan Capistrano. one daughter, Jaclyn, age 20, Business Major at USC. (Plus 3 horses and 3 cats)." [Orange County Register, 12/9/04]

**Harkey Said He Managed \$500 Million From 3,000 Private Investors.** "At the peak of the real estate boom, Harkey said, he managed \$500 million from 3,000 private investors. The company, he said, made millions of dollars by charging fees to borrowers and by keeping a portion of the interest payments." [Los Angeles Times, [5/4/09](#)]

**1991: Dan Harkey Was A Mortgage Banker.** "Along blufftops, canyons, sea cliffs and shorelines, residents are gambling on time, betting they'll be gone long before the land erodes enough to become a danger. It can take centuries. Or a few severe storms. No one knows for sure. [...] Harkey takes comfort in the geotechnical engineering and the fact that the family's last penny isn't wrapped up in the house. 'We own quite a bit of other property, so if something does happen -- oh well,' said Harkey, whose husband, Dan, is a mortgage banker. They have a daughter, Jaclyn, 6. 'If you worry about it, you don't move here.'" [Orange County Register, 4/16/91]

Bullets please

---

**2009: A Lawsuit Accused Dan Harkey Of Taking More Than \$15 Million From Dozens Of Investors And That Dan Harkey Operated A "Classic Ponzi Scheme"**

---

**HEADLINE: "Orange County Real Estate Lender Dan Harkey Is Accused Of Bilking Investors"** [Los Angeles Times, [2/18/09](#)]

**2009: A Lawsuit Accused Dan Harkey Of Taking More Than \$15 Million From Dozens Of Investors.** "Was it the real estate downturn, or were people misled into a risky investment scheme? That's the question at the center of a lawsuit filed Tuesday that accuses Orange County real estate lender Dan J. Harkey of bilking dozens of investors out of more than \$15 million." [Los Angeles Times, [2/18/09](#)]

**The Orange County Register Reported 43 Investors In Point Center Were Part Of The Lawsuit.** "A lawsuit accuses real estate lender Dan Harkey of defrauding investors and using part of their money to fund the campaigns of his wife, Assemblywoman Diane Harkey, R-Dana Point. Forty-three investors in Dan Harkey's company, Point Center Financial Inc. of Aliso Viejo, recently filed an amended version of the suit in Orange County Superior Court." [Orange County Register, 3/5/09]

**The Orange County Register Later Reported 53 Investors Were Part Of The Suit.** "The 53 investors suing Dan Harkey have included Diane Harkey as a defendant, alleging in part that Dan Harkey 'fraudulently transferred investors' funds ... to his wife Diane Harkey for her use in advancing her political career.'" [Orange County Register, [3/17/09](#)]

**February 2013: The Plaintiffs Were A Group Of 80 Investors.** "The plaintiffs, a group of 80 investors, say the Harkeys and Melanson misled them and siphoned money to support the Harkeys' lifestyle and Diane's political ambitions." [Orange County Register, [2/15/13](#)]

**Lawsuit: Dan Harkey Exaggerated The Value Of Properties To Lull Investors Into A False Sense Of Security.** "The lawsuit accuses Dan Harkey of using slick marketing techniques -- including mass mailings and DVDs of sales meetings -- to attract investors in short-term, high-interest loans to real estate developers. It contends that Harkey exaggerated the value of the properties used as collateral by borrowers, making the individual

investments appear much safer than they were. Dan Harkey denied wrongdoing, saying any losses were related directly to the downturn in the real estate and financial markets.” [Los Angeles Times, [2/18/09](#)]

**Lawsuit: Dan Harkey Operated A “Classic Ponzi Scheme.”** “The lawsuit also alleges that Harkey operated a ‘classic Ponzi scheme’ by renewing short-term loans and using new investors’ money to pay off investors who chose not to renew. One example cited by the plaintiffs was a loan for construction of a proposed shopping center in Riverside County called Murietta Commons. [...] Harkey called the Ponzi scheme allegation ‘nonsense,’ noting that no agency had filed any allegations against him. Point Center has no record of discipline with the state Department of Real Estate, records show.” [Los Angeles Times, [2/18/09](#)]

**Lawsuit: Point Center Financial Made Millions Charging Broker Fees And Left Investors With Foreclosed Properties Significantly Less Than What They Have Invested.** “The lawsuit, filed in Orange County Superior Court in Santa Ana, claims that Point Center made millions of dollars by charging broker fees upfront to borrowers, allowing the company to profit regardless of whether the loans were repaid. When the borrowers defaulted, the lawsuit alleges, the investors were often left with foreclosed properties worth a fraction of the money they had invested.” [Los Angeles Times, [2/18/09](#)]

**The Suit Cited A \$19.3 Million Loan In Palm Springs For A Development Project Which Fell Through In The Housing Crisis.** “The suit cites a \$19.3-million loan in 2006 to Burnett Development Corp., which planned to build 451 homes surrounding a golf course at the Palm Springs Country Club. The loan was made near the peak of the real estate boom, but conditions soon changed. Burnett Development defaulted on the loan in 2007 and Point Center foreclosed, according to court records. Burnett officials could not be reached. The now-closed country club has fallen into such disrepair that the city of Palm Springs filed a lawsuit last year -- naming individual Point Center investors as defendants -- seeking immediate repairs to a property filled with weeds, polluted ponds and graffiti. ‘I was shocked. I thought this was being properly handled by Point Center Financial,’ said Terry Holdt, an investor and one of the plaintiffs in Tuesday’s lawsuit. ‘I knew the intention was to develop the property. I didn’t realize it hadn’t gone very far.’” [Los Angeles Times, [2/18/09](#)]

**The Suit Also Cited A Development In Carpinteria In Which Point Center Claimed To Investors It Had Secured All Approvals When It Had Not.** “The lawsuit also cited Point Center’s \$10-million loan in 2005 to a company that planned to build luxury oceanfront homes in Carpinteria. In a summary of the project distributed to prospective investors, Point Center said the property owner had ‘spent the past seven years securing California Coastal Commission approval’ and needed only final approval from the city of Carpinteria. The developers, brothers Paul and Richard Ehline, personally guaranteed the loan, according to the Point Center summary. The summary advertised an ‘estimated minimum’ return of 23.5%. It sounded like a good opportunity to Carlsbad Realtor Jim Haiduck, who said he invested \$200,000 in the project based on assurances by Harkey’s staff that nearly all approvals had been secured. But the Coastal Commission had not approved the project, the lawsuit alleges. In 2007, Ehline Development Corp. defaulted on the loan, Point Center foreclosed and the Ehlines filed for bankruptcy protection. The brothers listed \$120 million in bad debt in their bankruptcy filings, including \$43.6 million of debt on four separate Point Center loans. ‘This was just a clear case of misrepresentation,’ Haiduck said. ‘We just don’t know where the money went. Now it’s in foreclosure.’” [Los Angeles Times, [2/18/09](#)]

**Dan Harkey Denied Any Wrongdoing And Said Any Losses Were Related To The Recession.** “Dan Harkey denied wrongdoing, saying any losses were related directly to the downturn in the real estate and financial markets.” [Los Angeles Times, [2/18/09](#)]

**Point Center Financial Made Millions By Collecting Fees Upfront, Which Allowed Harkey To Profit Off Of Bad Loans, Of Which Dan Harkey Claimed 60% Of Loans Defaulted Or Foreclosed.** “The lawsuit claims that Harkey made millions by collecting his fees upfront, allowing him to profit even if the loans went unpaid and investors lost money. The real estate crash littered Point Center’s books with bad loans. Harkey has said that 60 percent of the company’s loans have defaulted or been foreclosed. The lawsuit puts the figure at 85 percent.” [Orange County Register, [3/17/09](#)]



---

## **Dan Harkey And Point Center Engaged In Hard Money Lending, In Which Lenders Provide Loans For High-Risk Projects**

---

**HEADLINE: “Lawsuit Against O.C. Lender Illustrates Dangers Of 'Hard-Money' Lending”** [Los Angeles Times, [5/4/09](#)]

**Dan Harkey And Point Center Engaged In Hard Money Lending, In Which Lenders Provide Loans For High-Risk Projects.** “The allegations center on a little-known and lightly regulated segment of the real estate industry known as ‘hard-money’ lenders. These lenders often provide financing for high-risk projects that banks won’t touch, such as speculative housing developments. Wealthy individuals looking for outsized returns often provide the investment capital. The lawsuit alleges that many investors were retired people who entrusted Dan Harkey and Point Center with their life savings.” [Los Angeles Times, [2/18/09](#)]

**Hard-Money Lenders Rely On The Value Of The Property As Collateral.** “Hard-money lenders rely almost exclusively on the value of property used as collateral, expecting to profit when loans are repaid or to foreclose when they’re not.” [Los Angeles Times, [5/4/09](#)]

**Harkey Said In A Good Economy, He Paid Investors 9% Annually But Downturns In The Housing Market Could Leave Investors With Properties Worth Far Less Than What They Invested.** “In a good economy, investors can make significant gains. Harkey said he paid investors 9% annually, sometimes more. With those hefty payouts comes risk. If the real estate market crashes, hard-money lenders can end up with foreclosed properties suddenly worth far less than the money they lent. And investors, once confident that their loans to developers were backed up by property, can find that their holdings are now of little value.” [Los Angeles Times, [5/4/09](#)]

**Since Federal Regulators Did Not Oversee Hard-Money Loans, Lenders Were Responsible To Act In The Best Interests Of Investors.** “The estimated billions of dollars in hard-money loans fall outside the purview of regulators like the Federal Reserve and the Office of Thrift Supervision, putting significant responsibility on lenders to act in the best interests of investors.” [Los Angeles Times, [5/4/09](#)]

---

## **The Suit Claimed Many Of The Investors Were Retirees Who Gave Harkey’s Husband Their Life Savings For High-Risk Projects**

---

**The Suit Claimed Many Of The Investors Were Retirees Who Gave Harkey’s Husband Their Life Savings For High-Risk Projects.** “The allegations center on a little-known and lightly regulated segment of the real estate industry known as ‘hard-money’ lenders. These lenders often provide financing for high-risk projects that banks won’t touch, such as speculative housing developments. Wealthy individuals looking for outsized returns often provide the investment capital. The lawsuit alleges that many investors were retired people who entrusted Dan Harkey and Point Center with their life savings.” [Los Angeles Times, [2/18/09](#)]

**By 2013, Six Of The Plaintiffs Had Died.** “The impending bankruptcy filing will delay a lawsuit that was filed in November 2008. Since then, six of the 80 plaintiffs have died, lead plaintiff Lloyd Charton said.” [Orange County Register, [2/15/13](#)]

**The Lead Plaintiff In The Case, Who Also Was A Neighbor Of The Harkeys, Claimed Dan Harkey Told Him That Mr. Harkey Gave \$1 Million To Diane Harkey’s Campaign.** “Lloyd Charton, a retired attorney who is the lead plaintiff, is a neighbor of the Harkeys in Dana Point’s seaside Ritz Cove neighborhood. Charton said Dan Harkey told him he gave \$1 million for his wife’s campaign.” [Orange County Register, [2/18/09](#)]

**Lloyd Charton, A Neighbor To The Harkeys, Was In The Suit Against Harkey.** “Leading the charge against the Harkeys is retired attorney Lloyd Charton. He lives a few doors away from them in the seaside Ritz Cove tract of Dana Point. Charton, who said he was personally recruited by Harkey, invested \$630,000. Charton was a high-profile lawyer, representing fugitive UC Irvine fertility Dr. Ricardo Asch, among others. He has remained a lightning rod in this case. The defense is promising to introduce his 2008

emails to the Harkeys in which he appeared to imply that he would embarrass Diane Harkey politically if they did not quickly settle.” [Orange County Register, [9/17/12](#)]

**July 2004: Charton Donated \$100 To Harkey’s City Council Campaign.** [City of Dana Point, [7/21/04](#)]

**October 2004: Charton Donated \$100 To Harkey’s City Council Campaign.** [City of Dana Point, [10/4/04](#)]

**2008: The Lead Plaintiff Allegedly Implied He Would Embarrass Harkey Politically If The Case Was Not Settled Quickly.** “Charton was a high-profile lawyer, representing fugitive UC Irvine fertility Dr. Ricardo Asch, among others. He has remained a lightning rod in this case. The defense is promising to introduce his 2008 emails to the Harkeys in which he appeared to imply that he would embarrass Diane Harkey politically if they did not quickly settle.” [Orange County Register, [9/17/12](#)]

**Sherryl Wiseman, Along With Other Elderly People, Protested Diane Harkey’s Holiday Party As She Lost \$600,000 In Point Center Saying “The Money Was Supposed To Go To My Grandchildren’s Education, So He Stole From My Grandchildren.”** “With signs in hand and a determination to reach as many potential voters as possible, a half dozen residents from across the county protested Tuesday evening outside Assemblywoman Diane Harkey’s annual holiday party. Protesters said Harkey’s husband, Dan Harkey, had cheated them out of millions of dollars in investments. ‘The money was supposed to go to my grandchildren’s education, so he stole from my grandchildren,’ said Huntington Beach resident Sherryl Wiseman, standing outside the party, which was held at Norm Reeves Acura. Wiseman, 68, said she invested \$600,000 in Harkey’s company, Point Center Financial, and lost it.” [Orange County Register, [12/17/13](#)]

**HEADLINE: “Protesters Gather Outside Diane Harkey’s Holiday Party”** [Orange County Register, [12/17/13](#)]



[Orange County Register, [12/17/13](#)]

**Audi Of Mission Viejo Hosted The Party And Ladera Rancho Officials And Chamber Of Commerce Members Attended.** “More than 30 people from the Ladera Rancho Chamber of Commerce, Ladera Ranch Civic Council and the offices of Assemblywoman Diane Harkey, R-Dana Point, participated in Harkey's annual holiday party Dec. 17 in Mission Viejo. The event was hosted by Audi of Mission Viejo, which is owned by Ladera Ranch resident Matt Gunderson.” [Orange County Register, 12/27/13]

**Susan Schleede Said She Lost Half A Million Dollars In Point Center Financial.** “Laguna Niguel resident Susan Schleede said she invested and lost half a million dollars in Dan Harkey's company. ‘I do not want Diane Harkey in office,’ Schleede, 64, said. ‘We want to communicate to the public the experiences we had in dealing with her husband's company.’” [Orange County Register, [12/17/13](#)]

**Ray And Karla Bille Invested \$500,000 From An IRA Savings But Had To Sell Their Home “Because We Couldn’t Afford To Live There.”** “Kurt Sipolski and Ray and Karla Bille, all of Palm Desert, are among more than 40 plaintiffs who sued Harkey, husband of Assemblywoman Diane Harkey, R-Dana Point, for fraud and were relieved with the guilty verdict issued Thursday. [...] ‘None of it came from the developers. It came from new investors. That's a true Ponzi scheme,’ said Ray Bille, 81, of the money he made the first few years with Point Center Financial. Ray and Karla Bille invested about \$500,000 between 2005 and 2007 from an IRA savings. ‘We had to sell our house in Indian Ridge because we can't afford to live there. I've lost hundreds of hours of sleep thinking why did I put so many eggs in one basket,’ said Ray Bille.” [Desert Sun, 7/12/13]

**2013: Thomas Berean, An Investor, Testified That Dan Harkey Personally Assured Berean About His Investment.** “Orange County investor Thomas Berean, who invested \$1.2 million in the mortgage pool, took the witness stand. Benice asked Berean if he'd read the statement that the investments were ‘speculative.’ ‘I was given personal assurances by Dan Harkey,’ Berean replied, ‘that they were window dressing that the lawyers insisted on putting in there. I met with him personally.’ No, Berean admitted in response to a follow-up question from Benice, he had never sent Harkey an email confirming their mutual understanding that the ‘speculative’ language in the official documents was just ‘window-dressing.’ ‘We had a handshake,’ Berean said. ‘In my father's day, a man's word was his bond.’” [Orange County Register, [5/8/13](#)]

**Wanda And Robert Wells, Both Retired, Invested \$2.2 Million In Point Center And Lost Almost All Of It.** “Plaintiffs Wanda and Robert Wells of Newport said they invested almost \$2.2 million in Point Center and lost almost all of it. The couple, both of whom are retired, said they were grateful they had not lost all of their savings or their home, as others had. Wanda Wells said she didn't trust Diane Harkey to make decisions involving taxpayer money because the Harkeys had derived income from the now-bankrupt Point Center.” [Orange County Register, [3/1/13](#)]

**Steve Cash Was An Investor Who Put In \$600,000 Into Point Center.** “Steve Cash is a San Diego investor who put \$600,000 into Point Center. He describes the Harkeys as ‘a crime family’ and accuses the government of ‘aiding and abetting crimes against me’ by doing nothing.” [Orange County Register, [9/17/12](#)]

**2009: Donna Wall, A Real Estate Broker, Said She Had To Postpone Her Retirement Plans Indefinitely As She Believed She Lost All Of \$176,000 Investment In Point Center.** “‘I believe Dan Harkey fraudulently took money from Point Center investors to support his and his wife's lifestyle, including her political campaign,’ said investor Donna Wall, one of the plaintiffs in the lawsuit against the Harkeys. The Corona del Mar real estate broker, who said she's had to postpone her planned retirement indefinitely, suspects she's lost all of her \$176,000 Point Center investments and that some of that money has gone to Diane Harkey's political career.” [Orange County Register, [3/17/09](#)]

**Donna Wall: “I Believe Dan Harkey Fraudulently Took Money From Point Center Investors To Support His And His Wife's Lifestyle, Including Her Political Campaign.”** “‘I believe Dan Harkey fraudulently took money from Point Center investors to support his and his wife's lifestyle, including her political campaign,’ said investor Donna Wall, one of the plaintiffs in the lawsuit against the Harkeys. The Corona del Mar real estate broker, who said she's had to postpone her planned retirement indefinitely, suspects she's lost all of her

\$176,000 Point Center investments and that some of that money has gone to Diane Harkey's political career.”  
[Orange County Register, [3/17/09](#)]

**2009: Arnold Goldman, Then 78, Took Out A Reverse Mortgage Against His Home Because Of \$600,000 He Invested In Point Center But Expressed Confidence In Dan Harkey Saying, “I Have Faith In Him Until Anyone Proves Otherwise.”** “Arnold Goldman, 78, had to take out a reverse mortgage against his Encino home because of the roughly \$600,000 he has invested in bad Point Center loans. Still, he's not prepared to blame it on Harkey. He said the real estate downturn is the problem and there's only one cure: time for the market to recover. ‘I have faith in him until anyone proves otherwise,’ Goldman said. ‘I truly feel this will pull through when the economy changes. The collateral will have some value. I expect I'll get everything back.’” [Los Angeles Times, [5/4/09](#)]

**Kurt Sipolski, Part Of The Suit Against Point Center, Wrote A Letter To The Editor To The Desert Sun And Said, “No Dividends Have Been Paid To Investors.”** “Now, there's mud being slung in the Desert Sun. The investor's letter, below: ‘I sympathize with nearby residents about the decrepit condition of Palm Springs Country Club in the article by Marcel Honoré. It is a blight. I know, since I am one of the reluctant owners. I and other investors in Point Center Financial have been fruitlessly trying to reason with owners Dan Harkey and his wife and officer in the company, Republican Assemblywoman Diane Harkey with no resolution. [...] No dividends have been paid to investors and our attempts at withdrawal of funds have been stonewalled. Often, taxes, fees, fines and upkeep have not been paid, much to our consternation. We are in the lengthy and exhaustive process of suing. I see no resolution for the local residents except with the replacement of the Harkeys with a competent manager to look out for the interests of investors and neighbors. Perhaps 2010 will be the year investment companies realize they have a moral and legal obligation to their investors and communities - or be made to. Kurt Sipolski Palm Desert’” [OC Weekly, [1/11/10](#)]

**Sipolski, A Retired Publisher Handicapped By Polio Who Lives On Social Security Of \$612 A Month, Had Invested Most Of His Life Savings With Harkey.** “One of the plaintiffs is Kurt Sipolski of Palm Desert, a retired publisher who lives on Social Security of \$612 a month. He invested most of his life savings with Harkey. ‘I asked for it back two years ago, and at that time, he said he wasn't able to do it; however, shortly afterward, he bought a Lear jet and made another multimillion-dollar bad loan,’ Sipolski said. ‘I explained I was handicapped by polio, that it was hard for me to walk, and that was my life savings,’ he said. ‘It fell on deaf ears. Absolutely heartless.’” [Arizona Republic via Newspapers.com, [1/23/10](#)]

**Sipolski On Asking His Money Back: “I Asked For It Back Two Years Ago, And At That Time, He Said He Wasn't Able To Do It; However, Shortly Afterward, He Bought A Lear Jet And Made Another Multimillion-Dollar Bad Loan.”** “One of the plaintiffs is Kurt Sipolski of Palm Desert, a retired publisher who lives on Social Security of \$612 a month. He invested most of his life savings with Harkey. ‘I asked for it back two years ago, and at that time, he said he wasn't able to do it; however, shortly afterward, he bought a Lear jet and made another multimillion-dollar bad loan,’ Sipolski said. ‘I explained I was handicapped by polio, that it was hard for me to walk, and that was my life savings,’ he said. ‘It fell on deaf ears. Absolutely heartless.’” [Arizona Republic via Newspapers.com, [1/23/10](#)]

**Sipolski: “I Explained I Was Handicapped By Polio, That It Was Hard For Me To Walk, And That Was My Life Savings. It Fell On Deaf Ears. Absolutely Heartless.”** “One of the plaintiffs is Kurt Sipolski of Palm Desert, a retired publisher who lives on Social Security of \$612 a month. He invested most of his life savings with Harkey. ‘I asked for it back two years ago, and at that time, he said he wasn't able to do it; however, shortly afterward, he bought a Lear jet and made another multimillion-dollar bad loan,’ Sipolski said. ‘I explained I was handicapped by polio, that it was hard for me to walk, and that was my life savings,’ he said. ‘It fell on deaf ears. Absolutely heartless.’” [Arizona Republic via Newspapers.com, [1/23/10](#)]

**Sipolski Invested \$194,900 And Was Awarded \$17,000 For Elder Abuse And \$48,000 For Breach Of Fiduciary Obligation Which He Said Might “Keep Me From Losing” His House Of 24 Years.** “Sipolski invested \$194,900 into two different projects and was awarded by the jury \$17,000 for elder abuse and \$48,000 for breach of fiduciary obligation, Grant said. He said the award for elder abuse would probably increase,



though. [...] ‘This is a great start, and it may keep me from losing the house I have had in Palm Desert for 24 years,’ Sipolski said of the guilty verdict. However, he wonders how much of the award money he will actually see. Sipolski sold an apartment complex he used to own off El Paseo and used that money to invest with Point Center Financial. He’d had success with prior trust deed investments, and so after participating in a seminar at a resort in Palm Desert, signed up. ‘They were very convincing,’ he said. ‘We had faith in somebody and found we were misled.’ Since losing his investments, he’s had to live off his social security retirement of \$620 a month.” [Desert Sun, 7/12/13]

**2014: Dan Harkey Sued Sipolski For At Least \$50 Million To Which He Said, “Right Now, I’m Not Quite Sure About Where I’m Going To Go.”** “Kurt Sipolski, who says he now lives nearly from hand to mouth, is being sued for at least \$50 million by the same person who he says drained his retirement options in a failed real estate deal. ‘Right now, I’m not quite sure about where I’m going to go,’ said Sipolski, 67, of Palm Desert, speaking about his lack of legal defense options. Several years ago, Sipolski invested about \$150,000 into a real estate development deal led by Dan J. Harkey, CEO of Point Center Financial out of Orange County. Last summer, Sipolski was one of about 40 plaintiffs who sued Harkey, husband of Assemblywoman Diane Harkey, R-Dana Point, for fraud.” [Desert Sun, [8/10/14](#)]

**Dan Harkey’s Suit Alleged Sipolski Was Part Of A “Malicious Scheme... To Destroy Plaintiff’s Credibility.”** “The suit alleges Sipolski and others ‘conceived a malicious scheme in or about 2007-2008 and continuing to date to destroy Plaintiff’s (Harkey’s) credibility and reputation in the private lending business.’ ‘The key element in the scheme was to persuade other PCF (Point Center Financial) investors to become plaintiffs in a merciless fraud action filed against Plaintiff (Harkey); and to thereafter distribute the meritless action to the media or Internet in an attempt to destroy Plaintiff,’ the lawsuit continues. Harkey is asking for damages no less than \$50 million, punitive damages, indemnity including attorney’s fees and costs, among other awards.” [Desert Sun, [8/10/14](#)]

**Sipolski On Dan Harkey And Dan Harkey’s Lawsuit Against Sipolski: “And He Certainly Knows That I’m Living On A Very Limited Income, And There’s No Way I Can Even Spare A Quarter.”** “Sipolski, who walks with a cane because of childhood polio, now lives on \$654 a month in Social Security, according to a recent article in USA Today. ‘And he (Harkey) certainly knows that I’m living on a very limited income, and there’s no way I can even spare a quarter,’ Sipolski told The Desert Sun on Thursday. ‘Basically, you are home bound. My car is an 11-year-old Saturn. You can’t upgrade anything. Chores I would have hired people to do, like gardening, I have to do myself. The swimming pool I need for exercise. Taking care of the pool is on my back. Most of the time, I have to use a cane or crutches,’ he told USA Today.” [Desert Sun, [8/10/14](#)]

**Dan Harkey’s Attorney: “All Of The Defendants... Are Now Being Sued, As Is Mr. Harkey’s Right... As Is Mr. Harkey’s Wife, Diane Harkey, To Recoup The Fees And Damages They Suffered As A Consequence Of... About 35 People Wrongfully Suing Mr. Harkey.”** “‘He’s just one of about 35 defendants that we’re suing,’ said Jeffrey S. Benice, Harkey’s attorney, referring to Sipolski. ‘All of the defendants who pursued Mr. Harkey for six years, purposely, who lost, are now being sued, as is Mr. Harkey’s right, and the other third parties that were wrongfully sued, as is Mr. Harkey’s wife, Diane Harkey, to recoup the fees and damages they suffered as a consequence of this group of people - about 35 people wrongfully suing Mr. Harkey. ‘Mr. Harkey is just pursuing his legal claims under the existing agreements that were all in place that governed the rights of the parties,’ Benice added.” [Desert Sun, [8/10/14](#)]

---

**In 2009, Investors Filed Complaints With The SEC, Which Opened An Investigation But By 2012, The SEC, State Department Of Real Estate, And State Department Of Corporations All Investigated But Took No Action**

---

**Investors Filed Complaints With The SEC And FBI.** “Investors say they also filed complaints with the Securities and Exchange Commission, the California Department of Real Estate and the FBI. Officials with those agencies declined to comment.” [Los Angeles Times, [2/18/09](#)]

**HEADLINE: “SEC Probes O.C. Real Estate Lender Point Center Financial”** [Los Angeles Times, [2/25/09](#)]

**The SEC Opened An Investigation Into Point Center Financial And Issued A Subpoena For Records From The Company.** “The Securities and Exchange Commission has opened an investigation into an Orange County real estate lending company owned by the husband of a California state assemblywoman, it was reported today. In an e-mail to his firm’s roughly 3,000 investors, Point Center Financial Inc. President Dan J. Harkey disclosed that the SEC had subpoenaed records from the firm last week, the Los Angeles Times reported. In an interview, Harkey said the SEC was seeking thousands of pages of documents in connection with a \$25-million investment pool that funded construction loans. He predicted the SEC would find no irregularities in his company’s loan pool, noting that the California Department of Real Estate took no action after a similar review.” [Los Angeles Times, [2/25/09](#)]

**Dan Harkey Called The SEC Investigation Routine.** “The lawsuit said that Harkey charged millions of dollars in loan fees to borrowers and management fees to investors, and claimed he used inflated appraisals that made the loans appear safer than they were. Harkey said he was careful to disclose the risky nature of real estate to investors, advising them that it was possible to lose some or all of their money. He called the SEC investigation routine and said he and his company would be cleared.” [Los Angeles Times, [2/25/09](#)]

**HEADLINE: “O.C. Real Estate Lender Under Investigation”** [Orange County Register, [2/25/09](#)]

**The SEC, The State Department Of Real Estate, And The State Department Of Corporations All Investigated Point Center But Took No Action.** “Benice said the U.S. Securities and Exchange Commission, the state Department of Real Estate and the state Department of Corporations all investigated Point Center but took no action. Cash said the FBI interviewed him but took no action.” [Orange County Register, [9/17/12](#)]

---

**Dan Harkey Testified That Point Center Continued To Collect Millions In Fees On Foreclosed Loans And Refused To Let Investors Withdraw Their Money But Blamed The Recession For The Losses**

---

**HEADLINE: “Harkey: Investor Losses Caused By ‘Catastrophic Change In Market’”** [Orange County Register, [5/8/13](#)]

**Dan Harkey Testified That Point Center Continued To Collect Millions In Fees On Foreclosed Loans And Refused To Let Investors Withdraw Their Money But Blamed The Recession For The Losses.** “Point Center Financial continued collecting millions of dollars in fees on foreclosed loans while refusing to let investors withdraw their money, founder Dan Harkey admitted on the witness stand this week. Harkey blamed a ‘catastrophic change in the market’ for massive losses that landed him in court.” [Orange County Register, [5/8/13](#)]

**2007: Point Center Stopped Letting Investors Withdraw Their Money.** “Much of the testimony focused on payments to Point Center after the company stopped letting investors withdraw their money in mid-2007.” [Orange County Register, [5/8/13](#)]

**Dan Harkey’s Lawyers Said That If Investors Withdrew Their Money In The Recession, Point Center Would Have Collapsed But Point Center Collected More Than \$1 Million In Fees Every Year.** “In 2007, Harkey testified, Point Center collected about \$2.6 million in fees from the pool. In each subsequent year it collected more than \$1 million in fees and billed millions more. In the first seven months of 2010 alone, for example, Point Center collected \$968,000 and billed an additional \$3.9 million that it could not collect. Harkey’s defense team has argued that the company needs the money from fees to continue operating. If it had let investors cash out during the Great Recession, it would have collapsed.” [Orange County Register, [5/8/13](#)]

**Dan Harkey Testified That He Could Not Recall If Point Center Collected Fees From The Foreclosed Palm Springs Country Club Project And Said That Point Center “Ever Represented That It Was A Fully Approved Project.** “Grant and Harkey spent most of Wednesday morning jousting over a single failed project where Point Center investors lost close to \$20 million. Point Center foreclosed on that project, Palm Springs Country Club, in 2008. It was sold in March for about \$900,000. Grant asked Harkey if it was true that Point Center got \$1.3 million in fees from the failed project. Harkey said he couldn’t recall. According to a Point Center letter introduced by Grant, the company discovered after it foreclosed that the city of Palm Springs wanted the site



for a park - not the residential development Point Center had loaned money to develop. 'I don't think that we ever represented that it was a fully approved project,' Harkey testified." [Orange County Register, [5/8/13](#)]

### **In The Lawsuit, Harkey Was Accused Of Using Money Earned From The Company To Finance Her Political Campaigns**

---

#### **A Lawsuit Alleged That Money From Point Center Financial's Investors Was Used To Finance Harkey's Political Campaigns**

---

**HEADLINE: "Assemblywoman's Rise Tied To Troubled Lending Firm"** [Orange County Register, [3/17/09](#)]

**HEADLINE: "Lawsuit Accuses Husband Of Assemblywoman Of Fraud"** [Orange County Register, [2/18/09](#)]

**In Lawsuit, Investors Alleged Their Money Went To Harkey's Political Campaigns By Way Of Her Personal Contributions To Her Campaigns.** "In an added twist, the investors claim that their money helped fund the election of Harkey's wife, state Assemblywoman Diane L. Harkey (R-Dana Point). [...] Assemblywoman Harkey declined to be interviewed. A spokesman disputed the lawsuit's claim that she used investor money to bankroll her campaign. 'She had a 30-year career in business and banking in which she acquired substantial financial resources of her own,' said Dave Gilliard, the assemblywoman's political consultant. 'She used her personal resources to help fund her political campaigns.' Campaign finance records show that Diane Harkey contributed \$1.1 million of her own money to two recent campaigns -- an unsuccessful bid for the state Senate in 2006 and last year's winning run for the Assembly. Gilliard added that Diane Harkey had no ownership interest in her husband's company, Point Center Financial Inc. of Aliso Viejo." [Los Angeles Times, [2/18/09](#)]

**The Lawsuit Alleged Dan Harkey "Fraudulently Transferred Investors' Funds ... To His Wife Diane Harkey For Her Use In Advancing Her Political Career."** "The 53 investors suing Dan Harkey have included Diane Harkey as a defendant, alleging in part that Dan Harkey 'fraudulently transferred investors' funds ... to his wife Diane Harkey for her use in advancing her political career.'" [Orange County Register, [3/17/09](#)]

**As Of March 2009, The Orange County Register Reported Harkey Donated \$1.25 Million In Personal Contributions To Her Political Races Since 2004.** "Campaign disclosures show that she's pumped \$1.25 million in personal contributions into her political races since 2004. She's spent another \$875,000 on other local, state and federal campaigns and political organizations." [Orange County Register, [3/17/09](#)]

**Harkey Was In Four Of The 116 Causes Of Action.** "Some of the sharpest rhetoric Monday was reserved for Diane Harkey, a minor player in the 300-page complaint. She figures in just four of the 116 causes of action." [Orange County Register, [4/16/13](#)]

---

#### **Some Investors Called For Harkey's Resignation From Office**

---

**HEADLINE: "Angry Investors Call For Harkey To Resign"** [Orange County Register, [3/1/13](#)]

**Some Investors, Including A Plaintiff On Behalf Of His Deceased Father, Called For Harkey's Resignation From Office.** "Unhappy investors in the now-bankrupt Point Center Financial Inc. on Thursday demanded that Assemblywoman Diane Harkey resign from office and abandon her candidacy for the state Board of Equalization. Harkey, R-Dana Point, and her husband, Dan, controlled Point Center Financial Inc., an Aliso Viejo-based company that has been sued by dozens of investors on allegations of investment fraud. The company, which sells investments in trust deeds, filed for bankruptcy in February -- a move that indefinitely delayed the litigation brought by the group of investors. 'She is an elected official; she has a sworn obligation to protect the interests of the people of California, and that means protecting everybody,' said Jeffery G. Gomberg, a plaintiff on behalf of the estate of his father, who died recently at 93. 'And this is what makes me angry and why I feel its wrong that she's in office while this disagreement is going on.'" [Orange County Register, [3/1/13](#)]

---

## **Harkey Denied Any Wrongdoing Or Involvement With The Business**

---

**March 2013: Harkey's Lawyer Claimed She Did Not Own, Work For, Or Was Involved With Point Center's Business Decisions.** "Diane Harkey could not be reached for comment at her office in Sacramento late Thursday afternoon. But the Harkeys' attorney, Jeffrey Benice, said that the allegations against her are 'outrageous,' 'defamatory' and patently untrue. He said Diane Harkey did not own, work for or have any involvement in the business decisions of Point Center Financial. He said the investors were attempting to attack Diane Harkey to pressure her husband into settling the lawsuit." [Orange County Register, [3/1/13](#)]

**In Denial Of Accusations, Harkey's Spokesman Said Had No Ownership Interest In Her Husband's Company, Point Center.** "Campaign finance records show that Diane Harkey contributed \$1.1 million of her own money to two recent campaigns -- an unsuccessful bid for the state Senate in 2006 and last year's winning run for the Assembly. Gilliard added that Diane Harkey had no ownership interest in her husband's company, Point Center Financial Inc. of Aliso Viejo." [Los Angeles Times, [2/18/09](#)]

**Dan Harkey Denied His Wife Ever Worked For Point Center Or That She Took Money From The Company For Her Campaign.** "Dan Harkey denied the allegations in the lawsuit. He said his company, like others in the real estate industry, has been hurt by the collapse of the housing market and that about 60 percent of its loans are in default or foreclosure. 'We're just victims of the economic downturn like everybody else,' he said. Harkey also denied his wife ever worked for Point Center Financial, as the lawsuit says, or that she took \$1 million from the company for her campaigns." [Orange County Register, [2/18/09](#)]

---

## **Harkey Claimed Contributions To Her Own Campaign Came From Her Income & Her Wealth From Her Banking Career**

---

**Harkey On The Source Of Her Personal Contributions To Her Campaigns: "It Came From My Personal Income. I Don't Care What The Lawsuit Says. It's Frivolous. It's Full Of Lies. And It Will All Come Out In Court."** "In the lawsuit filed last month, the investors contend that Point Center neglected to inform them about the risky nature of its loans and that Harkey, a defendant in the lawsuit, used proceeds from bad loans to donate nearly \$1.1 million to her political campaigns. Harkey said she used her own money -- from a prior 'six-figure' banking career -- to donate to her campaigns for the state Senate and Assembly. 'It came from my personal income. I don't care what the lawsuit says. It's frivolous. It's full of lies. And it will all come out in court,' she said." [Los Angeles Times, [3/3/09](#)]

**Spokesperson For Harkey Denied Allegations, Noting That Harkey's Career Gave Her Substantial Financial Resources Of Her Own Outside Of Her Husband's.** "Assemblywoman Harkey declined to be interviewed. A spokesman disputed the lawsuit's claim that she used investor money to bankroll her campaign. 'She had a 30-year career in business and banking in which she acquired substantial financial resources of her own,' said Dave Gilliard, the assemblywoman's political consultant. 'She used her personal resources to help fund her political campaigns.' Campaign finance records show that Diane Harkey contributed \$1.1 million of her own money to two recent campaigns -- an unsuccessful bid for the state Senate in 2006 and last year's winning run for the Assembly. Gilliard added that Diane Harkey had no ownership interest in her husband's company, Point Center Financial Inc. of Aliso Viejo." [Los Angeles Times, [2/18/09](#)]

**Harkey's Chief Of Staff Said The Money Harkey Contributed To Her Campaign Came From Her Own Funds She Made During Her 30-Year Career In Banking.** "Diane Harkey was elected to the state assembly in November after failing to win a state Senate seat in 2006. She was previously Dana Point's mayor. State election records show she contributed \$935,000 to her Senate campaign and \$150,000 to her Assembly campaign. Jeff Corless, Diane Harkey's chief of staff, said the money came from funds she accumulated during a 30-year career in banking. Her employers included Security Pacific, Bank of America and Guaranty Bank, he said." [Orange County Register, [2/18/09](#)]

**Harkey's Chief Of Staff Said The Fair Political Practices Commission Found No Violations When They Audited Harkey's Senate Campaign.** "Corless said the state's Fair Political Practices Commission found no

violations when it audited Diane Harkey's Senate campaign. 'The accusation is that she used illegal funds for her campaign, and that's simply not true,' Corless said." [Orange County Register, [2/18/09](#)]

---

**But Harkey Later Admitted “Sometimes” The Contributions Came From “My Income. Sometimes It Was His Income. Sometimes It’s Both Of Our Incomes”**

---

**The Lead Plaintiff In The Case: “At No Time Did Point Center Financial Ever Disclose That She Was Receiving Money From Borrowers At The Time Investors Were Putting Up Money For Loans.”** “Lloyd Charton was among more than 50 investors who sued Point Center, Harkey and her husband. He said he believed the company should have made investors aware that borrowers had donated to Harkey's campaign. ‘At no time did Point Center Financial ever disclose that she was receiving money from borrowers at the time investors were putting up money for loans,’ Charton said. ‘Had they disclosed it, investors might have said, 'I'm not going to give you money to lend to somebody you have a special relationship with.’” [Los Angeles Times, [3/3/09](#)]

**Weeks Later, Harkey Said, “He Has Income. I Have Income. Sometimes It Was My Income. Sometimes It Was His Income. Sometimes It’s Both Of Our Incomes... Who Knows After 25 Years?”** “‘I’ve been married for 25 years to my husband,’ said the Dana Point Republican. ‘We have personal income. He has income. I have income. Sometimes it was my income. Sometimes it was his income. Sometimes it’s both of our incomes. And I’ve saved him financially many years. So I’m not going to get into whose, yours, mine, ours. Who knows after 25 years?’ Harkey said she’s been unfairly drawn into business litigation that has nothing to do with her work as a lawmaker.” [Orange County Register, [3/17/09](#)]

---

**2013: A Jury Initially Found Dan Harkey Liable For \$10 Million In Damages For “Malice, Oppression, Or Fraud” In Breach Of Fiduciary Duty**

---

---

**2013: Dan Harkey And Point Center Were Found Liable For At Least \$10 Million In Damages For “Malice, Oppression, Or Fraud” In Breach Of Fiduciary Duty, Including \$1 Million In Punitive Damages**

---

**HEADLINE: “Jury: Point Center Financial Breached Duty To Investors”** [Orange County Register, [7/11/13](#)]

**HEADLINE: “Jury Awards \$10 Million In Damages Against Legislator's Husband”** [Los Angeles Times, [7/15/13](#)]

**HEADLINE: “Harkey Jury Awards \$1 Million In Punitive Damages”** [Orange County Register, [7/16/13](#)]

**HEADLINE: “Residents Find Solace In Dan Harkey Fraud Verdict”** [Desert Sun, 7/12/13]

**July 2013: Dan Harkey And Point Center Were Initially Found Liable For \$10 Million In Damages For “Malice, Oppression, Or Fraud” In Breach Of Fiduciary Duty, Including \$1 Million In Punitive Damages.** “The husband of a state legislator and his Orange County real estate lending company were found liable for \$10 million in damages after a jury found they acted with ‘malice, oppression or fraud’ in breaching their fiduciary duties to investors. Dan Harkey, the husband of Assemblywoman Diane L. Harkey (R-Dana Point), was accused of making ill-advised loans through his company, Point Center Financial in Aliso Viejo, and pocketing fees and commissions from the doomed loans. Diane Harkey was removed as a defendant in the first jury trial. A judge still must decide if the legislator and her husband improperly transferred title of their home to their daughter, said Lloyd Charton, a plaintiff in the case. After a three-month trial in Orange County Superior Court, jurors found Dan Harkey and his company liable for \$9 million to investors. They added about \$1 million in punitive damages to the award Monday.” [Los Angeles Times, [7/15/13](#)]

**The Orange County Register Initially Reported The Jury Order Dan Harkey To Pay \$4.5 Million For Breach Of Fiduciary Duty And Breach Of Contract.** “A jury on Thursday ordered veteran loan broker Dan Harkey to pay \$4.5 million to dozens of investors for breach of fiduciary duty and breach of contract. The jury also found that Harkey and his Aliso Viejo company, Point Center Financial Inc., acted with ‘malice,

oppression or fraud.’ That sets the stage for investors to seek punitive damages beginning today in Orange County Superior Court. And the jury found that Harkey had engaged in elder abuse against several of his investors.” [Orange County Register, [7/11/13](#)]

**The Orange County Then Reported The Verdict Was \$9 Million In Damages Along With \$1 Million Punitive Damages.** “A jury awarded \$1 million in punitive damages Monday against loan broker Dan Harkey and his Aliso Viejo company, Point Center Financial Inc. That verdict comes on top of \$9 million in damages for investor losses the Orange County Superior Court jury handed down Thursday. Harkey, the husband of Assemblywoman Diane Harkey, R-Dana Point, was not in court when the jury delivered its final verdict Monday morning. The verdict benefits about 40 of Point Center's 1,300 investors. The company is in Chapter 11 bankruptcy.” [Orange County Register, [7/16/13](#)]

**By November 2013, A Judge Handed A \$12.5 Judgement.** “The investors won verdicts against Harkey and Point Center in the summer and fall for \$10 million and \$2.5 million. Meanwhile, Point Center had filed for bankruptcy in February. A judge in late November handed down a \$12.5 million breach of fiduciary duty judgment against Dan Harkey and his company, allowing investors to attempt to collect on the verdicts. And earlier this month, state regulators moved to revoke the licenses of Dan Harkey's corporate real estate brokerage firms.” [Orange County Register, [12/17/13](#)]

**The Jury Rejected That Dan Harkey Misled The Plaintiffs In Real Estate Deals.** “But the jury rejected the plaintiffs’ allegations that Harkey had misled them in real estate deals. Harkey’s attorney, Jeffrey Benice, saw that verdict as a big victory. That, he said, was the part of the case that worried him the most.” [Orange County Register, [7/11/13](#)]

**Dan Harkey’s Lawyer Said The Claims Of Mismanagement Could Be Thrown Out.** “The verdicts that the jury gave to the plaintiffs, Benice said, were on claims of mismanagement that the investors as individual shareholders legally could not raise. Only National Financial Lending, a Point Center affiliate in which they were shareholders, could make those claims, Benice said. ‘We have high confidence this is ultimately going to be dismissed,’ Benice said. David Grant, the plaintiff’s attorney, laughed off Benice’s assertion. ‘That’s all been argued,’ Grant said. Judge Stephen L. Perk will decide later, in response to a motion that Benice filed, whether to throw out the claims.” [Orange County Register, [7/11/13](#)]

**Jury Found That That Dan Harkey And Point Center Engaged In Breach Of Contract And Fiduciary Duty But Not Of Making Misstatements.** “The 11-member jury – whittled down from 16 – reached its verdict after nine days of deliberation following a 10-week trial. The jurors entered the courtroom shortly after 11 a.m. Thursday carrying a foot-thick verdict form. With a break for lunch, it took three hours to read the verdict. The jurors delivered the same verdict for every plaintiff: Rejecting the allegation that Harkey and Point Center made misstatements, but affirming that Harkey and Point Center engaged in breach of contract and breach of fiduciary duty. Only the damages changed from plaintiff to plaintiff – a figure calculated down to the penny. The total damages could go higher than \$4.5 million before punitive damages are added. The jury awarded the same amount to each plaintiff for breach of fiduciary duty and for breach of contract. It was unclear Thursday whether the jury meant for the amounts to be treated as a single award or two awards.” [Orange County Register, [7/11/13](#)]

**The Verdict Benefited 40 Of Point Center’s Investors.** “A jury awarded \$1 million in punitive damages Monday against loan broker Dan Harkey and his Aliso Viejo company, Point Center Financial Inc. That verdict comes on top of \$9 million in damages for investor losses the Orange County Superior Court jury handed down Thursday. Harkey, the husband of Assemblywoman Diane Harkey, R-Dana Point, was not in court when the jury delivered its final verdict Monday morning. The verdict benefits about 40 of Point Center's 1,300 investors. The company is in Chapter 11 bankruptcy.” [Orange County Register, [7/16/13](#)]

**By April 2014, The Judgement Was Awarded To Around 80 Investors.** “Diane Harkey was originally included as a defendant in investors' lawsuit against Dan Harkey and Point Center Financial, But she successfully petitioned to be removed from the case, saying she was not involved in her husband's business. Clark predicted a similar outcome in the new suit. A jury awarded a \$12.5 million judgment to about 80

investors, including Mealing. However, the company is in bankruptcy and no payments have been made.” [Orange County Register, [4/18/14](#)]

---

### **The Case Had Pending Multiple Phases Regarding Mortgage-Note Investment Program, Fractionalized Trust Deeds, And Mortgage Trust Deeds**

---

**The Case Had Pending Multiple Phases Regarding Mortgage-Note Investment Program, Fractionalized Trust Deeds, And Mortgage Trust Deeds.** “The case will enter its second phase with a new jury in mid-August. That phase will concern a mortgage-note investment program. Some time after that will come a third phase over fractionalized trust deeds followed by a fourth and final phase over mortgage trust deeds.” [Orange County Register, [7/16/13](#)]

---

### **Dan Harkey Was Found Guilty Of Eleven Cases Of Elder Abuse – And Then Counter-Sued The Victims**

---

---

#### **Dan Harkey Was Found Guilty Of Eleven Cases Of Elder Abuse For Financially Taking Advantage Of The Defendants**

---

**Dan Harkey Was Found Guilty Of Eleven Cases Of Elder Abuse For Financially Taking Advantage Of The Defendants Including A Man Who Walked With A Cane From Childhood Polio.** “After an almost four-month trial in Orange County Superior Court, Dan Harkey was found guilty of breaching his ‘fiduciary obligation’ to his clients and doing so with ‘malice, fraud and oppression,’ said attorney David Grant of Irvine. He was ordered to pay \$4.5 million. The defendant was also found guilty of elder abuse in 11 cases, one of them involving Sipolski, 66, who walks with a cane from childhood polio. ‘The jury said they were financially taken advantage of,’ Grant said about the elder abuse cases.” [Desert Sun, 7/12/13]

---

#### **2014: Dan Harkey Filed A \$50 Million Lawsuit Against Plaintiffs In The Suit Against Him Which Dan Harkey’s Lawsuit Claimed Was “A Malicious Scheme” To Destroy His Reputation**

---

**HEADLINE: “Developer Dan Harkey Sues Palm Desert Victim”** [Desert Sun, [8/10/14](#)]

**2014: Dan Harkey Filed A \$50 Million Lawsuit Against Plaintiffs In The Suit Against Him Which Dan Harkey’s Lawsuit Claimed Was “A Malicious Scheme” To Destroy His Reputation.** “Harkey, who was found not guilty on other charges, has since filed suit against Sipolski and others, alleging malicious prosecution and breach of indemnity agreement, according to the lawsuit filed in Orange County Superior Court on July 17. The suit alleges Sipolski and others ‘conceived a malicious scheme in or about 2007-2008 and continuing to date to destroy Plaintiff’s (Harkey’s) credibility and reputation in the private lending business.’ ‘The key element in the scheme was to persuade other PCF (Point Center Financial) investors to become plaintiffs in a merciless fraud action filed against Plaintiff (Harkey); and to thereafter distribute the meritless action to the media or Internet in an attempt to destroy Plaintiff,’ the lawsuit continues. Harkey is asking for damages no less than \$50 million, punitive damages, indemnity including attorney’s fees and costs, among other awards.” [Desert Sun, [8/10/14](#)]

---

#### **Dan Harkey’s Counter-Suit Included 67-Year-Old Kurt Sipolski Who Was Awarded Damages From Dan Harkey For Elder Abuse – For \$50 Million**

---

**As Part Of His \$50 Million Counter-Suit, Dan Harkey Sued A 67-Year-Old Retiree Who Was Awarded Damages For Elder Abuse & Breach Of Fiduciary Obligation.** “The jury awarded Sipolski \$17,000 for elder abuse and \$48,000 for breach of fiduciary obligation, according to Desert Sun reports at the time. Sipolski said he has seen none of this money. [...] Sipolski, who walks with a cane because of childhood polio, now lives on \$654 a month in Social Security, according to a recent article in USA Today.” [Desert Sun, [8/10/14](#)]

---

#### **2014: Sipolski Said He Never Saw Any Money & Instead Lived Hand To Mouth On Social Security**

---



**2014: Sipolski Said He Never Saw Any Money & Instead Lived Hand To Mouth On Social Security.** “Kurt Sipolski, who says he now lives nearly from hand to mouth, is being sued for at least \$50 million by the same person who he says drained his retirement options in a failed real estate deal. [...] Sipolski, who walks with a cane because of childhood polio, now lives on \$654 a month in Social Security, according to a recent article in USA Today.” [Desert Sun, [8/10/14](#)]

---

**Sipolski Had Originally Invested \$150,000 In A Real Estate Deal Led By Dan Harkey Before Suing Harkey For Fraud**

---

**One Such Person Dan Harkey Sued Was A 67-Year-Old Palm Desert Resident That The Jury Awarded \$17,000 For Elder Abuse And Lived Off On Social Security.** “Kurt Sipolski, who says he now lives nearly from hand to mouth, is being sued for at least \$50 million by the same person who he says drained his retirement options in a failed real estate deal. ‘Right now, I’m not quite sure about where I’m going to go,’ said Sipolski, 67, of Palm Desert, speaking about his lack of legal defense options. Several years ago, Sipolski invested about \$150,000 into a real estate development deal led by Dan J. Harkey, CEO of Point Center Financial out of Orange County. Last summer, Sipolski was one of about 40 plaintiffs who sued Harkey, husband of Assemblywoman Diane Harkey, R-Dana Point, for fraud. [...] The jury awarded Sipolski \$17,000 for elder abuse and \$48,000 for breach of fiduciary obligation, according to Desert Sun reports at the time. Sipolski said he has seen none of this money. [...] Sipolski, who walks with a cane because of childhood polio, now lives on \$654 a month in Social Security, according to a recent article in USA Today.” [Desert Sun, [8/10/14](#)]

---

**Dan Harkey Called The Decision “A WIN For Point Center” As Diane Harkey Was Dropped From The Suit And That He Was Not Found Guilty Of Misrepresentations Or Securities Fraud**

---

**Dan Harkey Called The Decision “A WIN For Point Center” As Diane Harkey Was Dropped From The Suit And That He Was Not Found Guilty Of Misrepresentations Or Securities Fraud.** “In the letter, Harkey said he created National Financial Lending Inc. in May 1996. He said ‘the same professional staff at the Aliso Viejo location will continue to assist your needs as we transition.’ Harkey also told investors in the letter that the jury verdict against him, which included \$1 million in punitive damages, was ‘a WIN for Point Center!’ He pointed to the plaintiffs’ decision to drop his wife as well as his top aide from the lawsuit and to jury findings that he did not engage in misrepresentations or securities fraud.” [Orange County Register, [7/29/13](#)]

**Harkey Tried To Deny Any Involvement With The Company But Had Previously Disclosed She Was A Corporate Officer & Invested In Her Husband’s Company**

---

**Harkey Repeatedly Tried To Deny Or Downplay Her Relationship With Her Husband’s Company**

---

**HEADLINE: “Diane Harkey: I Never Worked For Point Center”** [Orange County Register, [4/30/13](#)]

**Harkey Testified That She Never Worked For Or Took A Paycheck From Point Center Financial As “I Had My Career, My Husband Had His.”** “Assemblywoman Diane Harkey testified Tuesday that she never worked for or took a paycheck from her husband Dan’s embattled company, Point Center Financial. ‘I had my career, my husband had his,’ Harkey, R-Dana Point, said during nearly two hours on the witness stand in the Orange County Superior Court fraud trial. Investors are suing the Harkeys and Point Center for \$43 million. They accuse the Harkeys of mismanaging investments while profiting personally and politically.” [Orange County Register, [4/30/13](#)]

**Harkey Testified She Was Simply An Investor And Had Invested \$64,000 In Point Center.** “David Grant, attorney for the investors, sought to show that Diane Harkey was active in the company. Harkey countered that she was simply an investor. She said she invested \$64,000 in the company and read some, but not all, of the letters the company sent her.” [Orange County Register, [4/30/13](#)]

**Harkey Testified That She Did Not Track The Company's Decision To Expand Its Maximum Loan And That She Was "Quite Happy" With Her Returns On Investment.** "Asked for example if she knew about the company's decision to expand its maximum loan above \$5 million, she replied, 'I didn't track it. I was quite happy with what I was getting (in returns on investment).' At the same time, however, she defended her husband's business tactics, drawing on her own banking career to say that Point Center practices were standard." [Orange County Register, [4/30/13](#)]

**A Harkey Spokesman Claimed Had No Ownership Interest In Point Center.** "Assemblywoman Harkey declined to be interviewed. A spokesman disputed the lawsuit's claim that she used investor money to bankroll her campaign. 'She had a 30-year career in business and banking in which she acquired substantial financial resources of her own,' said Dave Gilliard, the assemblywoman's political consultant. 'She used her personal resources to help fund her political campaigns.' Campaign finance records show that Diane Harkey contributed \$1.1 million of her own money to two recent campaigns -- an unsuccessful bid for the state Senate in 2006 and last year's winning run for the Assembly. Gilliard added that Diane Harkey had no ownership interest in her husband's company, Point Center Financial Inc. of Aliso Viejo." [Los Angeles Times, [2/18/09](#)]

---

**Harkey Said Reporters' Questions On The Matter Was "Slander" And That News Reports Were "Libel" Made To "Massacre" Her Family**

---

**Harkey Said That Reporters' Questions On The Matter Was "Slander" And That News Reports Were "Libel" Made To "Massacre" Her Family.** "Her husband, Dan Harkey, runs Point Center Financial, an Aliso Viejo company that lends investors' money to land developers. It is the target of a Securities and Exchange Commission probe. It is also facing a lawsuit from 53 investors who say Dan Harkey used their money for dubious loans – and to fund his wife's rapid rise in Orange County politics. Campaign disclosure firms show Diane Harkey has spent \$2.1 million in personal funds since 2004. [...] Plainly, this matter deserves coverage. Yet in a phone interview, Harkey told us our questions amounted to 'slander'; that news accounts of the mess were all 'libel' written by journalists determined to 'massacre' her family; and that she was the victim of a sexist double-standard. Given the holes in her initial story, this is a startling approach for Harkey to take. It is also completely counterproductive. If she wants to clear her name, step one is to get out of the denial stage of her grief. Step two is fully responding to tough questions -- something she has yet to do." [San Diego Union-Tribune, Editorial, [3/22/09](#)]

---

**The Lead Plaintiff Emailed Harkey Saying, "I Certainly Never Felt You Played Any Role In This" But Later "Corrected Himself" To Cite FEC Reports That She Was Involved**

---

**March 2008: An Email From The Lead Plaintiff To Harkey On The Allegations Against Point Center: "I Certainly Never Felt You Played Any Role In This."** "Benice sought to show jurors that Charton dragged Diane Harkey into the case despite knowing she was not involved. In a March 9, 2008, email from Charton to Diane Harkey that Benice read to jurors, Charton wrote, 'I certainly never felt you played any role in this.'" [Orange County Register, [4/19/13](#)]

**The Lead Plaintiff Claimed That Harkey's Financial Disclosure Forms Showed She Was An Employee Of Point Center But The Forms Showed She Listed It As Community Property.** "Charton testified that he had since found official documents in which she was listed as a Point Center employee. On Thursday afternoon he cited Form 700s, the statements of economic interest that state and local elected officials and ranking appointed officials must complete each year. But Diane Harkey's Form 700s list Point Center solely as community property and say she holds no position in the company." [Orange County Register, [4/19/13](#)]

**The Lead Plaintiff Reportedly "Corrected Himself" And Cited Harkey's Political Contributions To Romney In Which She Listed Point Center Financial As Her Employer.** "On Friday, Charton corrected himself and instead cited federal campaign statements filed in 2007 and 2008 by Mitt Romney, an unsuccessful candidate for the Republican presidential nomination at the time, and by Rep. John Campbell, R-Irvine. The forms show donations by Diane Harkey and list her employer as Point Center Financial. Federal law requires candidates to ask contributors for information about their employer. However, the information on federal filings is often inaccurate or inconsistent. Diane Harkey made several donations to federal candidates in 2007 and 2008. A check of the Federal

Election Commission database shows that her employer was variously listed as ‘self-employed,’ ‘city of Dana Point’ and ‘homemaker’ as well as Point Center Financial. [Orange County Register, [4/19/13](#)]

---

**But Harkey Had Previously Disclosed Investments In The Company, Was Listed As The Company’s Secretary In Official Filings, And One Campaign Listed Her Employer As Point Center In FEC Reports**

---

**1990: In Business Filings With The California Secretary Of State, Harkey Signed A Statement As The Secretary Of Point Center Financial.** “Dan Harkey told the Register last month that his wife had never been employed by Point Center Financial. But disclosures filed by U.S. Rep. John Campbell, R-Newport Beach and former presidential hopeful Mitt Romney list Harkey as working for Point Center Financial as, variously, a broker or mortgage banker. In addition she signed a 1990 ‘certificate of amendment’ filed with the California secretary of state’s office changing the name of the Harkey business from All Loan Services, Inc., to Point Center Financial, Inc. It is signed by Dan Harkey – listed as president – and Diane Harkey – listed as secretary.” [Orange County Register, [3/17/09](#)]

**Harkey Testified That Her Position As Corporate Secretary Was Unpaid And Involved No Work.** “She was listed in state documents as Point Center’s corporate secretary in the early 1990s, a position she testified was unpaid and involved no work.” [Orange County Register, [4/30/13](#)]

**In Her Statement Of Economic Interest, Harkey Listed A Range Of \$12,000 To \$110,000 In Non-Real Estate Investments With Most Of In A Point Center Financial Fund And Listed Point Center’s Headquarters As A Source Of Rental Income.** “Diane Harkey is not currently employed except as an Assembly member, according to the ‘Statement of Economic Interest’ legislators are required to file. She lists a range of \$12,000 to \$110,000 in non-real estate investments, most of it in a Point Center Financial fund. She also lists eight properties, six of which generate rental income. Two of those generate more than \$100,000 in annual income – one of which is Point Center Financial’s headquarters in Aliso Viejo.” [Orange County Register, [3/17/09](#)]

**Harkey Listed Herself As A Broker And A Mortgage Banker Employed By Point Center Financial On Donations To Two Political Campaigns.** “She’s spent an additional \$875,000 on other local, state and federal campaigns and political organizations. Two of those campaigns filed contribution disclosures listing Diane Harkey as working for Point Center Financial [...] Dan Harkey told the Register last month that his wife had never been employed by Point Center Financial. But disclosures filed by U.S. Rep. John Campbell, R-Newport Beach and former presidential hopeful Mitt Romney list Harkey as working for Point Center Financial as, variously, a broker or mortgage banker. In addition she signed a 1990 ‘certificate of amendment’ filed with the California secretary of state’s office changing the name of the Harkey business from All Loan Services, Inc., to Point Center Financial, Inc. It is signed by Dan Harkey – listed as president – and Diane Harkey – listed as secretary.” [Orange County Register, [3/17/09](#)]

**Harkey Brought A Letter From Campbell’s Campaign Treasurer, Who She Donated To Under The Employer Of Point Center, Which Claimed That Was A Mistake As They Put In Her Husband’s Employer.** “She appeared again as a Point Center employee in Federal Election Commission campaign contribution statements for Rep. John Campbell, R-Irvine, and Republican presidential candidate Mitt Romney in 2007 and 2008. Lloyd Charton, the lead plaintiff in the lawsuit, had pointed to those campaign statements as evidence that Harkey is an employee - and thus a suitable defendant - when he testified two weeks ago. But as we reported then, FEC campaign statements are often inconsistent or inaccurate. Harkey came prepared to answer questions about the FEC statements Tuesday. She was armed with an email from the Campbell campaign treasurer. The email showed that the campaign had received contributions from both Dan and Diane Harkey but inadvertently listed Dan’s employer for both while omitting Diane’s employer, the Dana Point City Council.” [Orange County Register, [4/30/13](#)]

**Harkey Testified That The FEC Contribution Was Wrong And That “They Frequently Are.”** “‘You’re saying it’s wrong,’ Grant said of the FEC statement. ‘Yes,’ Harkey replied. ‘They frequently are.’” [Orange County Register, [4/30/13](#)]

**In Public Documents, Harkey Was Listed As An Officer And Employee Of Point Center.** “Assemblywoman Diane Harkey’s blossoming political career appears to have been funded in part by earnings from her husband’s embattled real estate lending business, which is being sued for fraud and is being investigated by the Securities and Exchange Commission. As Dan Harkey has attracted increasing criticism in recent weeks, the legislator – through her husband, political consultant and chief of staff – has attempted to distance herself from that business, Point Center Financial. But public documents have listed her as both an officer and an employee of the company; her financial disclosure forms indicate limited personal assets and she indicated Thursday that her political spending has included money from her husband’s earnings. Campaign disclosure forms show she’s spent \$2.1 million on political campaigns since 2004.” [Orange County Register, [3/17/09](#)]

**Orange County Register: “There Is Little In The Suit To Substantiate The Claim That Campaign Funds Were Illegally Obtained, But Records Do Point To Point Center Financial As A Source Of Income For Her Political Spending.”** “The 53 investors suing Dan Harkey over accusations of fraud have included Diane Harkey as a defendant, alleging in part that Dan Harkey ‘fraudulently transferred investors’ funds ... to his wife Diane Harkey for her use in advancing her political career.’ There is little in the suit to substantiate the claim that campaign funds were illegally obtained, but records do point to Point Center Financial as a source of income for her political spending.” [Orange County Register, [3/17/09](#)]

---

**1998: In Harkey’s Petition To Dissolve Her Marriage Against Her Husband, She Listed Point Center Financial And Dan Harkey’s 401K Plan In Point Center As Community And Quasi-Community Assets**

---

**1998: In Harkey’s Petition To Dissolve Her Marriage Against Her Husband, She Listed Point Center Financial And Dan Harkey’s 401K Plan In Point Center As Community And Quasi-Community Assets.** “ATTACHMENT 5 TO PETITION FOR DISSOLUTION OF MARRIAGE 5. DECLARATION REGARDING COMMUNITY AND QUASI-COMMUNITY ASSETS AND OBLIGATION AS CURRENTLY KNOWN A. Real property located at 34861 Doheny Place, Capistrano Beach, California; B. Household furniture, furnishings, appliances and effects located in residence located at 34861 Doheny Place, Capistrano Beach, California; C. Automobiles: (1) 1997 Mercedes 320E (2) 1997 Jaguar XJR (3) 1993 Chevrolet Suburban (4) 1997 Monaco Motorhome (5) 1988 Jeep Wrangler (6) Suzuki Quad Racer; (7) Suzuki 650S Dirt/Street Motorcycle (7) Castle Motorcycle - Alice Sooper Celebrity AM D. Horses known as ‘Can’t Top Him,’ ‘Moon Bux Lightning’ and ‘Socks’ E. 401K, Retirement or Deferred Compensation through Petitioner’s employment with Bank of America; F. 401-K Plan in the name of Respondent through business known as Point Center Financial; G. Business known as Point Center Financial; H. Life insurance policy insuring the life of the Respondent with a death benefit of \$1,000,000.00. I. Bank of America accounts; J. Various community obligations; K. There may be additional community assets and obligations, the true nature and extent of which are unknown to Petitioner at this time, who will seek leave of Court to amend her Petition when the same has been ascertained.” [Orange County Superior Court, *Harkey v. Harkey*, [9/24/98](#)]

**1999: Dan Harkey’s Response Said Any Community And Quasi-Community Assets Were Unknown To Him.** “DECLARATION REGARDING COMMUNITY AND QUASI-COMMUNITY ASSETS AND OBLIGATIONS AS CURRENTLY KNOWN [...] The exact nature and extent of the community assets is unknown to Respondent at this time. Respondent will seek leave of the Court to amend his Response when the same ascertained.” [Orange County Superior Court, *Harkey v. Harkey*, [8/13/99](#)]

**Harkey Was Dismissed In The Lawsuit But The Court Ordered Harkey’s Wages To Be Garnished To Pay The Settlement – In Response, Harkey Claimed She Was Separated From Her Husband**

---

**2013: Harkey Was Dismissed As A Defendant In The Trial After Petitioning To Be Removed From The Case, Claiming She Was Not Involved In The Business**

---

**Harkey Petitioned The Court To Be Removed As A Defendant.** “Harkey was originally co-defendant in a civil lawsuit with her husband, loan broker Dan Harkey. In the first phase of an ongoing lawsuit, a jury found Dan Harkey liable to investors for \$10 million in damages related to a breach of contract. However, Diane Harkey



successfully petitioned the court to be removed as a defendant from the key parts of the suit, saying she was not involved in her husband's business.” [Orange County Register, 9/16/13]

**2013: Harkey Was Dismissed As A Defendant In The Trial.** “Harkey and his wife, Assemblywoman Diane Harkey, R-Dana Point, sat together as the verdicts were read. She was dismissed as a defendant in the jury trial. Lead plaintiff Lloyd Charton, who lives near Harkey in the Ritz Cove neighborhood of Dana Point, said he was ‘pleased that the jury saw through his ‘it’s the economy’ defense. That’s huge.’” [Orange County Register, [7/11/13](#)]

**Harkey Was Dismissed Before The Jury Deliberated.** “Harkey is the husband of Assemblywoman Diane Harkey, R-Dana Point. She was dismissed from the investors' suit before the jury deliberated.” [Orange County Register, [7/31/13](#)]

**2014: Harkey On Her Dismissal: “That's Significant In Terms Of My Life, After Being Harassed, Maligned And Lied About For Five Years.”** “Her dismissal from the suit gave her a measure of proof that she wasn't involved in her husband's company. ‘That's significant in terms of my life, after being harassed, maligned and lied about for five years,’ Harkey said, referring additional questions on the subject to her husband's lawyer.” [Orange County Register, [5/8/14](#)]

**The Couple’s Lawyer Attempted To Get Harkey Dismissed From The Case In 2010 But Failed.** “The political stakes are high for Diane Harkey, who was first elected to the state Assembly in 2008 after earlier serving on the Dana Point City Council. She faces only token opposition in her bid for a third and final term in the Assembly in November. But she is locked in a three-way race with two other Republican legislators for the GOP-leaning Third District seat on the state Board of Equalization in 2014. Benice tried to get her dismissed from the lawsuit in 2010, arguing that she played no role in Point Center except as an investor. He failed then. He said he'll try again this week, before a jury is seated.” [Orange County Register, [9/17/12](#)]

---

**Harkey Suit During The 2014 Campaign: “I Am Totally In The Clear ... It’s A Litigation Nightmare. But I Am Out.”**

---

**Harkey Suit During The 2014 Campaign: “I Am Totally In The Clear ... It’s A Litigation Nightmare. But I Am Out.”** “The race has been overshadowed by financial mismanagement charges pursued by some clients against Harkey’s husband, Dan, and his investment company, Point Center Financial. ‘I am totally in the clear ... It’s a litigation nightmare. But I am out,’ Harkey said.” [San Diego Union-Tribune, [5/27/14](#)]

---

**The Court Ordered Harkey’s Wages Garnished To Pay Off The \$12.5 Million Judgement Against Her Husband And His Company**

---

**HEADLINE: “OC Assemblywoman To Fight Wage Garnishment”** [Orange County Register, [8/3/14](#)]

**A Court Ordered Harkey’s Wages Garnished To Pay Off The \$12.5 Million Judgement Against Her Husband And His Company.** “Assemblywoman Diane Harkey will fight a court order to garnish her state salary - an order obtained by investors seeking her assets to pay off a \$12.5 million judgment against her husband and his bankrupt investment company. Harkey, a Dana Point Republican running for election to the state tax Board of Equalization, successfully petitioned to be removed from the original suit against Dan Harkey and his company, Point Center Financial. The court determined that she was not involved in her husband's business. But that doesn't preclude her possible liability to creditors, according to California law.” [Orange County Register, [8/3/14](#)]

**Harkey Would Have Lost 25% Of What Remained Of Her \$95,000 Annual Assembly Salary.** “If Harkey is unsuccessful in fighting the garnishment, she would likely lose 25 percent of what remains of her \$95,000 annual Assembly salary. She is termed out and will leave office at the end of the year. Aires said that if Harkey is elected to the tax board, as expected, investors will seek to garnish her wages in that job.” [Orange County Register, [8/3/14](#)]



**After The Assembly Rules Committee Filed Paperwork To Process The Garnishment, Harkey, Through A Consultant, Indicated She Would Challenge It.** “Diane Harkey and her attorneys didn't attend the May hearing on the wage garnishment. Even after the court order, her campaign dismissed the effort as a political stunt designed to hurt her bid in the June primary for the Board of Equalization's 4th District. [...] Only after the Assembly Rules Committee filed paperwork July 14 indicating that it was proceeding with the garnishment did Harkey indicate, through Clark, that she would challenge the court order. Harkey and her attorneys have not settled on the grounds for challenging the garnishment, Clark said.” [Orange County Register, [8/3/14](#)]

---

### **Harkey Was Prepared To Sacrifice Her Entire State Salary Rather Than Have Her Wages Garnished To Pay Plaintiffs**

---

**Harkey Requested The State Controller Suspend Her State Salary To Avoid The Garnishment But The State Controller Was Legally Required To Garnish Her Wages.** “Diane Harkey, who is running for the state tax board, wrote Chiang on Aug. 5, asking him to suspend her state salary in order to avoid the garnishment. Chiang's office responded Monday, saying it could suspend pay to her, but was legally required to surrender the court-ordered garnishment of 25 percent of what remains of her \$95,000 annual pay. She leaves office at the end of the year because of term limits.” [Orange County Register, [8/12/14](#)]

**Harkey Was Willing To Sacrifice Her Pay To Avoid Paying The Plaintiffs.** “When then-Assemblywoman Diane Harkey, R-Dana Point, had her wages garnished in August, she asked Controller John Chiang to stop paying her. In an effort to make sure her foes didn't get 25 percent of her paycheck, she was ready to sacrifice her share altogether. A letter from Chiang's office said he could stop paying her share, but he was legally obliged to deduct the garnished portion. The garnishment went to former investors in a company owned by Dan Harkey, Diane's husband. As part of their ongoing effort to get some of the unpaid \$12.5 million judgment against him for breach of fiduciary responsibility, investors are going after the couple's community property.” [Orange County Register, [12/29/14](#)]

**Harkey's State Wages Were Garnished To Pay For The Judgement Against Her Husband.** “The Register reported in August that Harkey's legislator wages were garnished earlier this year because of an unpaid \$12.5 million judgment against her husband, Dan Harkey. The garnishment is part of his former investors' strategy to collect money through the couple's community property.” [Orange County Register, [10/29/14](#)]

---

### **In August 2014, Harkey Also Claimed She Was Legally Separated From Her Husband To Avoid Having Her Wages Garnished But Divorce Documents Were Not Filed Until December 2014**

---

**August 2014: The State Controller Rejected Harkey's Request, In Which She Claimed She Was Legally Separated From Her Husband, Dan Harkey, To Avoid A Court-Ordered Garnishment Of Her Wages.** “California Assemblywoman Diane Harkey's effort to avoid a court-ordered garnishment of her state wages has been rejected by state Controller John Chiang, who oversees legislators' pay. In a letter to Chiang, the Dana Point Republican said she is legally separated from her husband and so shouldn't be held liable for his debts. The garnishment arises from an unpaid \$12.5 million judgment against her husband, Dan Harkey, and is part of his former investors' strategy to collect money through the couple's community property.” [Orange County Register, [8/12/14](#)]

**The Attorney For The Plaintiffs In The Suit Against Dan Harkey Said He Found No Record Of A Legal Separation In The Orange County Or Sacramento Courts.** “Questions have arisen over the couple's marital status. Timothy Aires, attorney for the investors seeking payment of the judgment against Dan Harkey for breach of fiduciary responsibility, said he could find no record of a legal separation in the Orange County or Sacramento courts.” [Orange County Register, [8/12/14](#)]

**Harkey's Office Referred Calls To Her Campaign Consultant Who Said The Harkeys Had Been Separated “For Some Time” But Did Not Comment On Why Documentation Was Not Found.** “Harkey's office referred media calls to her campaign consultant, Tim Clark. Clark said the couple had been separated

‘for some time’ but didn't know how long, and declined comment on Aires' inability to find documentation of the separation.” [Orange County Register, [8/12/14](#)]

**Harkey’s Consultant Said That Dan Harkey Moved Out Of The Couple’s Home But The Lead Plaintiff In The Case Against Harkey, Who Was Also A Neighbor, Said He Had Seen Dan Harkey Recently.** “He said Dan Harkey moved out of the couple's Dana Point ocean-view home and Diane Harkey remained. Lloyd Charton, who lives two doors away from the Harkey home in the gated, exclusive community, is among investors owed money by Harkey and his bankrupt investment company. He said he's seen Dan Harkey at least once in recent weeks. ‘I wouldn't say that I see him often, but I saw him a couple weeks ago when he had his usual Friday luxury car wash, with some of his luxury cars lined up in front of their home for the washer,’ Charton said, adding that a Bentley, a Ferrari and a Porsche were among the vehicles.” [Orange County Register, [8/12/14](#)]

**In 1998, Harkey Filed For Divorce From Her Husband But The Filing Was Dismissed In 2008.** “Diane Harkey, 63, previously filed for divorce from Dan Harkey in 1998, with the filing dismissed in 2008.” [Orange County Register, [8/12/14](#)]

**December 2014: Diane Harkey Filed A Petition Of Dissolution Against Dan Harkey.** [Orange County Superior Court, 12/12/14]

**The Judge Ruled That Harkey And Point Center Were Legally One And The Same So Harkey Was Personally Liable For Point Center’s Judgement.** “Investors won a pair of verdicts against Harkey and Point Center in the summer and fall for \$10 million and \$2.5 million. Last month, over Harkey's objections, Orange County Superior Court Judge Stephen Perk handed down a judgment allowing the investors to attempt to collect on the verdicts. Harkey is personally liable for the Point Center judgment because of a ruling by Perk. Ordinarily, he would be shielded by law from the company's liabilities. But Perk ruled that Harkey and Point Center are legally one and the same. Harkey has 60 days to appeal the judgment.” [Orange County Register, [12/3/13](#)]

**Though Harkey Later Joined A Counter-Suit Against The Plaintiffs For “Fees And Damages” She Suffered**

**Dan Harkey’s Lawyer Said That Harkey Was Part Of The Suit “To Recoup The Fees And Damages They Suffered As A Consequence Of This Group Of People - About 35 People Wrongfully Suing Mr. Harkey.”** “‘He's just one of about 35 defendants that we're suing,’ said Jeffrey S. Benice, Harkey's attorney, referring to Sipolski. ‘All of the defendants who pursued Mr. Harkey for six years, purposely, who lost, are now being sued, as is Mr. Harkey's right, and the other third parties that were wrongfully sued, as is Mr. Harkey's wife, Diane Harkey, to recoup the fees and damages they suffered as a consequence of this group of people - about 35 people wrongfully suing Mr. Harkey. ‘Mr. Harkey is just pursuing his legal claims under the existing agreements that were all in place that governed the rights of the parties,’ Benice added.” [Desert Sun, [8/10/14](#)]

**Harkey Was Sued By Investors To Capture Money Harkey Loaned To Her Board Of Equalization Campaign – The Suit Was Dismissed**

---

**39 Plaintiffs Had Been Unable To Collect From Dan Harkey And Sought To Capture \$100,000 Harkey Loaned To Board Of Equalization Campaign And The \$25,000 Worth Of Horses The Harkeys Owned**

---

**39 Plaintiffs Had Been Unable To Collect From Dan Harkey And Sought To Capture \$100,000 Harkey Loaned To Board Of Equalization Campaign And The \$25,000 Worth Of Horses She And Her Husband Owned.** “Suits also have been filed in an effort by investors to capture \$100,000 Diane Harkey loaned her current campaign and an estimated \$25,000 worth of horses owned by the Harkeys. ‘We are pursuing every legal remedy available under California law to satisfy these judgments, including community property,’ said Timothy Aires, attorney for 39 plaintiffs in the case. The breach of fiduciary responsibility judgment against Dan Harkey and his company came in July 2013, but plaintiffs have been unable to collect.” [Orange County Register, [8/3/14](#)]

---

## **2014: A Point Center Investor Sued Harkey's Board Of Equalization Campaign As He Was Unable To Secure A Judgement From Point Center**

---

**HEADLINE: "Investor Sues Diane Harkey's Campaign To Recoup Money"** [Orange County Register, [4/18/14](#)]

**Don Mealing, A Point Center Investor, Sued Harkey's Board Of Equalization Campaign As He Was Unable To Secure A Judgement From Point Center.** "Assemblywoman Diane Harkey's campaign for the state Board of Equalization is being sued by an investor seeking payment of a \$1.6 million judgment against her husband's bankrupt investment company. Don Mealing filed the complaint, which seeks to capture the \$100,000 Harkey loaned her campaign, because he's been unable to obtain the judgment from Dan Harkey and his Point Center Financial company. 'The marital community estate is liable for a debt incurred by either spouse,' reads the complaint filed in Orange County Superior Court on April 7." [Orange County Register, [4/18/14](#)]

---

### **The Suit Was Dismissed**

---

**October 2016: An Appellate Court Affirmed A Lower Court's Ruling That Mealing Could Not Seek Harkey's Loan As Harkey Was Not A Judgement Debtor In The Suit Against Dan Harkey And Point Center.** "To preserve the Campaign's assets during this action, Mealing applied ex parte for an order under Code of Civil Procedure section 708.240, subdivision (a), to prohibit the Campaign from making any payments to Diane on the loan.<sup>2</sup> The trial court denied the application without explanation and Mealing appealed. He contends the trial court lacked discretion to deny his application because he made a prima facie showing that he obtained a judgment against Dan, the judgment remained unpaid, and Diane's loan to the Campaign was a marital asset that he could use to partially satisfy the judgment, and the Campaign presented no evidence to overcome that showing. We affirm. Under section 708.240, subdivision (a), a judgment creditor may apply for an order restraining a third party who is indebted to a judgment debtor from making any payments to the judgment debtor. But Diane is not a judgment debtor, which is statutorily defined as the person against whom a judgment was rendered. Judgment in the earlier action was rendered against Dan, not against Diane. Even assuming the loan Diane made to the Campaign is a community property asset that may be used to satisfy the judgment, Diane is not a judgment debtor and section 708.240, subdivision (a), therefore does not apply." [FindLaw, *Mealing v. Diane Harkey for Board of Equalization 2014*, [10/24/16](#)]

**The Lawsuit Centered On Investors' Allegations That Point Center's Assets, Namely Property, Were "Fraudulently Conveyed to Dan And Diane Harkey"**

---

### **The Suit Against Dan Harkey Claimed That Point Center Assets Were "Fraudulently Conveyed to Dan And Diane Harkey" In Insider Deals That May Have Included A Property Transferred To Harkey**

---

**Plaintiffs Claimed Point Center's Assets Were Fraudulently Conveyed To The Harkeys.** "It was either a forthright rescue of their clients or a brazen insider deal. As with so much involving the Harkeys and their disgruntled investors, much depends on your point of view. At a recent news conference, investors cited purchase of the house - located in a gated seaside tract of multimillion-dollar homes near the Ritz Carlton Laguna Niguel - as an example. But while the lawsuit describes several instances in which investors lost everything, the Ritz Cove deal is not one of them. Investors in that loan got everything they expected. The question is whether, under the circumstances, the expected return was enough. The lawsuit does not mention the house specifically, though it does say that unlisted Point Center assets were fraudulently conveyed to Dan and Diane Harkey." [Orange County Register, [3/15/13](#)]

---

### **Within Months Of Arranging A Multi-Million Dollar Loan, Dan Harkey Foreclosed On The "Exclusive" Ocean-View Property & Transferred It To His Family Trust**

---

**Dan Harkey Arranged A \$2 Million Loan To The Developer For The Ritz Cove Property.** “The developer of the Ritz Cove property, Noah Development LLC, was desperate for cash when he approached Point Center Financial in the fall of 2000. He had purchased the lot for \$550,000 in 1998, public records show, and then borrowed nearly \$2 million to build a house on speculation. Among the early lenders: Tustin hard-money broker Mark Alan Helsing, the subject of a Register investigation, whose tactics eventually landed him in prison for 15 years. Harkey arranged for a \$2.145 million construction loan for Noah, funded by more than 30 investors, plus a \$260,000 second mortgage funded by Point Center. The two loans closed in early November 2000.” [Orange County Register, [3/15/13](#)]

**Point Center Declared The Loans In Default And Foreclosed The Property But Continued To Pay Back Investors.** “Within four months, the developer was in trouble. An asphalt contractor filed a lien in March 2001, followed by a drywall contractor in May and the homeowners association in June. Point Center declared its loans in default in late June 2001 and foreclosed in January 2002. After Point Center foreclosed, it continued to make payments on the loan to the investors.” [Orange County Register, [3/15/13](#)]

**2003: Point Center Financial Granted The Property To The Harkey Family Trust.** [Orange County Clerk-Recorder, [8/27/03](#)]

**In 2003: The Harkeys Acquired A Home In Ritz Cove In Dana Point.** “In August 2003, Dan and Diane Harkey, now a Republican state assemblywoman, acquired an ocean-view home in the exclusive Ritz Cove tract of Dana Point.” [Orange County Register, [3/15/13](#)]

**In 2003, Point Center Transferred The Property To The Harkey’s Trust, Then Refinanced The Loan In Their Name To Repay Investors, And In 2007, The Home Was Transferred To Diane Harkey.** “In August 2003, Point Center transferred the property to Dan and Diane Harkey's trust. The Harkeys controlled both entities, according to Dan Harkey. The Harkeys then refinanced the loan in their own name so the Point Center investors could be repaid. The home was transferred to Diane Harkey in 2007.” [Orange County Register, [3/15/13](#)]

**2007: Dan Harkey And Diane Harkey Granted The Property To Diane Harkey In A Quitclaim Deed.** [Orange County Clerk-Recorder, [10/2/07](#)]

**2003: According To A Reconveyance Deed, Investors Were Paid In Full.** “Harkey said he kept his investors informed at each stage as the loan moved through foreclosure until they were repaid. The investors in the original \$2.1 million loan got their money back plus almost \$600,000 in interest for a total of \$2.744 million, Dan Harkey said. A reconveyance deed, filed in October 2003, confirms that investors were paid in full.” [Orange County Register, [3/15/13](#)]

---

### **A Judge Blocked Lawyers From Questioning Harkey About Her Role In The Home-Transfer**

---

**The Judge Blocked Questions To Harkey Regarding The Home.** “Grant briefly tried to question Harkey about the family home in the exclusive Ritz Cove neighborhood. But Judge Steven L. Perk blocked that line of questioning after meeting with the lawyers outside the jury's presence. The investors had argued that the Harkeys obtained the multimillion-dollar house - built with a Point Center loan and now owned by a trust controlled by Diane Harkey - through a ‘fraudulent conveyance.’ Perk didn't slam the door tight on the house - he said Grant could amend his suit - but Harkey left the stand without even being asked about one of the most contentious issues raised by the investors prior to the trial. The trial is expected to last until early June. A 16-member jury, including four alternates, is hearing the case.” [Orange County Register, [4/30/13](#)]

---

### **2013: The Judge From The Suit Against Dan Harkey And Point Center Weighed If Harkey And Her Husband Improperly Transferred Title Of A Home To Their Daughter**

---

**2013: The Judge From The Suit Against Dan Harkey And Point Center Weighed If Harkey And Her Husband Improperly Transferred Title Of A Home To Their Daughter.** “The husband of a state legislator and

his Orange County real estate lending company were found liable for \$10 million in damages after a jury found they acted with ‘malice, oppression or fraud’ in breaching their fiduciary duties to investors. [...] Diane Harkey was removed as a defendant in the first jury trial. A judge still must decide if the legislator and her husband improperly transferred title of their home to their daughter, said Lloyd Charton, a plaintiff in the case.” [Los Angeles Times, [7/15/13](#)]

---

**2013: Point Center Financial Filed For Bankruptcy With Assets Between \$10 And \$50 Million Against Liabilities Of \$50 To \$100 Million**

---

**2012: The Plaintiffs Demanded \$43 Million In Damages As the Trial Approached**

---

**2012: The Plaintiffs Demanded \$43 Million In Damages As the Trial Approached.** “A trial scheduled to begin this week in Orange County Superior Court threatens to upend the career of a fast-rising Orange County politician while exposing the underside of the county's deal-making culture. Dozens of investors are suing Dan Harkey; his wife, Assemblywoman Diane Harkey, R-Dana Point; and his company, Point Center Financial Inc. They're demanding \$43 million for their losses plus punitive damages. They say the Harkeys mismanaged investors' money and siphoned some for their lifestyle and her political campaigns.” [Orange County Register, [9/17/12](#)]

**HEADLINE: “Harkey Trial Is Delayed Until Late October”** [Orange County Register, [9/20/12](#)]

**September 2012: The Trial Made It To Court But Was Delayed For A Month.** “The trial pitting angry investors against Dan Harkey, Assemblywoman Diane Harkey, R-Dana Point, and his company, Point Center Financial Inc., made it to court this week — only to get postponed for a month. The attorney for the investors, David Grant, was still arguing another case in Orange County Superior Court, so Judge Steven L. Perk continued the trial — expected to last 30 days — to Oct. 29.” [Orange County Register, [9/20/12](#)]

---

**2013: Point Center Financial Inc. Filed For Bankruptcy With Assets Between \$10 Million And \$50 Million Against Liabilities Of \$50 Million To \$100 Million Which Delayed The Trial For Two Months**

---

**HEADLINE: “Bankruptcy Delays Investment Fraud Trial Naming Harkey”** [Orange County Register, [2/15/13](#)]

**February 2013: Point Center’s Prospective Bankruptcy Postponed The Trial.** “A fraud trial with high political stakes was abruptly postponed Thursday by a prospective bankruptcy. Point Center Financial Inc. is likely to file for bankruptcy protection by Monday, said company bankruptcy attorney Rob Goe. The filing automatically will stop a trial that was scheduled to begin Thursday morning in Orange County Superior Court. The company’s defense attorney said it is filing bankruptcy to block actions by a receiver in an unrelated San Diego County lawsuit. Investors in the Orange County case are seeking \$43 million from the company and its owners: Assemblywoman Diane Harkey, R-Dana Point, and her husband, company president Dan Harkey, and from the company’s chief financial officer, M. Gwen Melanson” [Orange County Register, [2/15/13](#)]

**HEADLINE: “Harkey Firm Files Bankruptcy, Delays Trial”** [Orange County Register, [2/20/13](#)]

**February 2013: Point Center Financial Inc., Which Packaged Commercial And Residential Mortgage Deals, Filed For Chapter 11 Bankruptcy After The 2007 Housing Crash.** “At its height, Point Center packaged commercial and residential mortgage deals spanning the nation worth hundreds of millions of dollars. Harkey, a onetime high school business teacher, sold investments in the deals to hundreds of affluent customers. The company prospered until 2007, when many of its borrowers defaulted, triggering a wave of foreclosures. Point Center filed Chapter 11 bankruptcy in February.” [Orange County Register, [7/11/13](#)]

**A Creditor Committee Said Point Center Was “Not Reorganizing, It Is Liquidating.”** “Last week, the creditor committee in the bankruptcy moved to block a request by Point Center for more time to reorganize its finances. The committee said Point Center ‘is not reorganizing, it is liquidating.’ It added that the company has



not made any new loans in three years and that its sole source of money comes from managing foreclosure sales.” [Orange County Register, [7/11/13](#)]

**Point Center Financial Inc. Filed For Bankruptcy With Assets Between \$10 Million And \$50 Million Against Liabilities Of \$50 Million To \$100 Million.** “Point Center Financial Inc., the company controlled by Assemblywoman Diane Harkey and her husband, Dan, filed for bankruptcy protection from its creditors Tuesday. The Aliso Viejo company, which sells investments in trust deeds, listed assets of between \$10 million and \$50 million against liabilities of \$50 million to \$100 million. It must file detailed schedules in court by March 5.” [Orange County Register, [2/20/13](#)]

**Point Center Declared Bankruptcy Due To A Receivership Action In Which A Contractor In A Separate Lawsuit Sued Point Center And Had To Pay \$2.8 Million To The Contractor.** “Jeffrey Benice, Point Center's defense attorney, has said the losses were due to the Great Recession. Benice blamed the bankruptcy filing on an unrelated lawsuit - a receivership action in San Diego County. Point Center loaned \$13 million to the developers of a 14-story luxury condo near Balboa Park, lost control of the project and then were hit with a \$2.8 million judgment by one of the contractors, according to court records. A judge named a receiver on Feb. 1 to collect the judgment from Point Center. When the receiver attempted to seize investor funds last week, Benice said, Point Center decided it had to declare bankruptcy to protect its investors. The filing under Chapter 11 of the federal bankruptcy law stops all pending court cases against Point Center and gives the company time to reorganize its finances.” [Orange County Register, [2/20/13](#)]

**Point Center’s Bankruptcy Delayed The Trial Indefinitely.** “The move indefinitely delays a trial pitting a group of about 80 investors against Point Center and the Harkeys. The trial was to have begun last week. The investors, led by retired trial attorney Lloyd Charton, allege that Dan Harkey (left) mismanaged their money, causing \$43 million in losses while supporting Diane’s political ambitions and the couple’s lifestyle.” [Orange County Register, [2/20/13](#)]

**HEADLINE: “Jury Begins Hearing Harkey Investor Lawsuit”** [Orange County Register, [4/16/13](#)]

**April 2013: The Trial Began With Reportedly Many Elderly Investors On One Side.** “On one side of the courtroom Monday sat investors, many of them elderly, saying they are victims of fraud - and that a prominent Orange County politician benefited. On the other side sat veteran loan broker Dan Harkey and his wife, Assemblywoman Diane Harkey, R-Dana Point. His attorney said he was caught in the undertow of the Great Recession and his wife doesn't even belong in the courtroom. Investors are seeking \$43 million from Harkey's Aliso Viejo company, Point Center Financial Inc. The trial in Orange County Superior Court is expected to last until June. A 16-member jury, including four alternates, is hearing the case before Judge Steven L. Perk.” [Orange County Register, [4/16/13](#)]

**The Lead Plaintiff Twice Testified That Dan Harkey Twice Promised To Give Back The \$500,000 He Invested.** “The lead plaintiff in a lawsuit against veteran loan broker Dan Harkey squared off against Harkey's attorney in a three-hour courtroom confrontation ending Thursday morning. In frequently combative testimony, Lloyd Charton said that Harkey had taken \$500,000 from him, twice promised to give it back and then did not.” [Orange County Register, [4/19/13](#)]

**2013: A Trustee Accused Dan Harkey Of Fraudulently Taking Point Center’s Assets And The State Bureau Of Real Estate Sought To Revoke Dan Harkey’s Businesses’ Real Estate Licenses**

---

**July 2013: Point Center’s Creditors’ Committee Filed A Motion Accusing Harkey Of Attempting To Transfer Point Center’s Assets To Another Company He Owned, National Financial**

---

**HEADLINE: “Creditors Seek To Oust Controversial Loan Broker”** [Orange County Register, [7/29/13](#)]

**The Creditors' Committee Filed An Emergency Motion To Take Control Of Point Center Away From Dan Harkey After They Accused Him Of Trying To Strip Its Assets.** "Creditors of veteran loan broker Dan Harkey have accused him of trying to strip assets from bankrupt Point Center Financial Inc. The creditors' committee filed an emergency motion Friday asking for a trustee to take control of the company that Harkey founded 30 years ago. U.S. Bankruptcy Judge Theodor Albert has scheduled a hearing for Wednesday afternoon." [Orange County Register, [7/29/13](#)]

**The Motion Accused Harkey Of Attempting To Transfer Point Center's Management Interests In National Financial Lending LLC To Another Company Harkey Owned.** "The motion accused Harkey of attempting to transfer one of Point Center's largest assets, its management interests in National Financial Lending LLC, to another Harkey-controlled company that is not in bankruptcy. 'In all my years of practice, I can't recall seeing anything so blatantly appalling,' creditors' committee attorney Richard Marshack said. But Harkey's attorney, Jeffrey Benice, said, 'Point Center has no assets to transfer.' Point Center manages National Financial, which pools money from investors and invests it in real estate projects nationwide." [Orange County Register, [7/29/13](#)]

**Harkey Sent A Letter To Investors Asking Them To Vote To Switch Mangers From Point Center To National Financial Lending.** "On Thursday, the head of Point Center's creditor committee, a National Financial investor, got a form letter from Harkey addressed to all such investors asking them to vote to switch managers from Point Center to National Financial Lending Inc." [Orange County Register, [7/29/13](#)]

**The Judge Ordered No Changes To National Financial's Management.** "Albert ordered Point Center to make no changes in National Financial's management until after his hearing this week. 'We have never, ever been approached with any plan, any suggestion, any proposal for repayment of creditors,' Marshack said. 'We get utter silence. Then we get this letter, which strikes me as trying to transfer a substantial asset to an entity owned by Mr. Harkey.'" [Orange County Register, [7/29/13](#)]

**Point Center's "Only Significant Source Of Income" Came From National Financial Management Fees According To A U.S. Trustee.** "However, according to its June operating report, Point Center made \$184,000 that month, 95 percent of its total revenue, from managing various entities. Assistant U.S. trustee Frank Cadigan, who supervises the Point Center case, described the National Financial management fees in a court filing Friday as Point Center's 'only significant source of income.' Benice said those fees come from other sources, not National Financial, and that Cadigan 'doesn't know what he's talking about.'" [Orange County Register, [7/29/13](#)]

---

### **July 2013: A Judge Ordered A Trustee To Take Over Point Center From Dan Harkey**

---

**HEADLINE: "Judge Ousts Harkey From Point Center"** [Orange County Register, [7/31/13](#)]

**July 2013: The Judge Ordered A Trustee To Take Over Point Center From Dan Harkey To Which Dan Harkey Gave Up His Fight Over It.** "Prominent Dana Point businessman Dan Harkey on Wednesday lost control of Point Center Financial Inc., the once-flourishing lender he founded three decades ago. U.S. Bankruptcy Judge Theodor Albert ordered a trustee to take over the business. The decision comes three weeks after an Orange County Superior Court jury told Harkey and Point Center to pay \$10 million in damages to nearly 80 Point Center investors. [...] Harkey had opposed the trusteeship - which was sought by creditors - but abruptly gave up the fight in the hours before Wednesday's court hearing." [Orange County Register, [7/31/13](#)]

---

### **August 2013: The Trustee Accused Dan Harkey Of Fraudulently Taking Company Assets; Sought To Reverse The Transfers And Force Harkey And Two Of His Companies Into Point Center's Bankruptcy**

---

**HEADLINE: "Bankruptcy Trustee Sues Loan Broker Dan Harkey"** [Orange County Register, [8/30/13](#)]

**The Trustee Accused Dan Harkey Of Fraudulently Taking Company Assets; Sought To Reverse The Transfers And Force Harkey And Two Of His Companies, CalComm Capital Inc. And National Financial Lending Inc. Into Point Center's Bankruptcy.** "The trustee for bankrupt Point Center Financial Inc. has accused

its owner, veteran loan broker Dan Harkey, of fraudulently taking company assets. In a lawsuit filed Wednesday in U.S. Bankruptcy Court, trustee Howard Grobstein alleged that Harkey continued to strip assets from Aliso Viejo-based Point Center after it filed bankruptcy in February. Grobstein is seeking a court order to reverse the transfers and to force Harkey and two of his other companies, CalComm Capital Inc. and National Financial Lending Inc., into the Point Center bankruptcy. The lawsuit comes six weeks after an Orange County Superior Court jury awarded Point Center investors \$10 million in damages from Harkey for breach of fiduciary duty. Harkey has filed a motion to block a judgment in that case, the first step in what could be a long appeal.” [Orange County Register, [8/30/13](#)]

**The Trustee Said The Affairs Of Dan Harkey’s Companies Were “So Entangled” That Combining Them Into Point Center’s Bankruptcy Would Benefit All Creditors.** “Grobstein wrote that the affairs of Point Center, Harkey and his other companies ‘are so entangled’ that combining them in one bankruptcy will benefit all creditors. Lloyd Charton, lead plaintiff in the investor lawsuit and a member of the creditors' committee in the bankruptcy, praised the lawsuit. ‘We sincerely appreciate the fact that the trustee's office is defending the rights of creditors and investors alike,’ Charton said.” [Orange County Register, [8/30/13](#)]

**The Trustee Alleged Dan Harkey Began Diverting Assets At Least Three Years Before Which Would Have Made It Impossible To Repay Creditors Despite The Bankruptcy.** “Grobstein alleged that Harkey began diverting assets from Point Center at least three years ago. He claims in his suit that the diversions either made Point Center insolvent or occurred after the company was insolvent. Taking those assets thus makes it impossible to repay creditors - the purpose of a bankruptcy.” [Orange County Register, [8/30/13](#)]

**Dan Harkey Also Owned Enterprise Temecula LLC, To Which Harkey Also Allegedly Transferred Assets To.** “In another instance, the \$2.7 million deal that Benice complained about, Harkey changed the managing member from Point Center to a new entity that he controlled, Enterprise Temecula LLC, in October 2012. Last week his financial officer, Gwen Melanson, demanded immediate payment on the loan.” [Orange County Register, [8/30/13](#)]

**Diane Harkey Was Not Named In The Trustee’s Complaint.** “Harkey is the husband of Assemblywoman Diane Harkey, R-Dana Point. She was dismissed as a defendant in the investors’ lawsuit and is not named in the trustee’s complaint.” [Orange County Register, [8/30/13](#)]

---

**December 2013: The State Bureau Of Real Estate Sought To Revoke Dan Harkey’s Businesses’ Real Estate Licenses, Including Dan Harkey’s New Primary Company, CalComm, Which Was Similar To Point Center**

---

**HEADLINE: “State Threatens To Revoke Lender’s Real Estate Licenses”** [Orange County Register, [12/3/13](#)]

**HEADLINE: “Husband Of O.C. Assemblywoman Accused Of Misleading Investors”** [Los Angeles Times, [12/3/13](#)]

**December 2013: The State Bureau Of Real Estate Sought To Revoke Dan Harkey’s Businesses’ Real Estate Licenses, Including Dan Harkey’s New Primary Company, CalComm, Which Was Similar To Point Center.** “State regulators are seeking to revoke Orange County lender Dan Harkey's real estate licenses, accusing him of defrauding creditors and other ‘dishonest dealing.’ The accusation by the state Bureau of Real Estate could drive Harkey out of business. It comes on the heels of a \$12.5 million breach of fiduciary duty judgment against him by investors and the bankruptcy of his company, Point Center Financial. [...] CalComm has become Harkey's principal company since Point Center entered bankruptcy. Like Point Center before it, CalComm raises money from investors to make real estate loans. Its customers generally can't get money from conventional lenders and so pay higher interest. [...] The state is seeking to either suspend or revoke the companies' licenses. Harkey does not hold an individual license.” [Orange County Register, [12/3/13](#)]

**The State Accused Harkey And His Companies Of “Breaching Their Fiduciary Duties By, Among Other Things, Usurping Corporate Opportunities From Point Center In Favor Of Themselves.”** “The state accused Harkey and his companies of ‘breaching their fiduciary duties by, among other things, usurping corporate

opportunities from Point Center in favor of themselves.’ The state also said ‘Harkey's conduct in diverting funds from Point Center to CalComm and/or National Financial to avoid creditors in bankruptcy constitutes dishonest dealing.’” [Orange County Register, [12/3/13](#)]

**The State Sought To Revoke The Corporate Broker License Of Point Center Financial Inc., National Financial Lending Inc., And CalComm Capital Inc.** “The agency's disciplinary action seeks to suspend or revoke the corporate broker license issued to Harkey's three companies, Point Center Financial Inc., National Financial Lending Inc. and Calcomm Capital Inc. A hearing on the accusation, filed Nov. 19, has not been set.” [Los Angeles Times, [12/3/13](#)]

## Misuse Of Public Employees

**The State Department Of Finance Audited The Board Of Equalization And Found The Board Spent Millions On “Education And Outreach Events,” Which Reportedly “Appear Self-Promoting”**

*NOTE: The audit can be found towards the end of this document.*

---

**January 2017: The Board Of Equalization Was Under Six Outside Audits Including One From The Department Of Finance For Using Public Employees For Board Members’ “Pet Projects”**

---

**January 2017: The Board Of Equalization Was Under Six Outside Audits Including One From The Department Of Finance For Using Public Employees For Board Members’ “Pet Projects.”** “The Board of Equalization is under scrutiny by six outside audits, including one from the Department of Finance that is investigating whether elected members enhance their direct staffs by tapping nonpolitical public employees for pet projects.” [Sacramento Bee, [1/25/17](#)]

---

**The Audit Investigated The Redirection Of Public Employees Into Unrelated Tasks And Found The Board Had Tripled Its Spending On “Education And Outreach Events” To Nearly \$3 Million, Which Reportedly “Appear Self-Promoting”**

---

**2017: The State Department Of Finance Conducted An Audit Into The Board Of Equalization.** “A soon-to-be released audit of the state Board of Equalization finds that the agency still can't explain how it misallocated tens of millions of dollars worth of tax revenue and describes how one of its elected leaders effectively swelled his political staff by ‘redirecting’ civil servants to his own projects. [...] Conducted by the state Department of Finance, the audit was based on interviews with more than 70 employees of an agency that handles more than \$60 billion a year in state revenue and weighs tax appeals from businesses and individuals.” [Sacramento Bee, [3/24/17](#)]

**The Audit Investigated The Redirection Of Public Employees Into Unrelated Tasks And Found The Board Had Tripled Its Spending On “Education And Outreach Events” To Nearly \$3 Million, Which Reportedly “Appear Self-Promoting.”** “While auditors began their work because of questions about the agency's accounting, the investigation expanded to examine how elected members ‘redirect’ civil servants for assignments that are not related to the agency's core mission. They found that overall spending on so-called ‘education and outreach’ - events or printed materials that are intended to inform taxpayers about policy but often appear self-promoting - has tripled over the past five years. It rose from \$920,000 in 2010 to \$2.96 million last year.” [Sacramento Bee, [3/24/17](#)]

**The Exact Amount Varied But The Audit Estimated The Board Was Spending \$5 Million A Year On These Events When It Included Some Employees That Did Not Report To Board Members.** “That number tends to change when lawmakers or news organizations ask the agency how much it spends on ‘education and outreach.’ Documents released to The Bee this month from a Public Records Act request said the agency spent \$1.6 million on board-directed outreach last year - \$1.3 million less than the total in the new audit. A Senate subcommittee last year also received a different set of numbers when it asked for an accounting of education and outreach spending. Auditors from the Department of Finance said the figures in their report likely did not

capture total spending on promotional events and taxpayer outreach. They said their numbers do not include salaries for a group of employees who promote agency activities but do not report directly to board members. When those employees are incorporated, the Department of Finance estimates that the BOE is spending about \$5 million a year on education and outreach programs.” [Sacramento Bee, [3/24/17](#)]

**The 2017 Audit Found That Spending Increased On Activities Unrelated To Taxes And That Misleading Information Was Provided To Lawmakers.** “The report's authors say they found well-paid tax auditors on ‘parking lot duty’ at a promotional event, a steep rise in spending on activities that do not appear connected to taxes, and misleading information provided to lawmakers.” [Sacramento Bee, [3/24/17](#)]

**The Audit Accused Harkey Of Reassigning 113 Board Employees Without Approval, Which Harkey Denied And Said That She Was “Not In Charge Of Those People”**

---

**The Audit Accused Harkey Of Reassigning Board Employees Without Approval**

---

**HEADLINE: “Audit: California Tax Collectors On ‘Parking Lot Duty’ For Promotional Events As Politics Push Boundaries”** [Sacramento Bee, [3/24/17](#)]

**HEADLINE: “Accused Of Mismanagement, California's Tax Collection Agency 'Is In Complete Disarray,' Officials Say”** [Los Angeles Times, [5/7/17](#)]

**The 2017 Report Accused Harkey And Another Councilmember Of Reassigning Board Employees To Aid Their District Staff In A Way That Violated State Rules By Failing To Acquire Approval.** “Horton, a Democrat from Inglewood, and current Board Chairwoman Diane Harkey, a Republican from Dana Point, are facing heat from the report, which questioned conferences held in their districts staffed in part with employees from the other offices. The report said employees were reassigned from the tax auditing positions to supplement the district staffs of board members in a way that violated state rules requiring notification and approval by managers. ‘Certain board member practices have intervened in administrative activities and created inconsistencies in operations,’ the report said.” [Los Angeles Times, [5/7/17](#)]

**State Law Required The Board To Ask The Finance Department And Legislature For Permission To Reassign A “Revenue-Generating” Employee To Another Post.** “The board also asked its executive leadership to investigate how the agency temporarily assigns tax auditors and other employees to postings that do not necessarily generate revenue. State law requires that the board ask permission from the Finance Department and the Legislature if it wants to reassign a so-called ‘revenue-generating’ employee to another post. The recent audit from the Finance Department said the tax board had not followed that rule, a practice that raised questions about its annual budget requests.” [Sacramento Bee, [4/25/17](#)]

**Audit: “Certain Board Member Practices Have Intervened In Administrative Activities And Created Inconsistencies In Operations, Breakdowns In Centralized Processes And In Certain Instances Result In Activities Contrary To State Law And Budgetary And Legislative Directives.”** “Some employees are not performing the revenue-generating tasks they have been assigned, according to the audit, calling into question the agency's budget requests and skirting the law. ‘Certain board member practices have intervened in administrative activities and created inconsistencies in operations, breakdowns in centralized processes and in certain instances result in activities contrary to state law and budgetary and legislative directives,’ the audit says.” [Sacramento Bee, [3/24/17](#)]

**State Law Banned Officials From Using Misusing Taxpayer Money And Public Recourses For Political Events And For Personal Gain, Which Could Lead To Civil Fines Or Jail Time.** “Investigators from the California Attorney General's Office are interviewing civil servants in a probe that may lead to civil or criminal penalties against public officials at a state tax agency that is being disbanded this month. [...] State law includes several provisions that could be used to prosecute elected officials for misusing their offices. Penalties include civil fines or jail time. One bans elected officials from using public resources for political events and is



punished by civil penalties. Another prohibits them from using their positions for personal gain. One more code bars public officials from knowingly misusing taxpayer money. The scope of the Department of Justice investigation is not yet clear. Gov. Jerry Brown requested it in April, citing the Department of Finance audit.” [Sacramento Bee, [6/20/17](#)]

---

**The Audit Pointed To A November 2016 Conference That Harkey Sponsored, In Which 113 Board Of Equalization Tax Employees Worked In “Registration, Parking Lot Duty, And Break Area Facilitation”**

---



**NO LIMITS** REGISTER NOW for FREE  
[www.boe.ca.gov/cwp](http://www.boe.ca.gov/cwp)

**Diane L. Harkey**  
Vice Chair - California State Board of Equalization

Connecting Women To Power  
Business Conference 2016  
11.3.16 #CWP  
Sponsored by COX

**KEYNOTE SPEAKERS**

- Heide Stefanyshyn-Piper, Former NASA Astronaut
- Jessie Hernandez, Facebook, Inc.
- Liz Goodgold, Branding Expert

[Eventbrite, accessed [2/28/18](#)]



Diane L. Harkey  
Vice Chair, 4th District, California State Board of Equalization

REGISTER NOW FREE WORKSHOPS AND INSPIRATIONAL SPEAKERS TO EMPOWER WOMEN  
*Men are Welcome!*

**KEYNOTE SPEAKERS**

- Former NASA Astronaut: Heidemarie Stefanyshyn-Piper
- International Branding Coach: Liz Goodgold, REDfire Branding
- Boost your Business with Facebook: Ana Martinez, Facebook, Inc.

SPACE IS LIMITED! REGISTER NOW!

FREE CONNECTING WOMEN TO POWER BUSINESS CONFERENCE

[California Board of Equalization via Wayback

Machine, [11/3/16](#)]

**The 2017 State Department Of Finance Audit Found That 113 Board Of Equalization Employees Spent A Workday At A November 2016 “Connecting Women To Power” Conference Which Harkey Sponsored.** “In one instance, the Finance Department found that 113 Board of Equalization employees spent a workday last November helping with parking and registering guests at a ‘connecting women to power’ conference in Escondido sponsored by Board of Equalization member Diane Harkey.” [Sacramento Bee, [3/24/17](#)]

**98 Of Those Employees Were Non-Political Employees Whose Jobs Related To Tax Collection Including Tax Technicians, Tax Auditors, And Tax Specialists.** “Ninety-eight of the board employees had job titles that suggested they were non-political employees who should report to the BOE's executive staff. Their job titles included tax technicians, supervising tax auditors and business tax specialists.” [Sacramento Bee, [3/24/17](#)]

**The Audit Said The Employees Worked On “Registration, Parking Lot Duty, And Break Area Facilitation” For Guests.** “For example, a conference in November in Harkey's district called ‘Connecting Women to Power’ brought in 98 board employees usually assigned to tax audit and compliance work, whose monthly salaries range from \$2,384 to \$8,450. The employees performed duties including ‘registration, parking lot duty, and break area facilitation,’ the report said, adding the redirection was requested by someone on Harkey's staff. Yee and others said the conferences held by other board members are improper because they are promotion tools used to elevate their profiles with constituents.” [Los Angeles Times, [5/7/17](#)]

**The Conference Only Had Two Of Its Twenty-Three Sessions Related To Taxes While Others Were Named As “Desk Yoga,” “Think Like A Negotiator,” And “No Limit Leadership.”** “The conference had

23 breakout sessions, only two of which were directly related to taxes. Others included ‘desk yoga,’ ‘think like a negotiator’ and ‘no limit leadership.’ The agency spent \$189,000 on that conference and one other ‘connecting women to power’ event last year.” [Sacramento Bee, [3/24/17](#)]

**The Sacramento Bee Reported The November 2016 “Connecting Women To Power Conference” And One Other Conference Cost \$189,000.** “The conference had 23 breakout sessions, only two of which were directly related to taxes. Others included ‘desk yoga,’ ‘think like a negotiator’ and ‘no limit leadership.’ The agency spent \$189,000 on that conference and one other ‘connecting women to power’ event last year.” [Sacramento Bee, [3/24/17](#)]

**November 2015: Harkey Hosted “Connecting Women To Power” Conference.** “Diane Harkey, with educational partner University of California, Irvine, is hosting a FREE Connecting Women to Power Conference. The event aims to spur economic and job growth and will assist entrepreneurs, business and career-minded women in Southern California with development of companies, advancement in the work place, and tax assistance with new and current business ventures. The conference features 36 women speakers who are experts and leaders in the fields of business, government and nonprofits. Speakers include: Los Angeles Sparks President, Christine N. Simmons Panda Express National Manager of Operation Support and Services, Trisha Nguyen Yelp Community Director, Katie Burbank Google Small Business Advisor, Lucy Pintol Red Cross Orange County CEO, Linda Voss \* See the full list of speakers \* Date: Wednesday, November 4, 2015 Where: UC Irvine Student Center 311 W. Peltason Drive, Irvine, CA 92697 Time: 9 a.m. – 5 p.m. (opening session for media is 9 am – 10:30 am)” [Diane Harkey, press release, [10/21/15](#)]

**2016: The Conference’s Speakers Included A Winning Contestant From “Shark Tank.”** “Harkey’s last ‘Connecting Women to Power’ event featured speakers who included a former astronaut, a winning contestant from MSNBC’s ‘Shark Tank’ and a country music singer. It also included tax workshops led by Board of Equalization employees. Participants registered at the Board of Equalization website.” [Sacramento Bee, [1/25/17](#)]

**HEADLINE: “Under Fire For ‘Shark Tank’ Showmanship, California Tax Board Limits Its Outreach”** [Sacramento Bee, [1/25/17](#)]

---

**Harkey Denied She Was Involved In Redirecting Staff, Said That Administration Staff Handled The “Connecting Women To Power” Conference, And Said That She Was “Not In Charge Of Those People”**

---

**Harkey, Along With Board Member Horton Who Was Accused Of Wasting Taxpayer Money And Misusing Public Employees, Objected To The Audit’s Claim They Used Events For Self Promotion.** “On Tuesday, at the urging of member George Runner, the board unanimously approved new rules keeping members out of all hiring decisions except for those involving its executive director and chief counsel and adding safeguards against improper use of employees. But board members Jerome Horton and Diane Harkey objected to some of the audit’s criticism of self-promotional ‘education and outreach’ programs, and the board could not agree on establishing a new governance model that established explicit limits on members’ authority. The board will now wait until August to revisit a policy.” [San Diego Union-Tribune, Editorial, [5/25/17](#)]

**Harkey As Chairwoman: “There Have Obviously Been Some Breakdowns In Policy. I Think There Has Probably Been Some Board Member Overreach As Well As Some Laxness On The Part Of The Staff. I Think Nobody Is Totally Guilty And Nobody Is Totally Innocent.”** “Harkey concedes that there has been a perfect storm of controversies, but maintains that the problems are being addressed and thinks the current structure can be made to work. ‘There have obviously been some breakdowns in policy. I think there has probably been some board member overreach as well as some laxness on the part of the staff,’ Harkey said. ‘I think nobody is totally guilty and nobody is totally innocent.’” [Los Angeles Times, [5/7/17](#)]

**Harkey Denied She Was Involved In Redirecting Staff To Promotional Activities And That Administration Staff Handled The “Connecting Women To Power” Conference And That She Was “Not In Charge Of Those People.”** “The employees performed duties including ‘registration, parking lot duty, and break area facilitation,’ the report said, adding the redirection was requested by someone on Harkey’s staff. [...] Harkey denies

that she was involved in redirecting staff to promotional activities. A former legislator, she had just taken office with the board when she said she was told by the administration that she could pick from a list of outreach activities done in the past that were aimed at educating the public about taxes and fees. She said the staging of the conference in Escondido was an issue handled by administration staff. 'I'm not in charge of those people,' she said in an interview with The Times. 'Once I found out that this was falling in my lap and there was something wrong, I decided we're not doing it again.'" [Los Angeles Times, [5/7/17](#)]

**Harkey Called The Audit "Inaccurate" And That Staffers Chose The "Connecting Women To Power" Conference Based On Similar Programs Another Board Member Hosted.** "Harkey, in an interview with The Bee, called the audit 'inaccurate.' She said agency staff offered her and her team a range of education and outreach options, which included sponsoring events. They chose the 'connecting women to power' event based on similar programs that Horton has hosted in the Los Angeles area over the years." [Sacramento Bee, [3/24/17](#)]

**Harkey: "The Audit Narrative Is Really Wrong. I Am Merely Appearing At This Agency Event."** "At a recent a board meeting, Harkey and Horton defended their use of large events as effective ways to connect with taxpayers in the dense, urban areas they represent. Harkey and Horton consider the conferences to be more efficient than smaller informational events the agency hosts in other parts of the state because of the large crowds they can attract. 'The audit narrative is really wrong,' Harkey said. 'I am merely appearing at this agency event. To the extent that there's something spent or diverted that should not be, that will be addressed.'" [Sacramento Bee, [3/24/17](#)]

**Harkey Said She Did Not Require Her Staffers To Work For Her Events But Would Instead Suggested It To Them But That She Did Not Have The Final Say On Whether An Event Took Place.** "Harkey and Horton each insisted that they do not require Board of Equalization staff members to promote and host their events. Instead, they said, they suggest an idea to a staff member and agency employees then evaluate whether an event would be appropriate. They said they've been trying to direct resources in underserved communities where people want more information about tax compliance. Both said they don't have the final say on whether an event takes place." [Sacramento Bee, [1/26/17](#)]

**The California Prosperity Foundation, A Nonprofit Affiliated With Harkey And Her Connecting Women To Power Events, Received \$25,000 Of Behested Payments From Spectrum And Cox**

---

**The Sacramento Bee Reported That According To Fair Political Practices Commission Records, Foundations Tied To Harkey And Her Family "Partly Funded And Promoted" Harkey's Conferences**

---

**The Sacramento Bee Reported That According To Fair Political Practices Commission Records, Foundations Tied To Harkey And Her Family "Partly Funded And Promoted" Harkey's Conferences.** "Horton and board member Diane Harkey over the past several years have hosted elaborate business conferences that are partly funded and promoted by foundations tied to their families and the Board of Equalization. The foundations have received donations from companies that appear before the board, according to records kept by the Fair Political Practices Commission." [Sacramento Bee, [1/25/17](#)]

**The Sacramento Bee Reported That Those Foundations Received Donations From Companies That Appeared Before The Board Of Equalization.** "Horton and board member Diane Harkey over the past several years have hosted elaborate business conferences that are partly funded and promoted by foundations tied to their families and the Board of Equalization. The foundations have received donations from companies that appear before the board, according to records kept by the Fair Political Practices Commission." [Sacramento Bee, [1/25/17](#)]

---

**The California Prosperity Foundation Received \$25,000 From Her Behested Payments**

---

**2016: Harkey Reported \$35,000 In Behested Payments, \$25,000 Of Which Went To A Nonprofit Affiliated With Harkey.** "Harkey last year reported \$35,000 in behested payments, \$25,000 of which went to a nonprofit affiliated with her for taxpayer-education workshops. Harkey's last 'Connecting Women to Power' event featured

speakers who included a former astronaut, a winning contestant from MSNBC's 'Shark Tank' and a country music singer. It also included tax workshops led by Board of Equalization employees. Participants registered at the Board of Equalization website." [Sacramento Bee, [1/25/17](#)]

**The California Prosperity Foundation Was The Organization Affiliated With Harkey's Events That Received \$25,000 From Her Behested Payments.**

| Harkey Behested Payments |                    |                                  |                   |              |   |             |
|--------------------------|--------------------|----------------------------------|-------------------|--------------|---|-------------|
| Date                     | Payer              | Payee                            | Payment Type      | Purpose      | Description   | Amount      |
| 11/14/16                 | Spectrum           | California Prosperity Foundation | Monetary Donation | Governmental | To provide free workshops and speakers to increase voluntary tax compliance and empower women and small business owners | \$10,000.00 |
| 11/3/16                  | Cox Communications | California Prosperity Foundation | Monetary Donation | Governmental | To provide free workshops and speakers to increase voluntary tax compliance and empower women and small business owners | \$15,000.00 |

[California Fair Political Practices Commission, received [2/23/18](#)]

**2015: The Los Angeles Times Reported That Companies' Donations To Nonprofits With Ties To Board Members Was A Way To Circumvent A 1990 Conflict Of Interest Law**

**2015: The Los Angeles Times Reported That Companies' Donations To Nonprofits With Ties To Board Members Was A Way To Circumvent A 1990 Conflict Of Interest Law.** "Two days after California's elected tax board gave SpaceX exemptions worth millions of dollars last year, the Hawthorne rocket company donated \$7,500, at the request of board President Jerome Horton, to a nonprofit group founded by his wife. SpaceX made the donation as a sponsor of a public conference headlined by Horton as he was running for reelection. Such donations are among the ways that businesses and others with matters before the state Board of Equalization have benefited its members despite a tough law passed in 1990 to prevent conflicts of interest, a Times analysis shows." [Los Angeles Times, [11/28/15](#)]

**Harkey Voted For A Moratorium On Large-Scale Conferences, Canceled Similar Event, And Voted For Demanding Annual Training To Prevent The Misuse Of Employees**

**HEADLINE: "BOE Member Wants To Curb Troubled California Tax Agency's Mega-Conferences"**  
[Sacramento Bee, [4/14/17](#)]

**HEADLINE: "Facing Spending Sanctions, Troubled California Tax Board Suspends Its Public Outreach"**  
[Sacramento Bee, [4/25/17](#)]

**Harkey Voted For A Moratorium On Large-Scale Conferences But Allowed For Exceptions For Smaller Events That Do Not Involve Tax Auditors Or Tax Technicians.** "A state tax board on Tuesday temporarily banned flashy conferences for would-be entrepreneurs a month after an audit suggested that the agency's largest events had sapped public resources and strayed from its mission to collect taxes. The Board of Equalization unanimously voted for a moratorium on large-scale conferences until it can develop a new policy for so-called education and outreach activities. It's allowing exceptions for smaller events that do not involve tax auditors or tax technicians." [Sacramento Bee, [4/25/17](#)]

**Harkey Canceled Similar Events After The Audit.** "Board members Diane Harkey and Jerome Horton had planned to sponsor similar 'connecting women to power' events this year. They canceled the events after the audit's publication, they said at Tuesday's meeting." [Sacramento Bee, [4/25/17](#)]



**HEADLINE: “Tempers Flare As Troubled California Tax Board Weighs Audit Reforms”** [Sacramento Bee, [5/23/17](#)]

**Harkey Voted For Demanding Annual Training To Comply With A Budget Law Preventing “Revenue-Generating” Employees From Working On Projected Unrelated To Their Positions.** “The board unanimously adopted two policies suggested by member George Runner. They: ▪ Remove elected members from any Board of Equalization hiring decisions, except for choosing an executive director and a chief counsel. ▪ Demand new annual training for employees on how to comply with a budget law that bans so called ‘revenue-generating’ employees – tax collectors – from working on projects that are not directly related to the collection of taxes and fees.” [Sacramento Bee, [5/23/17](#)]

**January 2017: Harkey Voted To Limit Board Members’ Spending On Education Public Outreach Events When There Previously Had Been No Limit.** “Prompted by a series of conferences that blurred the lines between taxpayer education and political showmanship, California’s Board of Equalization on Wednesday took steps toward limiting how often its elected members can promote their work with public funds in their districts. For the next six months, the four elected members of the board who represent geographic districts will have \$800,000 to spend on so-called education and outreach programs. Previously, there was no limit on how much money could be used for mailers and events that were developed using taxpayer funds at the request of elected members. Last year, the board spent \$1.6 million on those programs. The unanimous vote marked the second time in two months that the board adopted a good-government policy limiting public outreach directed by its elected members.” [Sacramento Bee, [1/25/17](#)]

**George Runner, A Board Member, Said The Vote Was In Response To Their “Appropriate Scrutiny.”** “The Board of Equalization is under scrutiny by six outside audits, including one from the Department of Finance that is investigating whether elected members enhance their direct staffs by tapping nonpolitical public employees for pet projects. ‘We are under appropriate scrutiny for these issues, and it's appropriate for us to respond’ with new policies, board member George Runner said.” [Sacramento Bee, [1/25/17](#)]

### **But Harkey Had Already Sponsored, Cosponsored, And Hosted Multiple Events During Her Time On The Board Of Equalization**

**May 2017: Harkey Sponsored A Small Business Tax Seminar.** “Invitation to Coachella Valley Small Business Tax Seminar and Resource Expo Managing a Business Date: May 5, 2017 | 8:30 am PDT - 2:30 pm PDT Location Name: Indio Performing Arts Center Address: 45-175 Fargo Street, Indio, CA,92201 California State Board of Equalization Organization: BOE, Assemblyman Garcia, Cities of Indio, LaQuinta, and Palm Desert Fee: This is a free event. Add Event to Calendar Thumbnail map to this event Directions Learn More No fee, You are Invited to the Coachella Valley Small Business Tax Seminar and Resource Expo: SBA representative Sylvia Gutierrez, EDS, will discuss how to take your business to the next level through the SBA Programs, Services, and Resources at this event Sponsored by Diane L. Harkey, Chairwoman, BOE with Assemblyman Eduardo Garcia, City of Indio’s Councilmember Glenn Miller, City of La Quinta’s Mayor Linda Evans, City of La Quinta’s Councilmember Steve Sanchez, and guest speaker Jan Harnik, Palm Desert’s Mayor.” [Washington: Small Business Administration, press release via Impact News Service, 5/4/17]

**March 2017: Harkey Sponsored An Event Regarding Taxes.** “Super Tax Saturday, sponsored by the state Board of Equalization and Board Member Diane L. Harkey, will take place from 9 a.m.-noon March 12 in the Learning Resource Center.” [San Bernardino Sun, [2/23/17](#)]

**October 2016: Harkey Cosponsored A Small Business Seminar And Resource Expo.** “Current business owners and aspiring entrepreneurs who would like to learn how to comply with California’s often complex tax laws are invited to attend a free Small Business Seminar and Resource Expo in Rancho Cucamonga on Tuesday, October 18, 2016. California State Board of Equalization (BOE) Member George Runner is sponsoring the event with Vice Chair Diane L. Harkey, Senator Mike Morrell, Assemblyman Marc Steinorth, San Bernardino County Supervisor Janice Rutherford, San Bernardino County Assessor-Recorder Bob Dutton, the City of Rancho Cucamonga, and the Rancho Cucamonga Chamber of Commerce.” [California State Board of Equalization, press release, [10/4/16](#)]



**June 2016: Harkey Hosted An Ontario Tax Seminar For Nonprofit And Exempt Organizations.** “On Wednesday, June 1, 2016, California State Board of Equalization (BOE) Board Member George Runner and BOE Vice Chair Diane Harkey will host a free Ontario Tax Seminar for Nonprofit and Exempt Organizations to provide information about state tax laws specific to nonprofits.” [California State Board of Equalization, press release, [5/24/16](#)]

**April 2016: Harkey Hosted A Small Business Seminar.** “Orange County business owners can get a jump start on National Small Business Week at a free Small Business Seminar and Resource Expo in Westminster on Friday, April 29, 2016, hosted by Board of Equalization (BOE) Vice Chair Diane Harkey. ‘Small businesses are critical to the economic health of our state and make up over 99 percent of all private firms in California,’ said Vice Chair Harkey. ‘My goal is to help entrepreneurs be successful and proactive by helping them understand and maneuver California’s complicated tax laws.’” [California State Board of Equalization, press release, [4/28/16](#)]

**August 2015: Harkey Cosponsored A Spanish-Speaking Small Business Tax Seminar.** “Spanish-speaking business owners and aspiring entrepreneurs who would like to learn how to comply with California's often complex tax laws are invited to attend a free Small Business Tax Seminar and Resource Expo in Ontario on Monday, August 24, 2015. For the first time, the entire seminar will be presented in Spanish. California State Board of Equalization (BOE) Vice Chair George Runner is sponsoring this seminar with BOE Member Diane L. Harkey, Senator Connie M. Leyva, Assemblymember Freddie Rodriguez, Supervisor Curt Hagman, the City of Ontario, the Ontario Chamber of Commerce, the Ontario Hispanic Chamber of Commerce, and the National Latina Business Women Association-Inland Empire.” [California State Board of Equalization, [8/18/15](#)]

**July 2015: Harkey Cosponsored An Educational Tax Seminar.** “Those who want to learn about important state regulations and increase the success of their nonprofit organizations are invited to attend a free educational tax seminar in Rancho Cucamonga on Tuesday, July 14, 2015. Attendees will learn how to comply with California's complex tax laws. California State Board of Equalization (BOE) Vice Chair George Runner is sponsoring this free event along with BOE member Diane Harkey, Senator Mike Morrell, Assemblyman Marc Steinorth, Supervisor Janice Rutherford, San Bernardino County Assessor Bob Dutton, the City of Rancho Cucamonga, and the Rancho Cucamonga Chamber of Commerce.” [California State Board Of Equalization, press release, [7/7/15](#)]

**May 2015: Harkey Sponsored A Business Resource Seminar.** “On Thursday, May 21, 2015, California State Board of Equalization (BOE) Member Diane L. Harkey will sponsor a free Poway Business Resource Seminar with Assemblymembers Brian Jones and Brian Maienschein, San Diego County Supervisor Dave Roberts, Poway Mayor Steve Vaus, and the Small Business Development Center.” [Diane Harkey, press release, [5/20/15](#)]

**March 2015: Harkey Cosponsored A Small Business Seminar.** “Business owners, entrepreneurs, and individuals who would like to start a business and learn how to comply with California's complex tax laws are invited to attend a free Small Business Seminar in Imperial Valley on Thursday, March 5, 2015. California State Board of Equalization (BOE) Member Diane L. Harkey is sponsoring this event with Senator Ben Hueso, Assemblymember Eduardo Garcia, the City of El Centro, the El Centro Chamber of Commerce and the Small Business Development Center. ‘It is my pleasure to present this small business seminar in partnership with Senator Hueso, Assemblymember Garcia, and Mayor Silva from the City of El Centro. We recognize that small businesses are California's job creators and are critical to the economic health of our state,’ said Board Member Harkey. ‘My goal is to give every business in this district the educational tools they need to grow and thrive by being proactive in understanding California's tax system and laws. My office is working diligently to promote education of taxpayers rather than enforcement against job creators.’” [California State Board of Equalization, press release [2/26/15](#)]

**February 2015: Harkey Cosponsored A Seminar For Basic Business Skills.** “California State Board of Equalization Member Diane L. Harkey presents a small-business seminar offering presentations of basic business skills and information from representatives from organizations incl the Internal Revenue Service and the Small Business Development Center. The event is co sponsored by Harkey, California State Senator Mike Morrell, California state Assembly member Chad Mayes and the City of Beaumont Event Start Date: 2015-02-19 Event End Date: 2015-02-19” [AP Planner, 2/14/15]

## Mismanagement

### Under Harkey's Chairmanship, Governor Brown Cut The Board's Staff By 90%, Created A New Department To Collect Sales Taxes, And Took The Board's Power As A Tax Court

---

#### February 2017: Harkey Became Chair Of The Board Of Equalization

---

**February 2017: Harkey Became Chair Of The Board Of Equalization.** “On February 23, 2017, at the conclusion of the Board of Equalization (BOE) February Board Hearing in Culver City, Member Diane Harkey became the new Chairwoman and Member George Runner became Vice Chair. The Chair position of the California State Board of Equalization is also charged with serving on the California Franchise Tax Board. ‘As Chair of the California State Board of Equalization and as the newest member of the Franchise Tax Board, I look forward to continue working with my colleagues to achieve the fair and equal administration of tax law to ensure all taxpayers are heard,’ said Harkey. ‘I am grateful for this opportunity to serve with such talented and experienced board members.’” [California State Board of Equalization, press release, [2/23/17](#)]

**February 2016: Harkey Was Elected As Vice Chair Of The Board Of Equalization.** “On February 24, 2016, at the Board of Equalization (BOE) meeting in Culver City, the Board selected Member Fiona Ma as its new Chair and Member Diane Harkey as Vice Chair. [...] ‘I look forward to another productive year working with my colleagues on the Board to help individual taxpayers, small business owners and our larger employers navigate the maze that is California tax policy, so that we may stimulate job growth and create opportunities for all Californians,’ said Vice Chair Diane Harkey.” [California State Board of Equalization, press release, [2/25/16](#)]

**Harkey Became The State's Highest-Ranking Republican Elected Official.** “Dana Point's Diane Harkey is now the highest-ranking elected Republican in the state, according to county GOP Chairman Fred Whitaker. Whitaker sent out a mass email on March 1 congratulating Harkey, but the news becomes less sunny for Republicans when you look closer. Harkey is an elected member of the state Board of Equalization, which oversees the collection of sales taxes. There are four BOE districts, meaning she represents 25 percent of the state. There are two Republicans on the BOE, so her Feb. 24 selection by the board to be vice chairman made her the highest-ranking GOP elected official.” [Orange County Register, [3/4/16](#)]

**February 2016: Harkey Lost A By 3-2 To Become Chair Of The Board Of Equalization.** “As the meeting began on Tuesday, Horton, chairman for the past five years, had issued a press release saying, ‘It's time to allow other members an opportunity to chair the board.’ The announcement was surprising because Horton had previously indicated he wanted to remain in the chair, and apparently reflected his acceptance that Ma had the votes to replace him. Nevertheless, Horton nominated Republican Diane Harkey to succeed him, but his motion gained support only from Harkey and himself, while Ma, Republican George Runner and Yvette Stowers, the surrogate for Controller Betty Yee, opposed it.” [Sacramento Bee, [2/25/16](#)]

**Following That Vote, Harkey Voted For A New Policy To Rotate The Chairmanship Every Year.** “The same 3-2 lineup later elected Ma, but the Horton-Harkey faction gained Runner's support for a new policy saying the chairmanship would rotate each year after Ma had served her term - albeit with another squabble over how the rotation would proceed.” [Sacramento Bee, [2/25/16](#)]

---

#### The Board Of Equalization Was Known As A Stepping Stone To Higher Office That Was A “Sinecure” For Termed Out Politicians

---

**The Board Of Equalization Was Known As A Stepping Stone To Higher Office.** “The board's internal conflict may reflect rivalries over ambitions for other office. While little known to the general public, the board has been a steppingstone to higher office.” [Sacramento Bee, [2/25/16](#)]

**HEADLINE: “Your Tax Dollars At Work Paying For Politicians’ Sinecures”** [Sacramento Bee, Editorial, [4/2/17](#)]

**Sacramento Bee Editorial: “The Board Of Equalization Serves As A Politician’s Sinecure. Four Board Members Won Seats After They Were Termed Out Of The Legislature.”** “On Feb. 2, 1989, our predecessors on The Sacramento Bee’s editorial board wrote: ‘The Board of Equalization and the Franchise Tax Board are relics of California’s past that should have been discarded long ago.’ Calling for its restructuring wasn’t tough then. It’s easier today. The Board of Equalization serves as a politician’s sinecure. Four board members won seats after they were termed out of the Legislature. It’s also a swamp. Too often, corporations seeking multimillion-dollar breaks on their taxes find ways to slip money into board members’ coffers and evade restrictions on campaign donations.” [Sacramento Bee, Editorial, [4/2/17](#)]

**HEADLINE: “Thomas Elias: Just How Rampant Is Corruption In State Government?”** [Chico Enterprise-Record, Thomas Elias Column, [6/6/17](#)]

**Thomas Elias In The Chico Enterprise-Record: “This Board Has Long Been A Sinecure For Termed-Out Legislators Like All Four Current Elected Members... And Ex-GOP Legislators George Runner And Diane Harkey.”** “A fourth form of corruption was discovered by state finance officials at the Board of Equalization, where elected members were found to have spent prolifically on their office furnishings, misused tax collectors for things like parking management at political events and interfered with some tax cases. This board has long been a sinecure for termed-out legislators like all four current elected members, former Democratic lawmakers Fiona Ma and Jerome Horton and ex-GOP legislators George Runner and Diane Harkey. It has also served as a stepping stone to statewide office for the likes of Controller Betty Yee and Treasurer John Chiang.” [Chico Enterprise-Record, Thomas Elias Column, [6/6/17](#)]

---

**Governor Brown Signed Legislation That Reduced The Board’s Staff To 400 Employees From 4,800, Created A New Department To Collect Sales Taxes, And Took The Board’s Power As A Tax Court**

---

**HEADLINE: “In Massive Shake-Up, Gov. Jerry Brown Breaks Up California’s Scandal-Plagued Tax Collection Agency”** [Los Angeles Times, [6/27/17](#)]

**HEADLINE: “Gutting Of California Tax Collection Agency Has Begun”** [San Francisco Chronicle, [6/23/17](#)]

**Governor Brown Signed Legislation That Reduced The Board’s Staff To 400 Employees From 4,800, Created A New Department To Collect Sales Taxes, And Took The Board’s Power As A Tax Court.** “In a move that triggers the most dramatic shake-up of the California Board of Equalization in its 138-year history, Gov. Jerry Brown signed legislation Tuesday that strips the embattled state tax collection agency of most of its powers and duties as officials scramble to create an entirely new department by July 1. [...] The governor signed a bill that pares the state board from 4,800 workers to just 400 employees. The other staff engaged in the collection of sales and excise taxes will be shifted to a new California Department of Tax and Fee Administration, according to Marybel Batjer, secretary of the California Government Operations Agency. The elected, five-member Board of Equalization also will cede its role hearing taxpayer appeals to a new Office of Tax Appeals, leaving the board with a narrower task that includes setting rates for gas taxes and pipeline levies and making sure counties fairly assess property taxes.” [Los Angeles Times, [6/27/17](#)]

**The Board Would Have Authority To Collect And Handle Appeals For State-Assessed Property, Alcohol, And Insurance Taxes.** “The Board of Equalization will retain authority to collect and handle appeals for state-assessed property taxes, alcohol taxes and insurance taxes.” [Associated Press via ABC News, [7/2/17](#)]

**The Associated Press Reported The Board Would Only Have 200 Employees.** “The rapid transition creates a period of uncertainty for the taxpayers that deal with the Board of Equalization, which will retain about 200 of its 4,700 staff positions. The board mostly handled taxes paid by businesses but also adjudicated income tax appeals.” [Associated Press via ABC News, [7/2/17](#)]

**The Legislation Left The Board Only With The Power Of Setting Gas Taxes, Pipeline Levies, And Ensuring Counties Fairly Assess Property Taxes.** “The governor signed a bill that pares the state board from 4,800 workers to just 400 employees. The other staff engaged in the collection of sales and excise taxes will be shifted to a new California Department of Tax and Fee Administration, according to Marybel Batjer, secretary of the California Government Operations Agency. The elected, five-member Board of Equalization also will cede its role hearing taxpayer appeals to a new Office of Tax Appeals, leaving the board with a narrower task that includes setting rates for gas taxes and pipeline levies and making sure counties fairly assess property taxes.” [Los Angeles Times, [6/27/17](#)]

**Governor Brown: “The Board Exists To Serve The Public And The Report Highlights The Extent To Which It Has Fallen Short.”** “‘The board exists to serve the public and the [audit] report highlights the extent to which it has fallen short,’ Brown said recently in announcing plans for the shake-up.” [Los Angeles Times, [6/27/17](#)]

---

**April 2017: Under Harkey’s Chairmanship, The Governor Stripped Powers From The Board While Legislation Was Considered And Called For An Investigation Into The Board’s “Serious Problems”**

---

**HEADLINE: “Accused Of Mismanagement, California’s Tax Collection Agency ‘Is In Complete Disarray,’ Officials Say”** [Los Angeles Times, [5/7/17](#)]

**HEADLINE: “Jerry Brown Calls For Probe Into Troubled Tax Board, Restricts Its Spending, Hiring”** [Sacramento Bee, [4/13/17](#)]

**HEADLINE: “California Board Of Equalization, Classic Case Of Going Astray”** [San Diego Union-Tribune, Editorial, [5/25/17](#)]

**HEADLINE: “California Should Ax Board Of Equalization”** [Fresno Bee, Editorial, [4/3/17](#)]

**Fresno Bee Editorial: “We Have Said Many Times That The State Board Of Equalization Should Be Sent To The Scrap Heap.”** “We have said many times that the state Board of Equalization should be sent to the scrap heap. We did so most recently in 2010, when Bloomberg BNA’s Daily Tax Report detailed how elected members of the Board of Equalization had a pattern of deciding complex cases in favor of certain campaign contributors. Former board member Bill Leonard was quoted in the investigative series saying that after he cast votes helping taxpayers: ‘I’d get cookies, I’d get flowers, I’d get campaign checks.’ We wish that the Board of Equalization had cleaned up its act over the last seven years. It hasn’t, and that’s why we renew our call for California to get rid of this anachronistic vestige of the 19th century.” [Fresno Bee, Editorial, [4/3/17](#)]

**April 2017: Under Harkey’s Chairmanship, Governor Jerry Brown Stripped The Board Of Equalization Of Its Ability To Hire Key Personnel And Approve Contracts.** “Gov. Jerry Brown on Thursday asked the state Department of Justice to investigate California’s troubled Board of Equalization and severely restricted the tax agency’s ability to do business. In a letter sent to the board’s five elected members, The Democratic governor announced the tax agency will not be able to hire key personnel or issue most contracts without approval from other state departments he controls. [...] The agency will need approval from the state Human Resources Department to hire, from the Technology Department to issue technology-related contracts and from the Department of General Services to make any other purchases.” [Sacramento Bee, [4/13/17](#)]

**HEADLINE: “State Investigators Probe Troubled California Tax Board”** [Associated Press, [6/20/17](#)]

**HEADLINE: “Criminal Investigation Targets California Tax Board Leaders”** [Sacramento Bee, [6/20/17](#)]

**Governor Brown Asked The State Department Of Justice And The State Attorney General To Investigate The Board Of Equalization.** “Gov. Jerry Brown on Thursday asked the state Department of Justice to investigate California’s troubled Board of Equalization and severely restricted the tax agency’s ability to do business. In a letter sent to the board’s five elected members, The Democratic governor announced the tax agency will not be able to

hire key personnel or issue most contracts without approval from other state departments he controls. His letter also announced his intent to ask the Human Resources Department and Attorney General Xavier Becerra to investigate complaints from civil servants as well as an alleged misuse of public resources.” [Sacramento Bee, [4/13/17](#)]

**The Attorney General Was To Look Into The “Serious Problems” From The Audit.** “The turmoil at the agency reached a boiling point April 13 when Gov. Jerry Brown signaled he had seen enough finger-pointing. Brown took away the board’s power to hire and approve contracts, and requested that state Atty. Gen. Xavier Becerra launch an investigation of the many ‘serious problems’ identified in a recent Department of Finance audit.” [Los Angeles Times, [5/7/17](#)]

---

### **The Legislation Became Law Less Than Three Weeks After It Was Introduced And Immediately Took Power Away From The Board**

---

**HEADLINE: “Neutered California Tax Board Forces Quick Transition”** [Associated Press via ABC News, [7/2/17](#)]

**The Legislation Became Law Less Than Three Weeks After It Was Introduced And Immediately Took Power Away From The Board.** “Off and on for nearly a century, California lawmakers pondered breaking up an obscure elected board that now collects a third of the state’s revenue - more than \$60 billion a year in sales, alcohol, tobacco and other taxes. They pulled the trigger last month, with Gov. Jerry Brown and legislators backing a plan to strip nearly all power from the Board of Equalization. The move took effect Saturday, less than three weeks after legislation was introduced, forcing Brown’s administration to scramble to create a new agency to oversee tax collections and audits in a matter of weeks.” [Associated Press via ABC News, [7/2/17](#)]

**April 2017: Governor Brown Requested The State Legislature To Address The Audit.** “Lawmakers also have questioned the board’s ability to reform itself. Brown’s letter includes a request for the Legislature to address the audit by June.” [Sacramento Bee, [4/13/17](#)]

---

### **State Controller Betty Yee Proposed Stripping The Board Of Equalization Of Some Of Its Authority**

---

**HEADLINE: “Tax Board Should Rein Itself In – While It Still Can, Controller Says”** [Sacramento Bee, [5/15/17](#)]

**HEADLINE: “California Controller Says Troubled Tax Board Should Be Stripped Of Power”** [Sacramento Bee, [3/31/17](#)]

**State Controller Betty Yee, Also On The Board, Proposed Blocking Board Members From Circumventing Their Executive Director And From Accepting Bundled Campaign Contributions From Companies That Came Before The Board.** “The longest-serving member of California’s embattled tax board is asking her colleagues to rein in their powers before the Legislature does it for them. State Controller Betty Yee on Monday released a proposal that would block elected members of the Board of Equalization from circumventing their executive director and ban them from accepting bundled campaign contributions from companies that have business before the board. She developed the proposal after a March audit by the Department of Finance said elected members on the tax board had improperly ‘intervened’ in staff activities, creating inconsistencies and potentially violating state law.” [Sacramento Bee, [5/15/17](#)]

**State Controller Betty Yee Proposed Stripping The Board Of Equalization Of Some Of Its Authority.** “Arguing that the agency that collects a third of California’s taxes has lost the public’s trust, state Controller Betty Yee on Friday said lawmakers should strip the embattled Board of Equalization of much of its authority and create a new state department to manage dozens of tax and fee programs. Yee, the longest-serving member on the Board of Equalization, released her proposal following an audit that found faulty accounting, rising spending on events that have little to do with collecting taxes and a climate of fear among civil servants who worry they’ll lose their jobs if they displease elected officials.” [Sacramento Bee, [3/31/17](#)]



**Yee Proposed Taking Away The Board's Oversight Of Sales Taxes And More Than 30% Of Revenue-Generating Programs With 80% Of Its Staff And Portfolio In A New Department.** "Yee's plan would restrict the Board of Equalization to the mission Californians approved in 1879 when they voted to create an agency to manage property taxes around the state. She'd also continue the practice of having elected board members hear appeals from taxpayers. But Yee would cut from the agency its oversight of sales taxes, use taxes and more than 30 other revenue-generating programs that the Legislature has handed to it over the years. She estimated about 80 percent of the agency's portfolio and staff would move to a different revenue department." [Sacramento Bee, [3/31/17](#)]

**Yee Also Proposed A Public Trustee To Manage The Board Of Equalization.** "Earlier this week, board member Fiona Ma of San Francisco cited the same audit from the Department of Finance when she wrote a letter to Gov. Jerry Brown asking him to appoint a public trustee to manage the Board of Equalization." [Sacramento Bee, [3/31/17](#)]

### **Harkey Said The Reform "Will Kill The BOE And Taxpayer Rights" And Was An Example Of Government Overreach**

---

#### **Harkey Said The Reform "Will Kill The BOE And Taxpayer Rights" And Was An Example Of Government Overreach**

---

**Harkey Said The Reform "Will Kill The BOE And Taxpayer Rights."** "Board Chairwoman Diane Harkey has supported other reforms but said the overhaul 'will kill the BOE and taxpayer rights.' Board member Jerome Horton also opposed the change. 'This bill has nothing to do with the BOE procurement or taxpayer event issues recently in the news; instead it replaces the current adjudicatory process with bureaucrats, with no accountability to the voters,' he said." [Los Angeles Times, [6/27/17](#)]

**Harkey On The Board Losing Its Power As A Tax Court: "People Still Need Representation For Taxation. People Don't Have The Time And Resources To Fight A Tax Agency With Unlimited Resources."** "'People still need representation for taxation,' said BOE member Diane Harkey, whose fourth district represents Orange, Imperial, Riverside, San Diego and parts of San Bernardino county. 'People don't have the time and resources to fight a tax agency with unlimited resources.'" [Chico Press-Enterprise, Steven Greenhut Op-Ed, [6/25/17](#)]

**Harkey's Chief Of Staff Sought To Allow The Board To Keep Its Power As A Tax Court To Oppose Big Business.** "Russell Lowery, chief of staff to board Chairwoman Diane Harkey, also is reaching out to lawmakers trying to retain the agency's power as a tax court, describing the Encinitas coffee shop and Irvine taco truck cases. On Thursday, Harkey's office gave The Bee documents from both cases showing that the Board of Equalization had dismissed the higher taxes it had intended to charge the businesses. If the board loses its authority as a tax court, Lowery says, big business will still be able to hire attorneys and fight the state in civil court. Smaller outlets would lose an avenue for representation." [Sacramento Bee, [6/15/17](#)]

**Harkey Called The Reform Government Overreach.** "Another board member, former Assemblywoman Fiona Ma, also endorsed the changes, while board members George Runner and Diane Harkey, both former lawmakers, have opposed the proposal, calling it government overreach. Board member Jerome Horton did not return an email seeking comment." [Sacramento Bee, [6/23/17](#)]

**Harkey Compared The Board To The State Senate When Three Senators Faced Criminal Charges And Said, "Did They Shut Down The Senate?"** "She said the agency's problems could have been corrected. 'Did they shut down the Senate?' she asked, after three senators faced criminal charges." [Chico Press-Enterprise, Steven Greenhut Op-Ed, [6/25/17](#)]

**Harkey Publicly Criticized The Legislation.** "Three of the board's five elected members have publicly criticized the deal that would strip their agency of almost all of its power and hand it to the proposed Department of Tax and

Fee Administration. A fourth, board member Fiona Ma, supports major changes at the agency, but wants more time. She wanted the Board of Equalization to retain its power to settle tax disputes, reflecting her belief that elected officials tend to be more responsive to residents than civil servants.” [Sacramento Bee, [6/15/17](#)]

---

**Harkey Said The New Tax Court Shifted Power To “Unelected State Employees, Eliminating An Important Level Of Recourse That The Board Once Provided” And Stripped Elected Officials Of Their Powers**

---

**HEADLINE: “Power Grab Weakens Taxpayer Protections”** [San Diego Union-Tribune, Diane Harkey Op-Ed, [7/27/17](#)]

**Harkey Said The New Tax Court Shifted Power To “Unelected State Employees, Eliminating An Important Level Of Recourse That The Board Once Provided.”** “The Office of Tax Appeals, consisting of administrative law judges, will soon begin to hear appeals in a formal and legal setting. Duties formerly executed by the only elected tax board in the United States will be shifted to unelected state employees, eliminating an important level of recourse that the Board once provided. Good luck to those that don’t seek professional help or cannot wait or afford to appeal in an actual court of law.” [Orange County Register, Diane Harkey Op-Ed, [7/8/17](#)]

**Harkey Wrote That “Duly Elected Representatives Were Stripped Of The Statutory Powers They Use To Assist Individuals And Businesses.”** “The tension between taxpayers and their government will always remain, but the scales - the ‘delicate balance’ proclaimed in the Taxpayers’ Bill of Rights between the state and its citizens - have unquestionably been tipped in favor of the government. In spite of bipartisan protest, the oxymoronic ‘Taxpayer Fairness and Transparency Act of 2017’ was approved by the Legislature and signed by the governor. The lesson for all Californians should be that what the Legislature gives it can take away, rapidly, including property rights, individual rights and local representation, not to mention dollars previously bestowed, with little discussion. Budget ‘trailer’ bills, intended for small fixes to annual budgets, are more frequently being used to rewrite policy. In this case, two new bureaucracies were created and duly elected representatives were stripped of the statutory powers they use to assist individuals and businesses in navigating and complying with complex and often conflicting and arbitrary tax and fee policies.” [San Diego Union-Tribune, Diane Harkey Op-Ed, [7/27/17](#)]

---

**In Response To A New Law Requiring Board Members Disclosing Their Previous Private Meetings With Those In The Appeals Process, Harkey Said, “No One Is Prepared To Go Back”**

---

**In Response To A New Law Requiring Board Members Disclosing Their Previous Private Meetings With Those In The Appeals Process, Harkey Said, “No One Is Prepared To Go Back.”** “Members of California’s Board of Equalization objected Thursday to a broad interpretation of a new state law requiring that they disclose their private meetings with taxpayers who are engaged in appeals. A state attorney said ex parte communications must be disclosed on currently pending matters — even if they occurred before the enactment of the new law on July 1. Tax board members said they did not track who they and their staff talked to before the law took effect. ‘No one is prepared to go back,’ said Board of Equalization Chairwoman Diane Harkey. ‘We want to make sure we have no liability here. This is an impossible situation.’” [Los Angeles Times, [7/27/17](#)]

**HEADLINE: “California’s Tax Board Members Aren’t Happy About How New Disclosure Rules Are Being Applied”** [Los Angeles Times, [7/27/17](#)]

Los Angeles Times

SPONSOR A STUDENT  
GIVE DIGITAL ACCESS

Jul. 27, 2017, 2:45 p.m.

LOCAL GOVERNMENT

By PATRICK MCGREEVY

## California's tax board members aren't happy about how new disclosure rules are being applied



California Board of Equalization Chairwoman Diane Harkey (Los Angeles Times)

Members of California's Board of Equalization objected Thursday to a broad interpretation of a new state law requiring that they disclose their private meetings with taxpayers who are engaged in appeals.

[Los Angeles Times, [7/27/17](#)]

**Harkey Had Questions She Wanted The Board To Consider Like How To Disclose Meeting Businesses And Which Board Employees Report To Elected Members.** “Board Chairwoman Diane Harkey has a series of questions she's asking her colleagues to consider, such as how to disclose meetings that board members have with businesses and which Board of Equalization employees should report to the elected members.” [Sacramento Bee, [5/15/17](#)]

---

**In Response To The Idea Of Making The Board An Appointed Position, Harkey Said Board Members Were Already Held Accountable At The Ballot Box And Said, “Elected Members, We Respond”**

---

**HEADLINE: “California Lawmakers Consider Making Positions On Troubled State Tax Board Appointed Rather Than Elected”** [Los Angeles Times, [6/7/17](#)]

**In Response To The Idea Of Making The Board An Appointed Position, Harkey Said Board Members Were Already Held Accountable At The Ballot Box And Said, “Elected Members, We Respond.”** “The idea of making the board appointed drew interest from Assembly members including Richard Bloom (D-Santa Monica), who said during the hearing that it could be beneficial if board members didn't need to think about reelection. Board of Equalization Chairwoman Diane Harkey told lawmakers that being elected means board members would be held accountable at the ballot box if they fail to serve constituents. ‘Elected members, we respond,’ she said. [Los Angeles Times, [6/7/17](#)]

---

**Harkey Voted For Removing Elected Members From Most Hiring Decisions And Said The Board Was “Taking Command Of Our Own Ship. We Are Trying To Right It”**

---

**Harkey On Some Of The Votes The Board Took: “We Want You To Know We Are Taking Command Of Our Own Ship. We Are Trying To Right It.”** “She said the board recently took initial action on a series of changes to more clearly spell out the division of powers between the executive director and elected board members. ‘We want you to know we are taking command of our own ship. We are trying to right it,’ Harkey told the legislators.” [Los Angeles Times, [6/7/17](#)]

**Harkey Voted For Removing Elected Members From Most Hiring Decisions.** “The board unanimously adopted two policies suggested by member George Runner. They: ▪ Remove elected members from any Board of Equalization hiring decisions, except for choosing an executive director and a chief counsel. ▪ Demand new annual training for employees on how to comply with a budget law that bans so called ‘revenue-generating’ employees – tax collectors – from working on projects that are not directly related to the collection of taxes and fees.” [Sacramento Bee, [5/23/17](#)]

---

**Harkey Questioned How The Board Would Be “Such A Bad Board” When It “Launched The Careers” Of Politicians And Was “Finally Addressing Some Long-Time, Systemic Problems,” Which Were “Typical”**

---

**Harkey Questioned When The Board Became “Such A Bad Board” When It “Launched The Careers” Of Politicians And Was “Finally Addressing Some Long-Time, Systemic Problems.”** “Where are the ‘reformers’ when you need them? Blasted by what was an informal survey focused on elected members, and an actual 2015 state controller’s audit revealing not problems with the elected members, but rather with the agency that was cut loose, the Board of Equalization was gutted, two new bureaucracies created, and investigations ensued. How did an elected board established in 1879, which launched the careers of numerous state treasurers, controllers and others statewide, suddenly become such a bad board? The truth is we were actually finally addressing some long-time, systemic problems: lack of training, ignoring policies and procedures, members exceeding boundaries of authority, and tools for oversight that were woefully inadequate, which seems to be the practice in our state.” [Orange County Register, Diane Harkey Op-Ed, [7/8/17](#)]

**Harkey Said The Board’s Problems Were “Typical For A Bureaucracy In California” But That Its “Tools For Oversight Were Woefully Inadequate.”** “Admittedly there were long-term systemic issues with reporting, internal controls, policies and procedures. But a quick review of the state auditor’s website shows that many of the problems we were actively working to correct are typical for a bureaucracy in California. Our tools for oversight were woefully inadequate, computer systems were antiquated, and policy manuals were either ignored or outdated, but the agency’s annual report to the Legislature was glowing.” [San Diego Union-Tribune, Diane Harkey Op-Ed, [7/27/17](#)]

---

**Harkey Criticized The State For Spending \$44 Billion On Noncompetitive Contracts And That “‘Reformers’ In Sacramento” Only Focused On The Board Of Equalization**

---

**HEADLINE: “Reformers’ Selective Outrage Over Board Of Equalization”** [Orange County Register, Diane Harkey Op-Ed, [7/8/17](#)]

**Harkey Criticized The State For Spending \$44 Billion On Noncompetitive Contracts And That “‘Reformers’ In Sacramento” Only Focused On The Board Of Equalization.** “In a report released last week, the state auditor noted that the state spent \$44 billion on noncompetitive contracts worth \$1 million or more between 2011 and 2016, and yet the report gets a standard nod. Perhaps reforming in this area might not be healthy for a political career in California, especially if the contracts lead to political clout or even campaign contributions. The report noted that the Department of General Services and the Department of Technology ‘have missed opportunities to challenge requests for noncompetitive contracts, failed to ensure that contract databases have accurate information, and rarely disciplined other government agencies for misusing noncompetitive contracts.’ But ‘reformers’ in Sacramento can

pound their chest now that they removed elected representation from businesses and taxpayers, and placed more duties under bureaucratic control.”

---

### **Harkey Said She Was “Proud” Of What Her Office “Accomplished” With Tax Disputes, Liens, And Regulations And Would Continue To Provide Workshops And Seminars**

---

**Harkey Said She Was “Proud” Of What Her Office “Accomplished” With Tax Disputes, Liens, And Regulations.** “Since assuming office in 2015, I’m proud of what we accomplished at the Board of Equalization. Unable to halt the onslaught of taxes and fees, my staff of highly skilled professional tax experts resolved over 500 individual and business tax issues in District 4, encompassing Orange, Riverside, San Diego, Imperial and parts of San Bernardino and Los Angeles counties. We often made an immediate difference in people’s lives. We worked to release liens for apartment renters and those trying to close escrows. We helped numerous firms of all sizes qualify for tax exemptions and credits. We spotted unfair and unequal applications of tax laws and policies, and referred the cases to the agency staff responsible for resolving each issue. We updated and streamlined tax regulations through the public process, working with agency staff to ensure consensus was reached. Our office partnered with dozens of state agencies and elected officials to provide free education and outreach to constituents to help them avoid tax traps and misinformation. We provided technical assistance to help small businesses and the general public avoid expensive penalties for noncompliance with complex rules and regulations. At monthly public board hearings, we heard numerous income, sales, and use tax appeals, and worked with the underrepresented to ensure all people, rich or poor, had a fair hearing and understood the process and the law.” [Orange County Register, Diane Harkey Op-Ed, [7/8/17](#)]

**Harkey Wrote That The Board Resolved Over 500 Disputes In Two Years.** “As for the day-to-day issues facing individuals and business owners, working with the agency we resolved over 500 disputes in two years. Problems ranged from releasing liens assisting apartment renters and escrow closings to helping firms qualify for tax exemptions and credits. We found unfair and unequal applications of tax law and referred cases to the agency for resolution. We worked with agency staff to update and streamline tax regulations, and we collaborated with state agencies to provide education and outreach to help people avoid tax traps and misinformation. We provided technical assistance to small businesses to avoid penalties for noncompliance with complex rules.” [San Diego Union-Tribune, Diane Harkey Op-Ed, [7/27/17](#)]

**Harkey: “We Will Continue To Partner With Local And State Agencies To Provide Workshops, Seminars And Tax Credits.”** Our office will continue to serve the 9.5 million southern Californians in the Board of Equalization's Fourth District by providing explanations and potential resolutions to vexing tax problems in plain language. We will continue to partner with local and state agencies to provide workshops, seminars and tax credits, and establish communication protocols with the new departments, while perfecting our knowledge in property tax and assessments under our constitutional purview.” [San Diego Union-Tribune, Diane Harkey Op-Ed, [7/27/17](#)]

---

### **Harkey Said “California Politics Seems To Lead Reform” And That California May Not Be The Place For People And Businesses**

---

**Harkey Said “California Politics Seems To Lead Reform” And That California May Not Be The Place For People And Businesses.** “Unfortunately, if you believe that people can make their own life decisions, that government should not work against you to start a business, own a home or otherwise achieve your dreams, California may not be the place for you. Promoting policies that reward honesty and individual initiative, guide new businesses, help with navigating the onerous tax and regulatory schemes, and encourage employers to use available tax credits to expand and hire more people doesn’t seem to be the plan. Good policy should drive politics, but in California politics seems to lead reform. Blowing up a tax agency made for good press. After all, who likes taxes or the agencies that collect them? But cleaning up sweetheart deals on government contracts doesn’t have quite the same appeal — unless you are one of the businesses that lost to a noncompetitive bidder. Rest assured politicians will discuss taking corrective action, but don’t expect action or reform.” [Orange County Register, Diane Harkey Op-Ed, [7/8/17](#)]



---

**In An Op-Ed, Harked Called For Greater Clarity Between The Board And Its Agency And “Informed Oversight”**

---

**In An Op-Ed, Harked Called For Greater Clarity Between The Board And Its Agency And “Informed Oversight.”** “Much has been reported about California’s Board of Equalization, particularly in light of the March evaluation from the Office of State Audits and Evaluations. Perhaps because we are unique as the only state tax agency with an elected board, there seems to be a misconception that the way we operate is also unique. Such is not the case. [...] Working with civil service staff to oversee an agency requires different tools than serving in the Legislature. We think more clarity on the board-agency relationship, the need to build consensus on a small board with diverse perspectives, and the necessity of informed oversight will help unravel some of the mystery.” [Sacramento Bee, Diane Harkey Op-Ed, [6/6/17](#)]

**HEADLINE: “California’s Tax Board Mystifies People. It Doesn’t Have To Be That Way.”** [Sacramento Bee, Diane Harkey Op-Ed, [6/6/17](#)]

|  |
|--|
| <b>During Harkey’s Time On The Board Of Equalization, The Board Was Accused Of Having Misallocated Tens Of Millions And Being Understaffed With Its HQ Containing Toxic Mold</b> |
|--|

---

**2017: A State Department Of Finance Audit Found That The Board “Had Difficulty Providing Complete And Accurate Documentation” To Inquiries And Had Misallocated Tens Of Millions Of Tax Revenue**

---

**HEADLINE: “Audit: Unexplained Misallocated Millions For State Tax Board”** [Associated Press via U.S. News & World Report, [3/27/17](#)]

**HEADLINE: “Here’s The Audit Shaking Up The Board Of Equalization”** [Sacramento Bee, [3/31/17](#)]

**January 2017: The Board Of Equalization Was Under Six Outside Audits.** “The Board of Equalization is under scrutiny by six outside audits, including one from the Department of Finance that is investigating whether elected members enhance their direct staffs by tapping nonpolitical public employees for pet projects.” [Sacramento Bee, [1/25/17](#)]

**A 2017 State Department Of Finance Audit Revealed That The Board Of Equalization Had Misallocated Tens Of Millions Of Tax Revenue, Which It Could Not Explain.** “A soon-to-be released audit of the state Board of Equalization finds that the agency still can’t explain how it misallocated tens of millions of dollars worth of tax revenue and describes how one of its elected leaders effectively swelled his political staff by ‘redirecting’ civil servants to his own projects. [...] Conducted by the state Department of Finance, the audit was based on interviews with more than 70 employees of an agency that handles more than \$60 billion a year in state revenue and weighs tax appeals from businesses and individuals.” [Sacramento Bee, [3/24/17](#)]

**The Audit Reported That The Board Tried 11 Times To Correct Its Auditing But Could Not Explain Its Own Assumptions.** “Yee’s proposal follows a November 2015 audit her office released that showed the Board of Equalization had misallocated \$47.8 million in tax revenue. The newest audit reported that the Board of Equalization tried 11 different times to correct its accounting, but still struggled to explain the assumptions it used when it moved revenue among different state funds.” [Sacramento Bee, [3/31/17](#)]

**The Audit Accused The Board Of Putting \$350 Million In Sales Taxes In The Wrong Accounts.** “The board is the target of an investigation by the state Department of Justice, and its members and employees have been accused by auditors of mismanagement that included putting \$350 million in sales taxes in the wrong accounts and improperly interfering with decisions to open field offices and transfer staff.” [Los Angeles Times, [6/27/17](#)]

**A 2015 State Controller Audit That Showed \$47.8 Million In Sales Tax Revenue Was Misallocated Sparked The 2017 Department Of Finance Audit.** “It’s the first of several audits on the Board of Equalization that are

expected to be released in coming weeks. The Legislature requested the investigation last year following another audit by State Controller Betty Yee in November 2015 that showed the agency had misallocated \$47.8 million in sales tax revenue.” [Sacramento Bee, [3/24/17](#)]

**The State Controller Audit Found The Board Had Failed To Collect \$1.5 Million In Debts.** “The same year, an audit by the state controller found that the board misallocated money -- \$47.8 million -- to the state general fund that should have gone to other agencies. The board also failed to collect \$1.5 million in debts that year, the audit found.” [Los Angeles Times, [5/7/17](#)]

**2017: The State Department Of Finance Audit Found That The Board Still “Had Difficulty Providing Complete And Accurate Documentation” To Financial Inquiries.** “The recent Department of Finance audit was a follow-up to the 2015 report and found that the board still ‘had difficulty providing complete and accurate documentation’ in response to basic financial inquiries and could not consistently explain why money was misdirected.” [Los Angeles Times, [5/7/17](#)]

**Audit: “The Potential Fiscal Impact To The Local Agencies And The State Continues To Be Unknown.”** “‘The potential fiscal impact to the local agencies and the state continues to be unknown’ because the Board of Equalization cannot explain consistently how it allocates the revenue, the audit says.” [Sacramento Bee, [3/24/17](#)]

---

**The Board Of Equalization Was Understaffed With 600 Vacancies And Its Headquarters Was In Disrepair With Toxic Mold But Harkey Said, “The Current Structure Of The BOE Is Really Very Good”**

---

**In 2007, The Board Left Its Headquarters As It Had Toxic Mold And Shedding Parts Including Falling Glass Panels To Which By 2017, \$40 Million Was Needed For Repairs And The Board Members Worked In Different Buildings.** “Even the building the agency was based in has spent years in disrepair. The elected board members once had main offices on the 23rd floor of the Board of Equalization headquarters in Sacramento, but they were moved out in 2007 to make room for repair work amid safety concerns. The high-rise has a history of toxic mold, dodgy elevators, leaky pipes and shedding parts that include a glass panel that fell eight floors onto the sidewalk below. Officials estimate \$40 million in repairs are needed. In one sign of the board's division, the members are now scattered among five buildings in the capital.” [Los Angeles Times, [5/7/17](#)]

**The Board Of Equalization Faced Nine Lawsuits From Employees In The Building, In Which 1,800 Of The Agency’s Employees Work.** “The departure of the board members from a building where 1,800 of the agency's workers remain has also been a point of controversy. There are currently nine lawsuits against the Board of Equalization by employees who have remained in the dilapidated headquarters. Those legal challenges and lawsuits settled with 30 other plaintiffs claim the building is making workers sick and is a health and safety risk, according to Anthony M. Perez Jr., an attorney for employees who have sued.” [Los Angeles Times, [5/7/17](#)]

**The Board Had Left The Building When They Became Aware Of The Mold.** “The state says the building is safe. Perez said that claim is wrong and hypocritical. ‘When the BOE Board members became aware of the mold, they high-tailed it out of the headquarters building to a safe working environment,’ Perez said in one of the lawsuits.” [Los Angeles Times, [5/7/17](#)]

**The Board Of Equalization Was Understaffed With 600 Vacancies Of Its 4,800 Employees Including Its Chief Legal Counsel.** “Though the agency is supposed to have 4,800 employees, there are 600 vacancies, including important administrative positions such as chief legal counsel, which is being handled by an acting counsel.” [Los Angeles Times, [5/7/17](#)]

**Harkey Said That The Staff Was “Pretty Demoralized” But That “The Current Structure Of The BOE Is Really Very Good” As Its Tax Duties Are “Accurate” And That The Staff “Do A Good Job.”** “Harkey said the agency is already taking steps to address problems identified in audits, but acknowledged ‘fractures’ in the board and a rank-and-file staff that she described as ‘pretty demoralized.’ The agency has been hampered by an outdated, 40-year-old computer system and turnover among senior staff. ‘Overall the collecting, the assessing and

distribution of taxes and fees is accurate. I think they do a good job,' Harkey said to The Times. 'I think the current structure of the BOE is really very good.'" [Los Angeles Times, [5/7/17](#)]

---

**The Audit Found That Board Employees Feared Losing Their Jobs If They Displease Board Members**

---

**The Audit Found That Board Employees Feared Losing Their Jobs If They Displease Board Members.**

"Brown's letter follows a recent audit from the Department of Finance that found the Board of Equalization had allowed its elected members to 'redirect' staff for promotional events. The audit found the agency could not explain how it corrected accounting failures identified in a 2015 audit. It described reports from employees who feared they'd lose their jobs if they displeased elected officials. The report also suggested that board members inappropriately 'intervened' in administrative decisions, creating inconsistencies that are 'contrary to state law.'" [Sacramento Bee, [4/13/17](#)]

**The Board Of Equalization Executive Director Told A Legislative Committee That Some Threatened Him Which Made Him Fear For His Job.**

"In April, Board of Equalization Executive Director David Gau told a Senate committee that someone had threatened him. He did not name the source of the threat. He reports directly to elected board members. 'He feared for his job and did not know where to turn to,' said Sen. Richard Roth, D-Riverside. 'The executive director could not manage operations because of interference by members of the BOE.'" [Sacramento Bee, [6/20/17](#)]

**Despite Budget Sanctions On The Board Of Equalization, The Board Was Spent \$1.7 Million On Furniture And Equipment For A New LA County Office With \$835,000 On Furniture**

---

**Harkey And Three Other Board Members Cost Taxpayers \$740,000 Per Year With Their Leases For Their New Offices To Which Harkey Said, "The Existing Space That I Moved Into Was Already There"**

---

**Harkey And Three Other Board Members Cost Taxpayers \$740,000 Per Year With Their Leases For Their Offices.** "Yet it's likely that none of it would be necessary if the board members still had offices in the agency's 24-story headquarters at 450 N St. in downtown Sacramento. That tower's 22nd and 23rd floors were cleared in 2007 so that crews could repair damage caused by water that had seeped in. The cleanup forced the board to leave the building because their offices were on the 23rd floor. The building's well-documented troubles before and after their departure include structural leaks, toxic mold, bursting pipes and corroded wastewater plumbing, faulty exterior glass panels, a bat infestation, unreliable elevators, noxious odors and trace amounts of toxic chemicals. [...] The leases for offices for Horton and three other board members who now occupy offices outside of headquarters cost taxpayers about \$740,000 per year. The state controller, who has an ex officio seat on the board, leases a small three-room office in the tower for \$36,000 per year." [Sacramento Bee, [4/25/16](#)]

**Harkey: "The Existing Space That I Moved Into Was Already There."** "With the board's main building over capacity, Executive Director David Gau said, the organization relies on using off-site offices. He said there was no plan to return the board members to the building, a situation that some newer board members inherited. 'The existing space that I moved into was already there,' said board member Diane Harkey, who was elected in 2014." [Sacramento Bee, [5/5/16](#)]

---

**2017: Despite Budget Sanctions On The Board Of Equalization, The Board Was Spending \$1.7 Million On Furniture And Equipment For A New Los Angeles County Office With \$835,000 On Furniture**

---

**HEADLINE: "\$5,000 For Trash Cans At State Office? Tax Board's Furniture Bill Skyrockets"** [Sacramento Bee, [6/26/17](#)]

**2017: Despite Budget Sanctions On The Board Of Equalization, The Board Was Spending \$1.7 Million On Furniture And Equipment For A New Los Angeles County Office With \$835,000 On Furniture.** "A state tax agency under budget sanctions by Gov. Jerry Brown is spending \$1.7 million to buy furniture and other equipment for a new office in Los Angeles County, according to documents obtained by The Sacramento Bee. Furniture alone

is expected to cost \$835,000 for the new Board of Equalization office. That's about eight times the sum that the tax-collecting agency planned to spend on furniture in 2014 when it developed a proposal to move 160 workers and their equipment from Norwalk to a new site in Cerritos, according to documents obtained by The Bee.” [Sacramento Bee, [6/26/17](#)]

**2014: The Board Estimated It Would Spend \$100,000 On Furniture.** “In 2014, the Board of Equalization estimated the move would cost about \$4.4 million. It anticipated spending \$2.5 million for moving expenses and \$1.3 million for communications equipment, according to a project summary it created with General Services. That document shows the Board of Equalization planned to spend \$102,000 on new furniture.” [Sacramento Bee, [6/26/17](#)]

**Harkey Voted For The New Office Move To Which Harkey Said, “We're Just Moving From An Older Building In Need Of Serious Repairs To One Where We Have A Nice Facility.”** “Ma and her colleagues unanimously voted to approve the move in September because the state could not renegotiate a lease at the Norwalk site, and because the Board of Equalization had outgrown its original office with 160 employees working in a space designed for 120. The board's discussion at the public meeting showed that its members believed they were voting to move employees and equipment from one site to the other. An early draft of the proposal written in 2014 by the agency showed that it planned to spend \$2.5 million moving furniture and staff. ‘We're just moving from an older building in need of serious repairs to one where we have a nice facility,’ board member Diane Harkey said at the September meeting.” [Sacramento Bee, [6/26/17](#)]

**By June 2016, After The April Budget Sanctions, The Board Had Spent Nearly \$300,000 On Furniture.** “Gau’s June 1 message to board members said the agency planned to reuse some furniture from the old office, but records show the agency has already spent: ▪ \$162,180 on office chairs from the Prison Industries Authority. ▪ \$110,000 on lobby, conference and break-room furniture. ▪ \$18,498 on bulletin boards and markers. ▪ \$5,020 on trash receptacles and clocks. Brown in April placed sanctions on the agency that restricted its ability to hire workers or make purchases without his administration's consent. The penalties followed a March audit by the Department of Finance that revealed board members had inappropriately intervened in the agency's daily operations, allowed shaky accounting and assigned civil servants to tasks that were not relevant to the agency's mission. The purchases of the trash receptacles, bulletin boards and conference room furniture took place in May after Brown's order put the Board of Equalization's under the oversight of the Department of General Services, the branch of state government that manages real estate and bulk purchases.” [Sacramento Bee, [6/26/17](#)]

---

### **Harkey’s Office Furniture Was Inherited Or Used Furniture From The State**

---

**Harkey’s Office Furniture Was Inherited Or Used Furniture From The State.** “By contrast, three of the other four board members furnished their offices with hand-me-down surplus items produced by a program that uses cheap prison labor to produce furniture and other goods for state agencies. The fourth board member took used commercial furniture to furnish his office. [...] For Chairwoman Fiona Ma's K Street offices, employees bought a discounted refrigerator from a retailer's dinged stock and brought in a break room table from home. Diane Harkey's Wells Fargo Tower office is stocked with furniture inherited from her predecessor on the board or claimed from the state's used-furniture inventory.” [Sacramento Bee, [4/25/16](#)]

### **A State Personnel Board Audit Found That 17.5% Of The Board Of Equalization’s Previous And Current Staff Had A Relative In The Agency**

---

### **The Audit Found The Agency Disregarded Its Anti-Nepotism Policy And Called For Sanctions On The Board And The Department Of Tax And Fee Administration**

---

**HEADLINE: “State Workers Should Lose Jobs Over Nepotism Findings, Board Says”** [Sacramento Bee, [11/15/17](#)]

**2017: A State Personnel Board Audit Found That 17.5% Of The Board Of Equalization’s Previous And Current Staff Had A Relative In The Agency.** “Three state workers, including the daughter of a Sacramento-area assemblyman, could lose their jobs because a personnel audit found that they were hired under questionable circumstances at an agency riddled by nepotism. The targeted employees include the daughter of Assemblyman Jim Cooper, D-Elk Grove, and the son of a former staff member to Board of Equalization member George Runner. They were identified by their initials in a new audit that detailed nepotism in the Board of Equalization, the tax agency that lawmakers gutted in June after a series of audits showed that it failed to allocate taxes properly and that its leaders had allowed elected board members to intervene inappropriately in its daily operations. The audit by the State Personnel Board showed that 17.5 percent of the agency’s employees appeared to have a relative on staff in the organization.” [Sacramento Bee, [11/15/17](#)]

**The Audit Found The Agency Disregarded Its Anti-Nepotism Policy And Called For Sanctions On The Board And The Department Of Tax And Fee Administration.** “The audit also found that the agency disregarded its own anti-nepotism policy, which discouraged managers from hiring people who might have close relationships with their colleagues. It calls for tough sanctions on both the Board of Equalization and its successor department, the California Department of Tax and Fee Administration. Lawmakers created the tax department when they stripped the Board of Equalization of most of its authority. The tax department inherited almost all of the Board of Equalization’s 4,700 employees.” [Sacramento Bee, [11/15/17](#)]

---

**The Audit Found Harkey’s Staff “Used Their Positions Of Authority To Improperly Influence, And Arguably Pressure, BOE Executives To Ensure Placement” One Of Harkey’s Legislative Aides To The New York Office**

---

**The Audit Found Harkey’s Staff “Used Their Positions Of Authority To Improperly Influence, And Arguably Pressure, BOE Executives To Ensure Placement” One Of Harkey’s Legislative Aides To The New York Office.** “The audit detailed several situations in which job applicants benefited from favoritism. They were: • A legislative aide to Board of Equalization member Diane Harkey was allowed to work from the agency’s New York office. Harkey’s staff ‘used their positions of authority to improperly influence, and arguably pressure, BOE executives to ensure placement’ of the aide to a permanent civil service position there. The audit recommends dismissing the employee.” [Sacramento Bee, [11/15/17](#)]

## Perks & Privileges

### Gifts

---

#### Harkey Disclosed \$4,127.84 Worth Of Gifts Over The Course Of Her Career

---

| Harkey Schedule D: Income – Gifts            |                                  |          |                   |         |
|--|----------------------------------|----------|-------------------|---------|
| Source                                       | Business Activity                | Date     | Description       | Value   |
| Allergan                                     |                                  | 10/29/13 | Lunch & Tour      | \$89.32 |
| Apartment Association of Greater Los Angeles | Reception                        | 4/8/14   | Food and Beverage | \$56.85 |
| Assembly Speaker John A. Perez               |                                  | 12/2/12  | Engraved Bowl     | \$85.80 |
| Assembly Speaker John A. Perez               |                                  | 1/4/12   | Engraved Box      | \$39.00 |
| Barona Band of Mission Indians               |                                  | 8/15/13  | Caucus Dinner     | \$72.26 |
| Blonien, Boyd, Condit                        | Legislative Reception            | 8/2/16   | Food & Beverage   | \$34.31 |
| Cal Chamber                                  | Legislative Dinner and Reception | 5/28/15  | Meal              | \$47    |
| Cal Chamber                                  | Legislative Dinner and Reception | 5/27/15  | Food & Beverage   | \$36.89 |
| CalChamber                                   | Host Reception & Breakfast       | 5/18/16  | Host Breakfast    | \$48.51 |
| CalChamber                                   | Host Reception & Breakfast       | 5/17/16  | Food & Beverage   | \$39.92 |
| California Alliance of Taxpayers Advocates   | Annual Conference                | 12/15/15 | Meal              | \$56.25 |
| California Association of Realtors           | Legislative Reception            | 4/29/14  | Food and Beverage | \$55.00 |



|   |  |          |                                     |                   |
|---|--|----------|-------------------------------------|-------------------|
| California Association Of Realtors                  |  | 4/30/13  | Dinner & Reception                  | \$104.24          |
| California Healthcare Institute                     | Legislative Reception                            | 1/15/14  | Food and Beverage                   | \$80.49           |
| California Healthcare Institute                     | CHI California Biomedical Industry Report Launch | 2/2/10   | Dinner and Reception                | \$205.30          |
| California Independent Voter Project                | Assembly Republican Caucus Event                 | 4/15/12  | Meal                                | \$124.43          |
| California Judges Association                       |  | 6/10/13  | Reception Food & Bev                | \$53.14           |
| California New Car Dealers Association              | Dinner and Reception                             | 8/25/14  | Food and Beverage                   | \$49.89           |
| California New Car Dealers Association              | Dinner and Reception                             | 4/9/14   | Food and Beverage                   | \$68.28           |
| California State Protocol Foundation                | Sutter Club Luncheon                             | 1/6/10   | Lunch                               | \$35.47           |
| CCTA  | Reception at the Sheraton Grand                  | 5/4/09   | reception                           | \$63.23           |
| Christian Business Mens Connection, Orange City     | Government Leaders Breakfast                     | 2/19/16  | Meal                                | \$40.00           |
| Council for Legislative Excellence                  | Republican Caucus                                | 2/7/12   | Dinner                              | \$80.51           |
| Council for Legislative Excellence                  | Assembly Republican Caucus Event                 | 4/15/11  | Meal                                | \$124.43          |
| Counsel for Legislative Excellence                  | Joint Legislative Summit                         | 12/1/09  | Jacket, bag, bracelet               | \$311.74          |
| Cox Communications                                  |  | 8/17/13  | Petco Park Tickets; Food & Beverage | \$120.00          |
| Cox Communications                                  |  | 7/28/11  | San Diego Padres Ga                 | \$140.00          |
| CTIA – Wireless Association                         |  | 4/24/13  | Reception Food & Bev                | \$68.14           |
| Dr. F Maseeh  | None - Guess at Charitable Event                 | 12/12/15 | Meal                                | \$65.00           |
| Governor Arnold Schwarzenegger                      | Sutter Club Luncheon                             | 1/6/10   | Lunch                               | \$21.53           |
| KiDA Academey                                       | Charitable Event                                 | 9/16/11  | Meal                                | \$200.00          |
| Pala Indian Tribe                                   |  | 4/29/11  | Meal                                | \$80.56           |
| Peace Officers Research Assn                        | Legislative Reception                            | 5/3/16   | Food & Beverage                     | \$53.75           |
| Price Waterhouse Coopers, LLC                       | Tax Representative Meeting                       | 10/26/16 | Meal & Beverage                     | \$102.18          |
| Price Waterhouse Coopers, LLC                       | Sales Tax Policy Discussions                     | 11/9/15  | Meal                                | \$29.77           |
| Price Waterhouse Coopers, LLC                       | Sales Tax Policy Discussions                     | 9/1/15   | Meal                                | \$24.77           |
| Price Waterhouse Coopers, LLC                       | Sales Tax Policy Discussions                     | 3/4/15   | Meal                                | \$54.80           |
| Rancho Mission Viejo                                | Community Event                                  | 8/27/16  | 2 Rodeo & Parking                   | \$210.00          |
| San Diego Regional Chamber of Commerce              | Legislative Dinner and Reception                 | 5/13/14  | Food and Beverage                   | \$21.24           |
| San Diego Regional Chamber of Commerce              | Legislative Dinner and Reception                 | 3/23/14  | Food and Beverage                   | \$88.82           |
| Sutherland  | Houston BOE Office Reception                     | 4/20/15  | Food & Beverage                     | \$100.00          |
| Various healthcare/life science entities            | Healthcare and life sciences                     | 1/28/09  | Reception/dinner                    | \$216.88          |
| Various natural resource and environmental entities | Natural resource and environmental issues        | 1/28/09  | Reception                           | \$86.54           |
| Walt Disney Co./Disneyland                          | Candlelight Reception & Ceremony Package         | 12/2/12  | 2 All Day Passes                    | \$420.00          |
| Walt Disney Company                                 | Legislative Reception And Moving Screening       | 1/13/16  | Movie Ticket                        | \$21.50           |
| <b>Total:</b>                                       |  |          |                                     | <b>\$4,127.84</b> |

[Harkey Statement of Economic Interests, filed [2/11/17](#); [2/18/16](#); [4/22/15](#); [3/10/15](#); [2/27/15](#); [3/3/14](#); [3/15/13](#); [2/28/13](#); [2/28/12](#); [2/28/11](#); [2/26/10](#)]

*NOTE: Harkey's disclosure of gifts to her can be found in Appendix I – Personal Financial Disclosures.*

**March 2009: The Orange County Register Reported Harkey “Managed To Get Through The Year Without Taking Any Such Gifts” Despite Harkey Having Won Office In The Previous Year.** “Local state legislators have done pretty well in the freebie department, according to state disclosure forms. The Register reported that the county's 14 lawmakers snagged about \$20,000 in gifts last year. This amount is inconsequential compared with the billions of dollars the state government spends. [...] Only Assemblywoman Diane Harkey, R-Dana Point, managed to get through the year without taking any such gifts. [Orange County Register, Editorial, [3/15/09](#)]

## Cronyism

**2012: Harkey Gave Her Staffers The Most Raises In Terms Of Dollar Amounts At \$32,772 Amid Cuts To Government Services And Education**

**2012: Harkey Gave Her Staffers The Most Raises In Terms Of Dollar Amounts At \$32,772 Amid Cuts To Government Services And Education.** “San Diego County lawmakers have given pay raises to their staff at a time when schools and other public services are being squeezed and the governor is asking voters to approve tax increases. [...] Assemblywoman Diane Harkey, a Republican who represents the Oceanside area, handed out the most raises in terms of dollar amounts. She gave three employees raises that combined will total \$32,772 per year.” [San Diego Union-Tribune, [7/27/12](#)]

**Two Of Harkey's Staffers Were Promoted And The District Coordinator Received A 30% Raise.**

“Assemblywoman Diane Harkey, R-Dana Point: The extra pay for three workers will add \$32,772 to her payroll annually. Two were promoted. The district coordinator received a 30 percent raise with no promotion.” [San Diego Union-Tribune, [7/27/12](#)]

**Harkey Said Her Office Budget Was Pared To The Bone And That Republicans “Just Get The Scraps” In Terms Of Staff.** “Harkey said her office budget is pared to the bone and that the higher salaries reflect promotions that come with added responsibilities in most cases. Democrats, she said, have more staff and can use aides assigned to committees to handle some responsibilities. ‘We just get the scraps,’ Harkey said.” [San Diego Union-Tribune, [7/27/12](#)]

## City Council Renovation

**Harkey Said A \$1 Million City Council Chambers Redesign Was “Such A Relief” And “Long Overdue” But An \$800,000 Grant For It Came From Cox Communications**

**Harkey On A \$1 Million City Council Chambers Redesign: “It's Such A Relief To Get Rid Of The Mauve And Blue. It Was Long Overdue.”** “Councilwoman Lara Anderson had two remodeling goals for the approximately \$1 million City Council chambers redesign: no more mauve and no blue-and-white nautical clichés. Still, Dana Point is a beach community, and that spirit is reflected, albeit subtly, in the new décor, which was unveiled on April 17. For instance, the carpeting was inspired by striped beach towels, and the leather chairs recall the color of sand, Anderson said. [...] The City Council had met in the Community Center since September to accommodate the redesign, which was done for aesthetic and technological reasons. [...] The neutral color scheme -- brown, tan and blue with wood paneling -- is an improvement over the previous design, Mayor Diane Harkey said. ‘It's such a relief to get rid of the mauve and blue,’ she said. ‘It was long overdue.’” [Orange County Register, [4/24/07](#)]

**An \$800,000 Grant From Cox Communications Provided Technological Improvements And The Chambers Became ADA-Compliant.** “Technological improvements to the chambers include better lighting and camera equipment -- thanks to an \$800,000 grant for Cox Communications -- which dramatically improved the picture seen by home-viewers of the meetings. Those sitting in the newly enclosed foyer can watch a live feed on the television screen as well. ‘It really is state-of-the-art,’ Councilman Joel Bishop said. Additionally,

the redesign is ADA-compliant. The podium for the public to address the council can be lowered for the disabled, and headsets are available for the hearing impaired.” [Orange County Register, [4/24/07](#)]

## Special Interests & Pay-To-Play

### Harkey “Lashed Out” At An Assemblyman For Putting Forth A Bill Designed To Limit The Role Of Special Interests & Pay-To-Play Donations In Campaigns

**Harkey Reportedly Criticized A Fellow Board Member For Supporting An Assembly Bill That Would Disqualify Board Members From Voting On Tax Issues Involving Campaign Contributors Which** “In the midst of the votes, Harkey lashed out at Ma for sponsoring a bill that would tighten the conflict of interest laws affecting the board. Assembly Bill 1828, introduced by Assemblyman Bill Dodd, D-Napa, would, among other things, disqualify board members from voting on any tax issue involving a campaign contributor.” [Sacramento Bee, [2/25/16](#)]

**Harkey Said The Bill “Puts Everybody In The Ditch.”** “The bill ‘puts everybody (on the board) in the ditch,’ Harkey told Ma, adding, ‘This is not in the best interests of the board.’ Ma refused to engage with Harkey, saying only, ‘We all bring different perspectives to the board.’” [Sacramento Bee, [2/25/16](#)]

**The Sacramento Bee Reported That The Bill Would Also “Ban Entities Or Individuals With Business Before Board From Making Such Behests For 12 Months Before And After A Board Adjudication.”** “The Lowe story is the latest in a string of events that have exposed political rifts among its leaders and ineptitude in its operations. An audit last year revealed that the agency's accounting is deeply flawed. Not long after that, news reports revealed that Horton asked donors to contribute more than \$730,000 to nonprofit organizations with ties to his wife. While such donations at the request of board members are legal, the reports prompted Ma to back a bill that would ban entities or individuals with business before board from making such behests for 12 months before and after a board adjudication. The law also would apply the same standard to regular political contributions to board members. The measure bitterly divided the board. Harkey said last week that if passed, the measure would put the board ‘in a ditch.’” [Sacramento Bee, [2/29/16](#)]

### Harkey Received At Least \$14,600 In Support From Businesses With Business Before The Board Of Equalization

#### The Los Angeles Times Reported Companies Donated To Political Action Committees To Circumvent The \$250 Limit In The Quentin Kopp Act And Contribute Large Amounts

**A 1990 Law Required Board Members To Recuse Themselves Or Return Contributions Before Voting On Issues Affecting Companies That Had Given Them At Least \$250 In The Previous Twelve Months.** “Such donations are among the ways that businesses and others with matters before the state Board of Equalization have benefited its members despite a tough law passed in 1990 to prevent conflicts of interest, a Times analysis shows. [...] With the financial stakes so high in the board's quasi-judicial decisions, the Legislature and governor acted a quarter of a century ago to implement special rules for the panel to prevent corruption. The law requires members to recuse themselves or return contributions before voting on matters affecting companies that have given them \$250 or more in the preceding 12 months.” [Los Angeles Times, [11/28/15](#)]

**The Law Was The Quentin Kopp Act.** “‘There are so many ways to circumvent the Quentin Kopp Act,’ Horton acknowledged, referring to the conflict-of-interest law, named for the former Bay Area lawmaker who wrote it.” [Los Angeles Times, [11/28/15](#)]

**Multiple \$249 Contributions Did Not Require The Board Members To Recuse Themselves.** “The Ryan firm has not appeared before the board in the last year, officials said. If representatives or employees of the company were to appear within a year of multiple \$249 contributions to him, Runner said, he could legally vote

but would weigh the circumstances and determine whether there was an ‘appearance of a conflict’ that might cause him to return the money.” [Los Angeles Times, [11/28/15](#)]

**Companies Also Donated To Political Action Committees To Circumvent The \$250 Limit In The Quentin Kopp Act And Contribute Large Amounts.** “Other ways to bypass the contribution caps include giving through political action committees, donating just below the legal limit and contributing to board members' outside projects. [...] Other big firms with business before the board typically circumvent the \$250 limit by donating larger amounts to a group called the Taxpayers Political Action Committee (TaxPAC), a business group funded by utilities and other firms with business before the group, including AT&T and Southern California Edison.” [Los Angeles Times, [11/28/15](#)]

**Taxpayers Political Action Committee, A PAC Funded By Utilities Companies, Donated \$14,600 To Harkey**

**Groups With Business Before The Board Of Equalization, Like AT&T, Donated To Taxpayers Political Action Committee To Donate To Candidates.** “Other big firms with business before the board typically circumvent the \$250 limit by donating larger amounts to a group called the Taxpayers Political Action Committee (TaxPAC), a business group funded by utilities and other firms with business before the group, including AT&T and Southern California Edison.” [Los Angeles Times, [11/28/15](#)]

**Taxpayers Political Action Committee Donated Thousands Of Dollars To Harkey.** The PAC also has contributed thousands of dollars to Republican Board member Diane Harkey of Dana Point, Democratic Board member Fiona Ma and Democratic state Controller Betty Yee, who also sits on the board.” [Los Angeles Times, [11/28/15](#)]

**Board Members Could Accept Up To \$13,600 But PACs Could Spend An Unlimited Amount On Behalf Of A Candidate.** “Candidates can accept up to \$13,600 from the committee in an election year, but there is no limit on how much the committee may spend independently on mail, ads and other methods of supporting a contender for office.” [Los Angeles Times, [11/28/15](#)]

**Taxpayers PAC Donated \$14,600.00 To Harkey Over The Course Of Her Career**

According to the California Secretary of State’s Cal-Access, Taxpayers PAC donated \$50,200.00 to Harkey over the course of her career.

| Taxpayers PAC’s Contributions To Harkey |                        |                                       |                    |
|---|------------------------|---------------------------------------|--------------------|
| Date                                    | Name                   | Committee                             | Amount             |
| 1/3/2017                                | Tasxpayers PAC -TAXPAC | Harkey for Board of Equalization 2018 | \$1,000.00         |
| 6/28/2014                               | Taxpayers PAC          | Harkey for Board of Equalization 2014 | \$6,800.00         |
| 4/17/2014                               | Taxpayers PAC          | Harkey for Board of Equalization 2014 | \$6,800.00         |
| <b>Total</b>                            |                        |                                       | <b>\$14,600.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

**AT&T And Its Related Groups Donated \$78,550 To Taxpayers Political Action Committee**

| AT&T’s Contributions To Harkey |      |   |            |
|--------------------------------|------|---|------------|
| Date                           | Name | Committee                                       | Amount     |
| 7/18/2003                      | AT&T | Taxpayers Political Action Committee aka TAXPAC | \$5,000.00 |
| 2/8/2002                       | AT&T | Taxpayers Political Action Committee aka TAXPAC | \$5,000.00 |

|              |                              |   |                    |
|--------------|------------------------------|---|--------------------|
| 12/17/2001   | AT&T                         | Taxpayers Political Action Committee aka TAXPAC | \$5,000.00         |
| 12/1/2017    | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$7,300.00         |
| 11/3/2016    | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$7,000.00         |
| 12/1/2015    | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$2,000.00         |
| 12/1/2015    | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$5,000.00         |
| 6/25/2015    | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$5,000.00         |
| 6/9/2014     | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$5,000.00         |
| 10/11/2013   | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$4,500.00         |
| 9/14/2012    | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$5,000.00         |
| 12/29/2011   | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$1,500.00         |
| 6/20/2011    | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$5,000.00         |
| 12/14/2009   | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$1,500.00         |
| 12/14/2009   | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$3,500.00         |
| 1/15/2009    | AT&T Inc. and its Affiliates | Taxpayers Political Action Committee            | \$5,000.00         |
| 2/22/2002    | AT&T Wireless Services       | Taxpayers Political Action Committee aka TAXPAC | \$5,000.00         |
| 12/17/2001   | AT&T Wireless Services       | Taxpayers Political Action Committee aka TAXPAC | \$1,250.00         |
| <b>Total</b> |                              |   | <b>\$78,550.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/21/18](#)]

---

### **AT&T And Its Related Groups Donated \$42,175.00 To Harkey Over The Course Of Her Career**

---

According to the California Secretary of State's Cal-Access, AT&T and its related groups donated \$42,175.00 to Harkey over the course of her career.

| <b>AT&amp;T's Contributions To Harkey</b> |                              |                                       |               |
|---|------------------------------|---------------------------------------|---------------|
| <b>Date</b>                               | <b>Name</b>                  | <b>Committee</b>                      | <b>Amount</b> |
| 10/31/2014                                | AT&T California Employee PAC | Harkey for Board of Equalization 2014 | \$5,000.00    |
| 9/17/2014                                 | AT&T California Employee PAC | Harkey for Board of Equalization 2014 | \$5,000.00    |
| 5/8/2014                                  | AT&T California Employee PAC | Harkey for Board of Equalization 2014 | \$3,000.00    |
| 3/20/2014                                 | AT&T California Employee PAC | Harkey for Board of Equalization 2014 | \$5,000.00    |
| 6/8/2017                                  | AT&T California PAC          | Harkey for Board of Equalization 2018 | \$1,500.00    |
| 10/28/2016                                | AT&T California PAC          | Harkey for Board of Equalization 2018 | \$1,500.00    |
| 5/17/2016                                 | AT&T California PAC          | Harkey for Board of Equalization 2018 | \$1,500.00    |



|              |                              |                                       |                    |
|--------------|------------------------------|---------------------------------------|--------------------|
| 7/14/2015    | AT&T California PAC          | Harkey for Board of Equalization 2018 | \$1,500.00         |
| 3/26/2015    | AT&T California PAC          | Harkey for Board of Equalization 2018 | \$1,500.00         |
| 6/28/2013    | AT&T Inc. and its Affiliates | Harkey for Senate 2014                | \$1,500.00         |
| 10/9/2012    | AT&T Inc. and its Affiliates | Harkey for Assembly 2012              | \$1,000.00         |
| 9/29/2011    | AT&T Inc. and its Affiliates | Harkey for Assembly 2012              | \$900.00           |
| 7/15/2011    | AT&T Inc. and its Affiliates | Harkey for Assembly 2012              | \$1,500.00         |
| 5/23/2011    | AT&T Inc. and its Affiliates | Harkey for Assembly 2012              | \$1,500.00         |
| 8/9/2010     | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$1,000.00         |
| 7/30/2010    | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$1,000.00         |
| 12/1/2009    | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$75.00            |
| 9/18/2009    | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$700.00           |
| 9/18/2009    | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$300.00           |
| 6/30/2009    | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$200.00           |
| 5/1/2009     | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$1,000.00         |
| 4/20/2009    | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$1,000.00         |
| 1/6/2009     | AT&T Inc. and its Affiliates | Harkey for Assembly 2010              | \$1,000.00         |
| 10/21/2008   | AT&T Inc. and its Affiliates | Diane Harkey for Assembly             | \$1,000.00         |
| 8/25/2008    | AT&T Inc. and its Affiliates | Diane Harkey for Assembly             | \$1,000.00         |
| 7/10/2008    | AT&T Inc. and its Affiliates | Diane Harkey for Assembly             | \$1,000.00         |
| 4/9/2008     | AT&T Inc. and its Affiliates | Diane Harkey for Assembly             | \$1,000.00         |
| <b>Total</b> |                              |                                       | <b>\$42,175.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

**Harkey Accepted \$16,000 In Political Contributions From Real Estate Developers Who Borrowed Tens Of Millions Of Dollars From Her Husband’s Business And Said It Was “Totally Proper”**

**Harkey Accepted \$16,000 In Political Contributions From Real Estate Developers Who Borrowed Tens Of Millions Of Dollars From Her Husband’s Business, Point Center**

**HEADLINE: “Assemblywoman Diane Harkey Accepted \$16,600 From Firms Borrowing From Husband’s Company”** [Los Angeles Times, [3/3/09](#)]

**Harkey Accepted \$16,000 In Political Contributions From Real Estate Developers Who Borrowed Tens Of Millions Of Dollars From Her Husband’s Business, Point Center.** “California Assemblywoman Diane Harkey accepted \$16,600 in political contributions from real estate developers who had received loans from her husband’s business, now under investigation by the Securities and Exchange Commission. [...] Harkey accepted \$16,600 in campaign contributions from three developers who borrowed tens of millions of dollars from Point Center, according to campaign finance records.” [Los Angeles Times, [3/3/09](#)]

**The Three Developers Later Failed To Repay The Loans To Point Center With Two Of The Loans Ending In Foreclosure And A Third Modified, As The Developer Did Not Meets Its Terms.** “The borrowers later failed to repay loans brokered by her husband’s lending company, Point Center Financial Inc. of Aliso Viejo. The firm was accused of fraud last month in an investor lawsuit, and the company’s owner has confirmed that Point Center is under investigation by the SEC. [...] Harkey accepted \$16,600 in campaign contributions from three developers who borrowed tens of millions of dollars from Point Center, according to campaign finance records. Two of the loans ended in foreclosure and a third was modified because the developer was unable to meet the original terms.” [Los Angeles Times, [3/3/09](#)]

**Harkey: “It Is Totally Legal And Totally Proper. I’m Not Voting On Anything That Affects Them. I Will Take Campaign Contributions From Anybody Who Chooses To Support Me. But I Will Not Take Anything From Anyone Who Has A Conflict”**

**Harkey: “It Is Totally Legal And Totally Proper. I’m Not Voting On Anything That Affects Them. I Will Take Campaign Contributions From Anybody Who Chooses To Support Me. But I Will Not Take Anything From Anyone Who Has A Conflict.”** “Harkey (R-Dana Point) said Monday that there was nothing improper with the developers' contributions and that she had no idea they had loans pending with her husband's company at the time they donated to her campaign. ‘It is totally legal and totally proper. I'm not voting on anything that affects them,’ she said. ‘I will take campaign contributions from anybody who chooses to support me. But I will not take anything from anyone who has a conflict.’” [Los Angeles Times, [3/3/09](#)]

---

**A Former Partner Of One Developer: “We're Interested In Having Government Representatives That Espouse The Same Values That We Do: Lower Taxes And A Friendly Business Climate”**

---

**One Contributor Received A \$19.2 Million Loan From Harkey’s Husband’s Business, Which They Defaulted On, Two Months After They Donated \$5,000 To Harkey’s Campaign.** “C. Lynn Burnett, president of Burnett Development Corp., gave \$5,000 to Harkey's failed Senate campaign Dec. 31, 2005, records show. Two months later, Point Center Financial funded a \$19.2-million loan to Burnett for a development project at the Palm Springs Country Club. Burnett's company defaulted on that loan, and Point Center investors ended up holding title to the property, which is now in such disrepair that the city of Palm Springs sued Point Center and the investors demanding immediate improvements. The property is worth a fraction of the amount Burnett owed when he defaulted. Burnett died in 2007.” [Los Angeles Times, [3/3/09](#)]

**Another Contributor, R.W. Hertel & Sons Inc., Received A \$16 Million Loan, Which They Also Defaulted On, Two Months After They Donated \$5,000 To Harkey’s Campaign.** “Home builder R.W. Hertel & Sons Inc. gave Harkey \$5,000 on Dec. 31, 2005, two months before closing on a \$16-million real estate development loan with Point Center. Hertel defaulted on that loan and Point Center foreclosed on behalf of investors. Like the Palm Springs project, the Hertel property is worth only a fraction of the loan that investors funded, according to allegations in the lawsuit.” [Los Angeles Times, [3/3/09](#)]

**A Former Partner At Hertel: “We're Interested In Having Government Representatives That Espouse The Same Values That We Do: Lower Taxes And A Friendly Business Climate.”** “Developer representatives said they did nothing wrong and supported Harkey simply because they agreed with her political philosophy. Robert Fowler, a former partner in Hertel, said it was not uncommon for the company to donate to political campaigns. ‘We're interested in having government representatives that espouse the same values that we do: lower taxes and a friendly business climate,’ Fowler said.” [Los Angeles Times, [3/3/09](#)]

**2017: Harkey Benefitted From \$147,448 In Behested Payments Including \$73,250 Related To Harkey’s “Connecting Women To Power” Events**

*NOTE: California had two separate campaign finance search tools, Power Search and Cal-Access. Both Cal-Access and Power Search reported differing campaign finance numbers for Harkey. The numbers used in this section were pulled from Cal-Access.*

---

**2017: The Orange County Register Reported That Private Donors Donated \$140,000 In Behested Payments To Harkey, A Way For Donors To “Curry Official Favor”**

---

**Behested Payments Are Charitable Contributions Requested By An Elected Official.** “In 2015, Bloomberg News reported that major California businesses, such as AT&T and Space Exploration Technology Corp. (SpaceX), had contributed to a nonprofit organization founded by Horton's wife. The donations are reported to the Fair Political Practices Commission as so-called behested payments, meaning charitable contributions that are requested by an elected official.” [Sacramento Bee, [6/20/17](#)]

**Behested Payments Are Legal As Long As They Meet Disclosure Guidelines.** “Those donations, known as ‘behested payments’ and considered legal as long as they meet disclosure guidelines, include hundreds of thousands of dollars from companies with business before the tax board. Critics, who question the ethics of the

payments, say they allow the nonprofit to promote him and his wife through events and advertising loosely related to the board's tax mission. [...] California law allows elected officials to direct contributions to organizations of their choosing at their behest as long as they disclose the payments within 30 days and state whether they were intended for a legislative, governmental or charitable purpose. Unlike direct campaign contributions, behested payments have no limits." [Bloomberg BNA, [12/9/15](#)]

**HEADLINE: "Private Donors Pour Millions Into California Politicians' Pet Projects"** [Orange County Register, [4/27/17](#)]

**The Orange County Register Reported That There Was No Limit On Behested Payments And That It Could Be "Another Way For The Well-Heeled To Curry Official Favor."** "Since 2011, California public officials have steered more than \$74.5 million of other people's money to their favorite causes and charities, often donated by business and other entities hoping to influence elected leaders, demonstrate their stellar citizenship to the masses, or perhaps a bit of both. Though state law sets caps on gifts and campaign contributions to politicians, there's no limit on so-called behested payments to politicians' pet projects. Critics say it's another way for the well-heeled to curry official favor, though lawmakers say they're simply using the power of their bully pulpits to make the world a better place." [Orange County Register, [4/27/17](#)]

**2017: Harkey Had \$142,448 In Behested Payments.** "Nine pols facilitated behests worth more than \$1 million each since 2011, according to data from the Fair Political Practices Commission. They were overwhelmingly from the Bay Area, Los Angeles and San Diego, as officials from Orange, Riverside and San Bernardino counties displayed their more conservative leanings, facilitating behests that look paltry by comparison. [...] Orange County's elected were mostly chintzy by comparison: Tony Mendoza, \$233,000; Diane Harkey, \$142,448" [Orange County Register, [4/27/17](#)]

**Akin Gump Strass Hauer & Feld, A Law Firm, Donated \$1.5 Million In Employee Time To Work On Cases For Lawmakers Including Harkey.** "But the overwhelming majority came from private givers, some who may have business pending in one state office or another. The biggest private giver was the law firm Akin Gump Strauss Hauer & Feld, which donated \$1.5 million in employee time to work on cases for the state via nearly three dozen individual lawmakers, including former and current lawmakers Mimi Walters, Jim Silva, Sam Blakeslee, Chuck Devcore, Diane Harkey and Ted Gaines, according to the data." [Orange County Register, [4/27/17](#)]

---

**Harkey Benefitted From \$147,448 In Behested Payments Including \$73,250 Related To Harkey's "Connecting Women To Power" Events**

---

| Harkey Behested Payments |                                |                                  |                   |              |   |             |
|--------------------------|--------------------------------|----------------------------------|-------------------|--------------|---|-------------|
| Date                     | Payer                          | Payee                            | Payment Type      | Purpose      | Description   | Amount      |
| 11/23/16                 | Barona Band of Mission Indians | Edward B. Cole Senior Academy    | Monetary Donation | Charitable   | Charitable grant to help purchase development curriculum materials to assist in English language development program    | \$5,000.00  |
| 11/14/16                 | Spectrum                       | California Prosperity Foundation | Monetary Donation | Governmental | To provide free workshops and speakers to increase voluntary tax compliance and empower women and small business owners | \$10,000.00 |
| 11/3/16                  | Cox Communications             | California Prosperity Foundation | Monetary Donation | Governmental | To provide free workshops and speakers to increase voluntary tax compliance and empower women and small business owners | \$15,000.00 |
| 7/26/16                  | Barona Band of Mission Indians | Edward B. Cole Senior Academy    | Monetary Donation | Charitable   | Charitable grant to help school purchase developmental curriculum   | \$5,000.00  |

|          |  |  |                           |              |   |             |
|----------|--|--|---------------------------|--------------|---|-------------|
|          |  |  |                           |              | materials to assist their English language development program  |             |
| 12/17/15 | Time Warner Cable  | San Diego Prosperity Foundation                                      | Monetary Foundation       | Charitable   | Women's empowerment conference to advance women and diversity in business as well as provide tax education to increase taxpayer voluntary compliance              | \$10,000.00 |
| 12/17/15 | Time Warner Cable  | San Diego Prosperity Foundation                                      | In-Kind Goods or Services | Governmental | Handouts, bags, and materials distributed at taxpayer outreach and educational event  | \$7,750.00  |
| 11/4/15  | AT&T   | San Diego County Prosperity Foundation                               | Monetary Donation         | Charitable   | Women's empowerment conference to advance women and diversity in business as well as provide tax education to increase taxpayer voluntary compliance              | \$5,000.00  |
| 11/4/15  | University of California, Irvine                                   | San Diego Prosperity Foundation                                      | In-Kind Goods or Services | Charitable   | Women's empowerment conference to advance women and diversity in business as well as provide tax education to increase taxpayer voluntary compliance              | \$7,500.00  |
| 11/4/15  | Orange County Association of REALTORS                              | San Diego Prosperity Foundation                                      | Monetary Donation         | Charitable   | Women's empowerment conference to advance women and diversity in business as well as provide tax education to increase taxpayer voluntary compliance              | \$5,000.00  |
| 11/4/15  | Los Angeles Sparks – Womens National Basketball Association (WNBA) | San Diego Prosperity Foundation                                      | In-Kind Goods or Services | Charitable   | Women's empowerment conference to advance women and diversity in business as well as provide tax education to increase taxpayer voluntary compliance              | \$13,000.00 |
| 10/29/15 | Barona Band of Mission Indians                                     | Pilgrim Lutheran School  | Monetary Donation         | Charitable   | Grant to help school purchase iPads and headsets to update the school computer lab  | \$5,000.00  |
| 4/2011   | Akin Gump Strauss Hauer & Feld LLP                                 | Partners and employees of Akin Gump Strauss & Hauer & Feld LLP       | In-Kind Goods or Services | Governmental | Representation of Members of California Legislature who are Interveners in litigation pending in U.S. District court, Eastern, and Northern Districts, California | \$1,650.00  |
| 3/18/11  | Barona Band of Mission Indians                                     | Palmquest Elementary School<br>Attention Principal Phyllis T. Morgan | Monetary Donation         | Charitable   | Purchase for music keyboards, stands, headsets and writing boards   | \$5,000.00  |

|              |                                    |   |                           |              |   |                     |
|--------------|------------------------------------|---|---------------------------|--------------|---|---------------------|
| 3/2011       | Akin Gump Strauss Hauer & Feld LLP | Partners and employees of Akin Gump Strauss & Hauer & Feld LLP                      | In-Kind Goods or Services | Governmental | Representation of Members of California Legislature who are Interveners in litigation pending in U.S. District court, Eastern, and Northern Districts, California | \$4,400.00          |
| 2/2011       | Akin Gump Strauss Hauer & Feld LLP | Partners and employees of Akin Gump Strauss & Hauer & Feld LLP                      | In-Kind Goods or Services | Governmental | Representation of Members of California Legislature who are Interveners in litigation pending in U.S. District court, Eastern, and Northern Districts, California | \$2,020.00          |
| 1/2011       | Akin Gump Strauss Hauer & Feld LLP | Partners and employees of Akin Gump Strauss & Hauer & Feld LLP                      | In-Kind Goods or Services | Governmental | Representation of Members of California Legislature who are Interveners in litigation pending in U.S. District court, Eastern, and Northern Districts, California | \$323.00            |
| 12/2010      | Akin Gump Strauss Hauer & Feld LLP | Partners and employees of Akin Gump Strauss & Hauer & Feld LLP                      | In-Kind Goods or Services | Governmental | Representation of Members of California Legislature who are Interveners in litigation pending in U.S. District court, Eastern, and Northern Districts, California | \$4,361.00          |
| 11/2010      | Akin Gump Strauss Hauer & Feld LLP | Partners and employees of Akin Gump Strauss & Hauer & Feld LLP                      | In-Kind Goods or Services | Governmental | Representation of Members of California Legislature who are Interveners in litigation pending in U.S. District court, Eastern, and Northern Districts, California | \$36,444.00         |
| 10/14/10     | Barona Band of Mission Indians     | Soledad Enrichment Action Charter School, Firestone – Ms. Elsa Santillan, Principal | Monetary Donation         | Charitable   | Grant money used to assist in the purchase of needed books and materials to support improvement of the school's Sustained silent Reading Program                  | \$5,000.00          |
| <b>Total</b> |                                    |   |                           |              |   | <b>\$147,448.00</b> |

[California Fair Political Practices Commission, received [2/23/18](#)]

---

**November 2015: Harkey Held A “Connecting Women To Power” Conference With Chevron, Time Warner, And AT&T As Sponsors And The California Prosperity Foundation Was Harkey’s Partner For The Event**

---

**November 2015: Harkey Held A “Connecting Women To Power” Conference With Chevron, Time Warner, And AT&T As Sponsors.** “In a nod to the Hortons' behested payments model, SBOE Member Harkey held her own Connecting Women to Power conference Nov. 4 at the University of California, Irvine, with some of the same corporate sponsors including Time Warner Cable and AT&T. Other sponsors included Chevron Corp., the Walt Disney Co., Western States Petroleum Association, and the Wonderful Co.” [Bloomberg BNA, [12/9/15](#)]

**The California Prosperity Foundation Was Harkey’s Partner For The Event, Which The San Diego Prosperity Institute And San Diego Prosperity Foundation Created.** “Harkey's nonprofit partner in the event was the California Prosperity Foundation, a name created for the event by the San Diego Prosperity Institute and San Diego Prosperity Foundation.” [Bloomberg BNA, [12/9/15](#)]



**AT&T And The Orange County Association Of Realtors Gave Cash To Harkey For The Conference.** “In Nov. 25 filings with the FPPC, Harkey reported \$30,500 in behested payments through the foundation for the event: \$13,000 in in-kind donations from Women's National Basketball Association team the Los Angeles Sparks in the form of tickets for a new women's empowerment campaign, \$7,500 in in-kind donations for venue costs from UC Irvine and \$5,000 cash each from AT&T and the Orange County Association of Realtors. About 1,200 people attended the event, foundation president and chief executive officer T.J. Zane told Bloomberg BNA Nov. 30.” [Bloomberg BNA, [12/9/15](#)]

**Time Warner Cable And AT&T Also Had Behested Payments With Board Member Jerome Horton.** “The elected chairman of the California State Board of Equalization has been an important figure in getting money into the hands of nonprofit organizations since he joined the board in 2009, but it hasn't come without questions. SBOE Chair Jerome Horton (D) has reported \$731,835 in donations by organizations at his request, with that money going mostly to or through nonprofit organizations tied to his wife, a Bloomberg BNA analysis found. Those donations, known as ‘behested payments’ and considered legal as long as they meet disclosure guidelines, include hundreds of thousands of dollars from companies with business before the tax board. Critics, who question the ethics of the payments, say they allow the nonprofit to promote him and his wife through events and advertising loosely related to the board's tax mission. Horton has accelerated the pace of behested payments from companies including Space Exploration Technologies Corp. (SpaceX), Time Warner Cable, Intuit Inc. and AT&T since Bloomberg BNA first examined such payments in 2011, when other board members first questioned the ethics of partnering with outside organizations.” [Bloomberg BNA, [12/9/15](#)]

---

**Cox Communications Donated \$49,350.00 To Harkey Over The Course Of Her Career**

---

According to the California Secretary of State’s Cal-Access, Cox Communications donated \$49,350.00 to Harkey over the course of her career.

| <b>Cox Communications’ Contributions To Harkey</b> |                    |                                       |               |
|--|--------------------|---------------------------------------|---------------|
| <b>Date</b>  | <b>Name</b>        | <b>Committee</b>                      | <b>Amount</b> |
| 12/22/2017   | Cox Communications | Harkey for Board of Equalization 2018 | \$2,800.00    |
| 6/26/2017  | Cox Communications | Harkey for Board of Equalization 2018 | \$2,000.00    |
| 5/15/2015  | Cox Communications | Harkey for Board of Equalization 2018 | \$2,500.00    |
| 6/12/2014  | Cox Communications | Harkey for Board of Equalization 2014 | \$1,000.00    |
| 1/22/2014  | Cox Communications | Harkey for Board of Equalization 2014 | \$500.00      |
| 11/5/2012  | Cox Communications | Harkey for Assembly 2012              | \$75.00       |
| 10/30/2012   | Cox Communications | Harkey for Assembly 2012              | \$1,000.00    |
| 12/19/2011   | Cox Communications | Harkey for Assembly 2012              | \$1,000.00    |
| 12/19/2011   | Cox Communications | Harkey for Board of Equalization 2014 | \$1,000.00    |
| 6/2/2011   | Cox Communications | Harkey for Assembly 2012              | \$2,500.00    |
| 10/8/2010  | Cox Communications | Harkey for Assembly 2010              | \$1,500.00    |
| 12/15/2009   | Cox Communications | Harkey for Assembly 2010              | \$1,000.00    |
| 12/1/2009  | Cox Communications | Harkey for Assembly 2010              | \$1,000.00    |
| 5/29/2009  | Cox Communications | Harkey for Assembly 2010              | \$1,000.00    |
| 10/15/2008   | Cox Communications | Diane Harkey for Assembly             | \$3,600.00    |
| 5/13/2008  | Cox Communications | Diane Harkey for Assembly             | \$500.00      |
| 3/6/2008   | Cox Communications | Diane Harkey for Assembly             | \$200.00      |
| 3/20/2007  | Cox Communications | Diane Harkey for Assembly             | \$1,500.00    |
| 12/22/2017   | Cox Communications | Harkey for Board of Equalization 2018 | \$2,800.00    |
| 6/26/2017  | Cox Communications | Harkey for Board of Equalization 2018 | \$2,000.00    |

|              |                    |                                       |                    |
|--------------|--------------------|---------------------------------------|--------------------|
| 5/15/2015    | Cox Communications | Harkey for Board of Equalization 2018 | \$2,500.00         |
| 6/12/2014    | Cox Communications | Harkey for Board of Equalization 2014 | \$1,000.00         |
| 1/22/2014    | Cox Communications | Harkey for Board of Equalization 2014 | \$500.00           |
| 11/5/2012    | Cox Communications | Harkey for Assembly 2012              | \$75.00            |
| 10/30/2012   | Cox Communications | Harkey for Assembly 2012              | \$1,000.00         |
| 12/19/2011   | Cox Communications | Harkey for Assembly 2012              | \$1,000.00         |
| 12/19/2011   | Cox Communications | Harkey for Board of Equalization 2014 | \$1,000.00         |
| 6/2/2011     | Cox Communications | Harkey for Assembly 2012              | \$2,500.00         |
| 10/8/2010    | Cox Communications | Harkey for Assembly 2010              | \$1,500.00         |
| 12/15/2009   | Cox Communications | Harkey for Assembly 2010              | \$1,000.00         |
| 12/1/2009    | Cox Communications | Harkey for Assembly 2010              | \$1,000.00         |
| 5/29/2009    | Cox Communications | Harkey for Assembly 2010              | \$1,000.00         |
| 10/15/2008   | Cox Communications | Diane Harkey for Assembly             | \$3,600.00         |
| 5/13/2008    | Cox Communications | Diane Harkey for Assembly             | \$500.00           |
| 3/6/2008     | Cox Communications | Diane Harkey for Assembly             | \$200.00           |
| 3/20/2007    | Cox Communications | Diane Harkey for Assembly             | \$1,500.00         |
| <b>Total</b> |                    |                                       | <b>\$49,350.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

---

#### **Time Warner Cable Donated \$22,800.00 To Harkey Over The Course Of Her Career**

---

According to the California Secretary of State's Cal-Access, Time Warner Cable donated \$22,800.00 to Harkey over the course of her career.

| <b>Time Warner Cable's Contributions To Harkey</b> |                   |                                       |                    |
|--|-------------------|---------------------------------------|--------------------|
| <b>Date</b>  | <b>Name</b>       | <b>Committee</b>                      | <b>Amount</b>      |
| 3/28/2016  | Time Warner Cable | Harkey for Board of Equalization 2018 | \$3,000.00         |
| 3/28/2016  | Time Warner Cable | Harkey for Board of Equalization 2018 | \$2,000.00         |
| 5/15/2015  | Time Warner Cable | Harkey for Board of Equalization 2018 | \$5,000.00         |
| 10/28/2014   | Time Warner Cable | Harkey for Board of Equalization 2014 | \$6,800.00         |
| 5/30/2014  | Time Warner Cable | Harkey for Board of Equalization 2014 | \$2,000.00         |
| 11/21/2013   | Time Warner Cable | Harkey for Board of Equalization 2014 | \$1,000.00         |
| 10/22/2012   | Time Warner Cable | Harkey for Assembly 2012              | \$1,000.00         |
| 8/18/2011  | Time Warner Cable | Harkey for Assembly 2012              | \$1,000.00         |
| 10/13/2010   | Time Warner Cable | Harkey for Assembly 2010              | \$1,000.00         |
| <b>Total</b>                                       |                   |                                       | <b>\$22,800.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

---

#### **Barona Band Of Mission Indians Donated \$50,200.00 To Harkey Over The Course Of Her Career**

---

According to the California Secretary of State's Cal-Access, Barona Band of Mission Indians donated \$50,200.00 to Harkey over the course of her career.

| <b>Barona Band of Mission Indian's Contributions To Harkey</b> |             |                  |               |
|--|-------------|------------------|---------------|
| <b>Date</b>  | <b>Name</b> | <b>Committee</b> | <b>Amount</b> |

|              |                                |                                       |                    |
|--------------|--------------------------------|---------------------------------------|--------------------|
| 6/12/2017    | Barona Band of Mission Indians | Harkey for Board of Equalization 2018 | \$1,500.00         |
| 4/27/2015    | Barona Band of Mission Indians | Harkey for Board of Equalization 2018 | \$2,000.00         |
| 10/20/2014   | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$800.00           |
| 9/15/2014    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$5,000.00         |
| 9/25/2013    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$2,800.00         |
| 9/25/2013    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$1,000.00         |
| 8/23/2012    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$1,500.00         |
| 4/20/2012    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$1,500.00         |
| 8/15/2011    | Barona Band of Mission Indians | Harkey for Assembly 2012              | \$1,000.00         |
| 4/28/2011    | Barona Band of Mission Indians | Harkey for Assembly 2012              | \$2,000.00         |
| 9/17/2010    | Barona Band of Mission Indians | Harkey for Assembly 2010              | \$3,000.00         |
| 4/6/2010     | Barona Band of Mission Indians | Harkey for Assembly 2010              | \$1,000.00         |
| 9/9/2009     | Barona Band of Mission Indians | Diane Harkey for Assembly             | \$2,000.00         |
| 6/12/2017    | Barona Band of Mission Indians | Harkey for Board of Equalization 2018 | \$1,500.00         |
| 4/27/2015    | Barona Band of Mission Indians | Harkey for Board of Equalization 2018 | \$2,000.00         |
| 10/20/2014   | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$800.00           |
| 9/15/2014    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$5,000.00         |
| 9/25/2013    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$2,800.00         |
| 9/25/2013    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$1,000.00         |
| 8/23/2012    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$1,500.00         |
| 4/20/2012    | Barona Band of Mission Indians | Harkey for Board of Equalization 2014 | \$1,500.00         |
| 8/15/2011    | Barona Band of Mission Indians | Harkey for Assembly 2012              | \$1,000.00         |
| 4/28/2011    | Barona Band of Mission Indians | Harkey for Assembly 2012              | \$2,000.00         |
| 9/17/2010    | Barona Band of Mission Indians | Harkey for Assembly 2010              | \$3,000.00         |
| 4/6/2010     | Barona Band of Mission Indians | Harkey for Assembly 2010              | \$1,000.00         |
| 9/9/2009     | Barona Band of Mission Indians | Diane Harkey for Assembly             | \$2,000.00         |
| <b>Total</b> |                                |                                       | <b>\$50,200.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

## **Harkey Received Thousands In Tobacco-Related Campaign Contributions While Working To Protect The Tobacco Industry**

### **2011: Harkey Received \$19,000 From The Tobacco Industry In The Prior Years**

**2011: Harkey Received \$19,000 From The Tobacco Industry In The Prior Years.** “San Diego County Republican lawmakers reaped a trove of campaign contributions from the tobacco industry during the last election cycle, according to a study released by the American Lung Association in California. [...] Given to current lawmakers 2003-10\* \$47,743: Sen./Assemblyman Mark Wyland, R-Solana Beach \$30,600: Sen./Assemblywoman Mimi Walters, R-Lake Forest \$29,100: Assemblyman Martin Garrick, R-Solana Beach \$25,100: Assemblyman Nathan Fletcher, R-San Diego \$23,900: Sen./Assemblyman Joel Anderson, R-La Mesa \$20,300: Assemblyman Kevin Jeffries, R-Lake Elsinore \$19,000: Assemblywoman Diane Harkey, R-Dana Point” [San Diego Union-Tribune, 7/21/11]

### **2009: Harkey Voted Against The State Budget In Which The Bulk Of Its Tax Increases Were On Tobacco Products, Oil Companies, And A Vehicle License Fee**

**Harkey Voted Against The 2009 State Budget, Which Had A Tax Increase.** “The five Assembly Republicans whose districts are partly or entirely in San Diego County – Joel Anderson, Nathan Fletcher, Martin Garrick, Diane Harkey and Kevin Jeffries – all voted against the massive tax hikes in the state budget deal. All also voted to keep Mike Villines, who helped draft the deal including the tax hikes, as Assembly GOP leader when Villines was targeted for breaking his anti-tax pledge. The five are engaged in political kabuki – letting Villines allegedly resolve the budget crisis, but without punishing him for orchestrating the tax hikes that will stagger this state. So much for their promises to protect taxpayers. Local Republicans should feel betrayed.” [San Diego Union-Tribune, [2/28/09](#)]

### **Harkey Said That A Proposition To Increase Taxes On Tobacco Would Direct Money To Special Interests Such As “Health Insurance Companies, Huge Hospital Corporations... To Benefit Themselves”**

**HEADLINE: “Special Interests Would Be Winners With Prop. 56”** [San Diego Union-Tribune, Diane Harkey Op-Ed, [10/6/16](#)]

**Harkey Said That A Proposition To Increase Taxes On Tobacco Would Direct Money To Special Interests Such As “Health Insurance Companies, Huge Hospital Corporations And Other Medical Providers To Benefit Themselves.”** “It's nothing new for California's powerful special interests to use the initiative process when the Legislature chooses not to act. In fact, several of the 17 initiatives on the November ballot are just that. But none is as deceptive as Proposition 56, the \$1.4 billion tobacco tax increase. The special interests who spent millions to get the initiative on the ballot want us to think it's all about helping people stop smoking, but the fact is the vast majority of the money from the new tax will go straight into the coffers of those special interests. Despite what Proposition 56 proponents say, just 13 percent of the money raised will go to tobacco-related programs. Meanwhile, 82 percent of the money will go to health insurance companies, huge hospital corporations and other medical providers to benefit themselves. And because these special interests chose to go to the ballot box to pass this, there are few checks and balances to ensure the money is used responsibly.” [San Diego Union-Tribune, Diane Harkey Op-Ed, [10/6/16](#)]

### **Harkey Voted At Least Three Times To Protect Businesses Who Sell Tobacco To Minors**

**2012: Harkey Voted Against Strengthening The Disciplinary Process For Businesses Who Sell Tobacco To Minors On Its Final Vote.** In August 2012, Harkey voted against a bill reforming “existing law, the California Cigarette and Tobacco Licensing Act of 2003, [that] requires a retailer to obtain a license from the State Board of Equalization to engage in the sale of cigarette and tobacco products in California. Existing law, the Stop Tobacco Access to Kids Enforcement Act, or STAKE Act, establishes various requirements for retailers relating to tobacco sales to minors. Existing law also makes it a misdemeanor for a retailer to knowingly or under circumstances in

which it has knowledge, or should otherwise have grounds for knowledge, sell, give, or in any way furnish a minor with tobacco products or paraphernalia. [...] This bill would remove the schedule for board action in response to the occurrence of a violation, as defined, of the STAKE Act or the misdemeanor provision. The bill would declare that these changes would not result in the limitation or termination of specified board investigations and actions. The bill would require the board to assess a civil penalty and to suspend or revoke a retailer's license, as specified, for the 3rd, 4th, or 5th violation. The bill would require the assessment of an additional civil penalty, as specified, to be deposited in the existing Cigarette and Tobacco Products Compliance Fund, which would be made available, upon appropriation by the Legislature, to fund these suspension and revocation activities." The bill passed 60 to 18. [AB 1301, [8/22/12](#); California Legislative Information, [8/22/12](#)]

**2011: Harkey Voted Against Strengthening The Disciplinary Process For Businesses Who Sell Tobacco To Minors On Its First Vote In The Assembly.** In May 2011, Harkey voted against a bill reforming "existing law, the California Cigarette and Tobacco Licensing Act of 2003, [that] requires a retailer to obtain a license from the State Board of Equalization to engage in the sale of cigarette and tobacco products in California. Existing law, the Stop Tobacco Access to Kids Enforcement Act, or STAKE Act, establishes various requirements for retailers relating to tobacco sales to minors. Existing law also makes it a misdemeanor for a retailer to knowingly or under circumstances in which it has knowledge, or should otherwise have grounds for knowledge, sell, give, or in any way furnish a minor with tobacco products or paraphernalia. [...] This bill would remove the schedule for board action in response to the occurrence of a violation, as defined, of the STAKE Act or the misdemeanor provision. The bill would declare that these changes would not result in the limitation or termination of specified board investigations and actions. The bill would require the board to assess a civil penalty and to suspend or revoke a retailer's license, as specified, for the 3rd, 4th, or 5th violation. The bill would require the assessment of an additional civil penalty, as specified, to be deposited in the existing Cigarette and Tobacco Products Compliance Fund, which would be made available, upon appropriation by the Legislature, to fund these suspension and revocation activities." The bill passed 61 to 15. [AB 1301, [5/31/11](#); California Legislative Information, [5/31/11](#)]

**2011: Harkey Voted Against Strengthening The Disciplinary Process For Businesses Who Sell Tobacco To Minors In Committee.** In May 2011, Harkey voted against a bill reforming "existing law, the California Cigarette and Tobacco Licensing Act of 2003, [that] requires a retailer to obtain a license from the State Board of Equalization to engage in the sale of cigarette and tobacco products in California. Existing law, the Stop Tobacco Access to Kids Enforcement Act, or STAKE Act, establishes various requirements for retailers relating to tobacco sales to minors. Existing law also makes it a misdemeanor for a retailer to knowingly or under circumstances in which it has knowledge, or should otherwise have grounds for knowledge, sell, give, or in any way furnish a minor with tobacco products or paraphernalia. [...] This bill would remove the schedule for board action in response to the occurrence of a violation, as defined, of the STAKE Act or the misdemeanor provision. The bill would declare that these changes would not result in the limitation or termination of specified board investigations and actions. The bill would require the board to assess a civil penalty and to suspend or revoke a retailer's license, as specified, for the 3rd, 4th, or 5th violation. The bill would require the assessment of an additional civil penalty, as specified, to be deposited in the existing Cigarette and Tobacco Products Compliance Fund, which would be made available, upon appropriation by the Legislature, to fund these suspension and revocation activities." The bill passed 12 to 5. [AB 1301, [5/27/11](#); California Legislative Information, [5/27/11](#)]

---

### **Harkey Voted Against Allowing College And University Police To Fine Those Who Violate Smoking Bans On College Campuses**

---

**Harkey Voted Against Allowing College And University Police To Fine Those Who Violate Smoking Bans On College Campuses.** "The Assembly has moved to close a loophole in state law that allows those who ignore no-smoking rules on college campuses to escape fines. The legislation, carried by Assemblyman Marty Block, D-San Diego, passed the Assembly on a mostly party-line vote last week. The measure will now work its way through the Senate. Under current law, college and university police do not explicitly have the power to issue citations for lighting up in no-smoking areas. As a result, rules can be ignored, particularly by those from the community on campus for events. Students can be referred to advisers and deans for disciplinary action. Assembly Bill 795 would



change that by extending fining authority to university and college police. [...] Local Republicans voting no included Brian Jones of Santee, Kevin Jeffries of Lake Elsinore, Martin Garrick of Solana Beach and Diane Harkey of Dana Point.” [San Diego Union-Tribune, [5/24/11](#)]

## Silencing Political Opponents

### **2013: Harkey Filed A \$10 Million Defamation Lawsuit Against One Of Her Primary Opponents For Comments He Made Regarding Her Husband’s Businesses, Which She Later Dropped**

#### **Harkey Filed A \$10 Million Defamation Lawsuit Against Her Primary Opponent, Mark Wyland, For Bringing Up The Point Center Lawsuit, Exposing Harkey To “Hatred, Contempt, Ridicule, And Obloquy”**

**September 2013: Harkey Initially Filed A \$10 Million Defamation Lawsuit Against One Of Her Primary Opponents For Comments He Made To A Tea Party Group.** “In a head-shaking twist even for the mudslinging world of politics, two Republican lawmakers may wind up suing each other as they compete for a state Board of Equalization seat in a district that takes in all or parts of Orange, Riverside, San Bernardino and San Diego counties. Assemblywoman Diane Harkey of Dana Point has already filed a \$10 million lawsuit against state Sen. Mark Wyland of Solana Beach, alleging he defamed her during a campaign event with tea party activists.” [San Diego Union-Tribune, [9/16/13](#)]

**The Orange County Register Reported The Lawsuit Was \$5 Million.** “Assemblywoman Diane Harkey has filed a \$5 million defamation lawsuit against Sen. Mark Wyland, alleging her fellow Republican verbally attacked and bullied her to gain an advantage in their California Board of Equalization race. Harkey, R-Dana Point, claims Wyland's comments to a tea party group in San Diego County painted her in a false light and caused emotional distress.” [Sacramento Bee, 9/16/13]

**Harkey’s Primary Opponent, Mark Wyland, Brought Up The Lawsuit Filed Against Dan Harkey And Point Center, Which Harkey’s Suit Claimed Exposed Harkey To “Hatred, Contempt, Ridicule, And Obloquy.”** “In his comments, the Escondido Republican referenced a separate lawsuit brought against Harkey's husband, Dan, and Aliso Viejo-based Point Center Financial by a group of real estate investors claiming they were defrauded out of tens of millions of dollars. A jury in July found Dan Harkey and the company liable for \$9 million to investors and added to the award roughly \$1 million in punitive damages. Other claims remain unresolved. ‘The speech clearly exposes (Diane) Harkey to hatred, contempt, ridicule and obloquy because of the very nature of the public office for which she is seeking as a member’ of the tax board, Harkey states in the lawsuit filed Aug. 26 in Orange County Superior Court.” [Sacramento Bee, 9/16/13]

#### **Harkey Said She Had “Severe And Grievous Mental And Emotional Suffering” That Required “Medical Treatment” And That Called The Claim That Her Husband’s Earnings Helped Her Career As Sexist**

**In Court Papers, Harkey Said She Had “Severe And Grievous Mental And Emotional Suffering, Fright, Anguish, Shock, Nervousness And Anxiety” That Required “Medical Treatment.”** “In court papers, Harkey contends that Wyland’s comments expose her to ‘hatred’ and ‘ridicule.’ As a result, she has incurred ‘severe and grievous mental and emotional suffering, fright, anguish, shock, nervousness and anxiety’ that demands ‘medical treatment.’” [San Diego Union-Tribune, [9/16/13](#)]

**Harkey Called The Claim That Her Husband’s Earnings Helped Her Career As Sexist As They “Had Separate Agreements As To Who Owns What” And That Wyland’s Claim Was “A Very Chauvinistic, Typical Male Assumption.”** “Harkey said the claim that her husband's earnings have boosted her political career is sexist. She said she and her husband have long kept their finances separate and that she earned her own income from a banking career that preceded her entry into politics. ‘We've had separate agreements as to who owns what,’ she said. Wyland's assertion ‘is a very chauvinistic, typical male assumption, and I think he's out of line.’” [Los Angeles Times, [12/23/13](#)]

---

## **Harkey Refuted Wyland's Claim That The Suit Was Brought On By Investors Of Modest Means But Instead Had "Substantial Resources"**

---

**Harkey Refuted Wyland's Claim That The Suit Was Brought On By Investors Of Modest Means But Instead Said There Are Many Investors Who Have "Substantial Resources."** "The lawsuit complains that Wyland referred to losing real-estate investors as people of modest means. Many of them, it said, had 'substantial resources.' It accuses Wyland of trying to 'paint a picture that Harkey somehow attempted to take advantage of 'the little guy.'" The lawsuit also notes that Diane Harkey was dismissed from the litigation, disputes the claim about 'defrauding,' and says there has been no 'judgment' given that it is still awaiting a final verdict. Harkey claims that she needed medical treatment because of the remarks." [San Diego Union-Tribune, [9/20/13](#)]

**Harkey's Campaign Said That Wyland Falsely Claimed "The Judge Found Investors Had Been Defrauded" And That Wyland's Attack Had The "Potential Of Damaging Dan And Diane Harkey's Longstanding Reputation."** "In a statement, the Harkey campaign said Wyland has breached a rarely-crossed line of propriety by attacking Harkey for her husband's business successes and challenges. 'In the process, the Wyland campaign has misrepresented the actual facts - wrongly claiming that the judge found investors had been defrauded,' the statement said. 'These attacks are more than typical political mudslinging. Rather, they present false information with the potential of damaging Dan and Diane Harkey's longstanding reputation.'" [Sacramento Bee, 9/16/13]

---

## **Harkey Said All She Wanted Was An Apology While Wyland Said The Suit Was An Attempt To Crush Criticism**

---

**Wyland Said The Suit Was An Attempt To Crush Criticism.** "In an interview with The Bee, Wyland maintained many of the investors were of modest means and some were subjected to elder abuse. Wyland countered that he was taken aback by the Harkeys' mischaracterization of the victims and said the lawsuit directed at him was intended to quell ongoing criticism. 'I think it's simply an attempt to bully me into not telling the victims' story and I am not going to be bullied,' Wyland said. 'Every single thing I said in there is accurate and if she is going to call these (investors) 'predators' I am going to keep telling their story.'" [Sacramento Bee, 9/16/13]

**Harkey Said All She Wanted An Apology.** "Some of the lawsuit language, Harkey told me, was boilerplate that will be amended. What she really wants is an apology. That seems unlikely given the increasingly bitter nature of the dispute. 'I believe the victims are the ones who deserve the apology,' Wyland retorted. The lawsuit seems to belie Harkey's reputation as a tough competitor. 'I am not a shrinking violet,' she insists, 'but this was over and above.'" [San Diego Union-Tribune, [9/20/13](#)]

---

## **Harkey Dropped Her \$10 Million Suit Against Wyland Four Days After Wyland Filed An "Anti-Strategic Lawsuit Against Public Participation" (SLAPP) Motion; A Judge Awarded Wyland \$12,000 In Legal Fees**

---

**November 2013: Harkey Dropped Her \$10 Million Suit Against Wyland.** "A legal tussle between two Republican state lawmakers has ended, with Assemblywoman Diane Harkey, R-Dana Point, dropping her \$10 million defamation lawsuit against Sen. Mark Wyland, R-Escondido. The two are running for the same Board of Equalization seat in 2014. The dispute grew out of comments Wyland made to a tea party group about a lawsuit brought against Harkey and her husband, Dan, alleging that he had defrauded investors. Harkey responded by suing Wyland for defamation, claiming that his remarks had 'the sole purpose of embarrassing her politically' to gain an advantage in the race to succeed Michelle Steel on the state tax board. Harkey has since abandoned the case." [Merced Sun-Star, [11/28/13](#)]

**Harkey Dropped The Suit Four Days After Wyland Filed An Anti-Strategic Lawsuit Against Public Participation (SLAPP) Motion And Sought \$12,270 In Attorney Fees.** "In a motion filed this week seeking \$12,270 in attorney fees, Wyland's attorneys said Harkey's lawsuit fell 'squarely within California's Anti-SLAPP legislation,' which is intended to protect free speech that may be threatened by frivolous lawsuits. The court document said a letter was sent to Harkey's attorney Sept. 6 warning that Wyland intended to file an Anti-SLAPP motion if she did not drop the lawsuit. She didn't, it said, and on Nov. 7 Wyland's attorney's filed

the motion. Harkey filed to dismiss her lawsuit four days later. Over the course of her tenure in the Assembly, Harkey has several times criticized lawsuit abuse in various forms.” [Orange County Register, [11/27/13](#)]

**A Judge Awarded Wyland \$12,000 In Legal Fees Which Harkey Appealed.** “While stumping last summer, Wyland linked Harkey to the lawsuit against her husband. She responded with a defamation lawsuit. Although she dropped the suit, the judge awarded Wyland legal fees, which Wyland estimated at \$12,000. Harkey is appealing that award.” [Orange County Register, [8/3/14](#)]

## **Town Center Development Project**

### **As A Candidate And A Newly Elected Dana Point Councilmember, Harkey Said She Would Look At The Redevelopment Of The City’s Town Center**

**In Her 2004 Candidate Statement For City Council, Harkey Said The City Was At A Crossroads With The Renovation Of The Town Center.** “I once read that people get the government they deserve; Dana Point deserves better. We are at a crossroads, with development of the Headlands and renovation of the Town Center and Harbor. We need to ensure that the city in which we live will remain the city we love.” [Orange County Register, 8/19/04]

**As A Newly Elected Councilmember, Harkey Would Have To Help Redevelop A Plan For A Town Center In Dana Point’s Downtown Area.** “Diane Harkey and Lara Anderson, who between them shelled out a small-potatoes \$49,000 on their City Council campaigns, were celebrating their wins Wednesday. And Mayor Joe Snyder and slate-mate April O’Connor, who spent \$150,000 in developer contributions, were dealing with defeat. [...] Among the projects they will help steer: a plan to create a town center in the lackluster downtown area, as well as the Headlands development, which will include 125 custom homes, 35,000 square feet of retail, a 90-room hotel, 40-room hostel, open space and parks on the bluffs beloved by author Richard Henry Dana.” [Orange County Register, 11/4/04]

**Harkey Expressed Concern About The Town Center Becoming A Tourist Hotspot.** “Harkey -- the target of numerous negative mailers -- said she has no problems with the Headlands project. But said she is concerned about the town center being too touristy.” [Orange County Register, 11/4/04]

**After Her 2004 Election Victory, Harkey Said She Wanted To Look At The Town Center For Development.** “What is your main long-term goal as a new council member? They are fourfold: First, and most importantly, I want to increase the transparency in city operations so as to renew trust in our city government. Second, I want to see the beach pollution posting signs become a rarity rather than a constant notification process. I want to work actively with the County, State and Federal Government to return wave circulation to the Harbor and Doheny Beach. Third, I want to see what remains to be developed in Dana Point, such as a revamping of the Town Center, to retain a unique Dana Point style. Fourth work with benefiting neighborhoods to underground utilities in a timely fashion.” [Orange County Register, 12/9/04]

**In Response To A Proposed Downtown Revitalization Project, Harkey Emphasized That Dana Point Is A Beach Town And Said, “I Hope We Don’t Become Too Sophisticated.”** “A revitalized downtown should have two-way streets, a quaint beach-town feel and new shops and restaurants that lure people out of their cars. That’s the vision that emerged through suggestions from 150 residents and merchants at workshops five months ago. And tonight, the San Francisco-based design firm hired by the city will unveil specific recommendations on how to achieve that vision. [...] The thing to remember, said fellow new City Councilwoman Diane Harkey, is that Dana Point is a beach town. ‘That’s really who we are,’ Harkey said. ‘Flip-flops and jeans are the suits down here. I hope we don’t become too sophisticated.’” [Orange County Register, 3/3/05]

**2006: The City Of Dana Point Considered Town Center As A Source Of Future Affordable Housing.** “Dana Point will look at four areas in the city where affordable housing might be added -- Town Center, the former Marina Mobile Home Estates, a school-district storage yard and a swath of open space called Via

Canon. Councilwoman Diane Harkey said she worries residents near Via Canon would oppose turning city-owned parkland into a development. ‘I think we’d have a war on our hands,’ she said.” [Orange County Register, [5/15/06](#)]

**2006: Harkey Recused Herself From Voting On The Development Of Town Center After A Question Over A Conflict Of Interest Arose But Harkey Said She Should Be Able To Vote On It**

**October 2006: Harkey Recused Herself From Voting On The Town Center Project After Members Of The Public Said They Would Challenge Her Vote As Her Husband Owned Property In The Area**

**October 2006: Harkey Recused Herself From Voting On Postponing A Vote On A Plan To Redevelop Town Center As She Owned Two Properties Within 500 Feet Of Town Center.** “The City Council postponed voting on a plan to breathe new life into this harbor city's downtown. After hearing more than two hours of public comments Wednesday night, city leaders decided they needed more time to consider the Town Center proposal. [...] Councilwoman Diane Harkey, who owns two residential properties within 500 feet of Town Center, recused herself.” [Orange County Register, 10/26/06]

**The Orange County Later Reported That Harkey’s Husband Was The One Who Owned Real Estate Near Town Center.** “Resident Jerry Grunor said Harkey acted unethically on such issues as the development of Town Center and the Doheny House project. Harkey did not vote on Town Center due to a potential conflict of interest. Her husband owns real estate in the area.” [Orange County Register, 7/4/07]

**However, Harkey Said That She Should Be Able To Vote On The Matter But Recused Herself After Members Of The Public Said They Would Challenge Her Vote**

**However, Harkey Said That She Should Be Able To Vote On The Matter But Recused Herself After Members Of The Public Said They Would Challenge Her Vote.** “After consulting legal counsel and an economist, Harkey said publicly that she should be able to vote on the matter. She decided to recuse herself after many members of the public said they would challenge her vote, she said. The vote to postpone a decision was 3-0. Councilman Russ Chilton was absent.” [Orange County Register, 10/26/06]

**December 2006: Harkey Recused Herself From The Final Vote On The Town Center Plan**

**December 2006: Harkey Recused Herself From Voting On The Town Center Plan.** “The election for Mayor Pro Tem was divided. Harkey nominated Bartlett. Former Mayor Lara Anderson nominated Weinberg. Bartlett was elected 3-2, with Anderson and Weinberg opposed. Both Harkey and Bishop recused themselves from voting on the Town Center Plan, which was passed to the new council because the old council did not have a quorum to vote on the issue.” [Orange County Register, 12/21/06]

**In 2007, Harkey And The Dana Point City Council Sought A Ruling From The FPPC To Allow Harkey To Vote But In 2005, The FPPC Already Ruled Harkey Had A Conflict Of Interest**

**The Dana Point City Council Continued To Vote On The Town Center Project As Harkey And The Council Asked The State Fair Political Practices Commission For A Ruling Allowing Harkey To Vote**

**2007: Harkey Recused Herself, Along With Councilmember Bishop, From Discussion Of A \$15 Million Capital Improvement Project For Pacific Coast Highway Due To A Potential Conflict Of Interest.** “The council discussed a \$15 million capital improvement project for the redesign of Pacific Coast Highway and Del Prado that would begin after the council takes a stance on one-way versus two-way traffic in Town Center. Harkey and Councilman Joel Bishop had to recuse themselves due to potential conflicts, but the city is requesting rulings from the California Fair Political Practices Commission that could enable one or both of them to vote on the project as soon as the next council meeting.” [Orange County Register, 6/7/07]

**June 2007: The City Requested Rulings From The State Fair Political Practices Commission (FPPC) To See If Harkey Could Vote On The Project.** “The council discussed a \$15 million capital improvement project for the redesign of Pacific Coast Highway and Del Prado that would begin after the council takes a stance on one-way versus two-way traffic in Town Center. Harkey and Councilman Joel Bishop had to recuse themselves due to potential conflicts, but the city is requesting rulings from the California Fair Political Practices Commission that could enable one or both of them to vote on the project as soon as the next council meeting. Councilwoman Lara Anderson and Councilman Steve Weinberg were in favor of the project, while Mayor Pro Tem Lisa Bartlett said she was concerned about such a large expenditure at this time.” [Orange County Register, 6/7/07]

**November 2007: The Council Approved Turning PCH Into A Two-Way Street As Part Of The Town Center Project But Harkey Still Had Been Recused While Councilmember Bishop No Longer Needed To Be.** “The City Council has approved in concept turning Pacific Coast Highway and Del Prado into two-way streets. The council also approved the hiring of outside staff to help the city find funding for the multi-million dollar project. The debate over one-way versus two-way traffic through downtown has been the most contentious part of the city’s plan to revitalize Town Center. The Town Center Subcommittee was divided on the issue, although the majority did ultimately support two-way traffic. [...] Mayor Diane Harkey recused herself, having a potential financial interest in Town Center. Councilman Joel Bishop, who has previously recused himself from Town Center discussions, explained he will no longer be doing so because an appraisal found he had ‘not one cent’ of financial gain from Town Center.” [Orange County Register, [11/7/07](#)]

---

**2005: The Fair Political Practices Commission Ruled Harkey Had A Conflict Of Interest**

---

**2005: The Fair Political Practices Commission Ruled Harkey Had A Conflict Of Interest.** ‘No. Unless it is not reasonably foreseeable that the governmental decision will have any financial effect on Councilmember Harkey’s real property, Councilmember Harkey has a conflict of interest under the Act and may not participate in or vote on governmental decisions relating to the creation and adoption of a specific plan area known as the Dana Point Town Center.’ [Fair Political Practices Commission, [4/27/05](#)]

**2007: The Recall Effort Against Harkey Accused Harkey Of Ethical Wrongdoing For Speaking During Public Comment On The Town Center Plan, Though Harkey Denied Any Wrongdoing**

---

**2007: Ethics Matter - Recall Diane Harkey Accused Harkey Ethical Wrongdoing For Speaking During Public Comment On The Town Center Plan, Which Harkey Denied Any Wrongdoing**

---

**August 2007: Ethics Matter - Recall Diane Harkey Accused Harkey Ethical Wrongdoing For Speaking During Public Comment On The Town Center Plan, Which Harkey Denied Any Wrongdoing.** “The recall proponents accuse Harkey of ethical wrongdoings, including speaking during public comment on the Town Center Plan, which she recused herself from voting on, and swearing during a City Council meeting. Harkey denies any wrongdoing and defends her record with the city. She did not submit a rebuttal to the city clerk during the allotted time period.” [Orange County Register, 8/16/07]

**Harkey Said She Was Exercising Her First Amendment Rights By Speaking During Public Comment On The Town Center Plan.** “The recall group, which calls itself ‘Ethics Matter -- Recall Diane Harkey,’ claims Harkey acted unethically by speaking during public comment on the Town Center plan, which she recused herself from voting on, and swearing during City Council meetings, among other things. Harkey has said she was just exercising her First Amendment rights on Town Center and did not do anything wrong.” [Orange County Register, [8/22/07](#)]

---

**July 2007: A Resident Claimed Harkey Acted Unethically Over The Town Center Plan For Speaking For Twenty Minutes As A Member Of The Public, Which He Called A “Bad Example Of Leadership”**

---

**July 2007: A Resident, Jerry Grunor, Claimed Harkey Acted Unethically Over The Development Of The Town Center.** “Resident Jerry Grunor said Harkey acted unethically on such issues as the development of Town



Center and the Doheny House project. Harkey did not vote on Town Center due to a potential conflict of interest. Her husband owns real estate in the area.” [Orange County Register, 7/4/07]

**Grunor Claimed Harkey Had A “Bad Example Of Leadership” For Speaking Twenty Minutes As A Member Of The Public On Town Center.** “Despite not voting, Grunor said, Harkey spoke for 20 minutes as a member of the public on Town Center at a council meeting in late 2006. ‘What she has done is not in good taste nor does it show honesty or integrity,’ Grunor said. ‘This is a bad example of leadership. We need to have good, ethical people with a solitary desire to serve our city and who will always show honesty and integrity through leadership in a more forthright manner.’” [Orange County Register, 7/4/07]

**Grunor Was Reportedly A “Colorful” Resident Of Dana Point.** “Jerry Grunor is one of Dana Point’s more colorful residents, and that didn’t change last week when he announced an effort to recall Dana Point Mayor Diane Harkey. Who else would start such an announcement, before the City Council, with a reference to the Jewish 17th Day of Tammuz? ‘On this day thousands of years ago, Moses descended Mount Sinai and upon seeing people sinning with the Golden Calf, broke the first set of the Ten Commandments. Yet, he still led the people to freedom.’ He was not, of course, describing Harkey as Moses-like, which became clear as proceeded to detail the mayor’s alleged breaches in ethics and good taste. It seems that Grunor was actually making the parallel between Moses and himself.”

### **2008: Harkey Recused Herself From The Vote On The Recommendations The California Coastal Commission Made To The Town Center Plan**

**June 2008: Harkey Recused Herself From The Vote On The Recommendations The California Coastal Commission Made To The Town Center Plan.** “Also Tuesday, California Coastal Commission recommendations for changes to the Dana Point Town Center plan, some of which involved the cost of overnight accommodations, water quality and landscaping policy, were approved by the council, 4-0. Harkey recused herself because her husband owns property near Town Center. Eager council members shared their excitement about the project. ‘I’ve been looking forward to this ever since I moved to Dana Point 20 years ago,’ Mayor Pro Tem Lisa Bartlett said.” [Orange County Register, [6/4/08](#)]

**When The Proposal Went Before The California Coastal Commission And Requested A Year Extension To Review The Proposal, Harkey Said “It’s Like Dealing With The IRS.”** “The city approved the Town Center project at the end of last year, taking out the controversial issue of one-way versus two-way traffic on Pacific Coast Highway and Del Obispo. The proposal, which includes zoning changes for a pedestrian-friendly, mixed-use development area downtown, is now before the California Coastal Commission, which recently requested a year’s extension to review the proposal. ‘It’s like dealing with the IRS,’ Harkey said. ‘You try to get the best deal you can, but you give them the extension.’” [Orange County Register, 5/3/07]

**June 2008: Harkey Recused Herself On A Vote Deciding The Contractor For The Construction.** “In Town Center news, the council voted 4-0 in favor of contracting with Roma Design Group for the construction. Diane Harkey recused herself from discussion of the item. Each council member expressed satisfaction with the designer’s past work, and a desire to retain continuity with Roma’s prior work on the Town Center project.” [Orange County Register, [6/18/08](#)]

### **Harkey On The City Spending \$650,000 On Landscape Medians Along Pacific Coast Highway: “We Are Trying To Do Things First Class In Dana Point... The Palm Trees Are A Wonderful Idea”**

**Harkey On The City Spending \$650,000 On Landscape Medians Along Pacific Coast Highway: “We Are Trying To Do Things First Class In Dana Point... The Palm Trees Are A Wonderful Idea.”** “The City Council approved a \$1.37 million design to landscape medians along Pacific Coast Highway Tuesday night. The city will pay approximately \$650,000 of that cost; the remainder will be covered by grant funds and developer money. The City Council approved the more expensive of two landscaping options presented at the meeting, citing watering concerns -- the less expensive plan would have required a watering truck for an undefined period of time -- and a

dislike of artificial turf to justify the additional cost. ‘We are trying to do things first class in Dana Point,’ Mayor Diane Harkey said. ‘We need to beautify the community with natural flora and fauna, as long as we can be conservationists with reclaimed water and drought-tolerant landscaping. The palm trees are a wonderful idea.’” [Orange County Register, [4/18/07](#)]

## **Headlands Project Development**

### **2004: Harkey Ran For Dana Point City Council After The Developer Of The Headlands Project Declined To Give Harkey His Support**

#### **2004: Harkey Approached The Developer Of The Headlands Bluff To Get His Support But Realized After The Meeting “How Controlled The City Was” And Ran For City Council**

**2004: Sanford Edwards, A Local Developer, Formed An Independent Expenditure Committee To Support City Council Candidates As He Sought To Pursue A Development Project In The Headlands, A Local Bluff.** “This year, two South County developers have formed independent expenditure committees to buy campaign signs and banners in support of two incumbent council candidates and mail brochures attacking a third. In the 2002 council race, the same developers -- Sanford Edwards of Dana Point and Makallon Resorts of Newport Beach -- gave \$70,000 out of a total \$125,000 in contributions to four independent campaign committees. The money helped elect James V. Lacy and Russ Chilton. [...] Edwards has been a lightning rod in the coastal community because of his plan to develop the Headlands, a majestic bluff above the ocean in Dana Point. In January, he won approval from the California Coastal Commission to build 125 homes, a 90-room beachside inn and a 35,000 square-foot shopping mall on 53 acres of the promontory. An additional 68 acres will remain open space, with 28 acres set aside as a conservation area.” [Los Angeles Times, [10/13/04](#)]

**Harkey Claimed She Went To Edwards To Get His Support But He Declined, Which Harkey Said Motivated Her To Run As She Realized “How Controlled The City Was” After That Meeting.** “Harkey said she decided to run after meeting with Edwards to seek his support. He told her that he had already picked his candidates, she said, and offered to help her land a seat on the planning commission if she didn't run -- a contention Edwards denied. ‘I guess I didn't realize until then how controlled the city was,’ said Harkey, a retired banking executive who worked with Security Pacific, Bank of America and Guaranty Bank, based in Texas. Harkey has spent the most by far in the council race, which also includes businesswoman Lara Anderson and planning commissioner Greg Powers.” [Los Angeles Times, [10/13/04](#)]

#### **In Her 2004 City Council Campaign Candidate Statement, Harkey Said She Would Not Take Headlands Campaign Contributions**

**In Her Candidate Statement, Harkey Said She Would Not Accept Special Interest Campaign Contributions From Large Developers.** “I will not accept Headlands or other large developer special interest campaign contributions. I will be a free-agent, working to protect your interests with regard to traffic, property rights, zoning code establishment and enforcement, and finding solutions to improve our disastrous beach pollution. I will keep myself educated on water issues, illegal immigration, our schools, and state budget, so that I may represent our city on all matters affecting our lives now and in the future. I have a degree in Economics, and a 25+ year career in corporate and real estate lending predominately with BofA. Dan and I have one daughter Jaclyn, 20 years old.” [Orange County Register, 8/19/04]

**In Her Candidate Statement, Harkey Said Dana Point Was At A Crossroads With The Development Of The Headlands.** “I once read that people get the government they deserve; Dana Point deserves better. We are at a crossroads, with development of the Headlands and renovation of the Town Center and Harbor. We need to ensure that the city in which we live will remain the city we love.” [Orange County Register, 8/19/04]

**The Orange County Register Reported That None Of Harkey’s Money Came From Development Companies.** “Diane Harkey and Lara Anderson, candidates for the Dana Point City Council, spent a combined total

of \$131,000 on their campaigns, according to campaign statements ending Oct. 16. Candidate April O'Connor spent \$26,477 directly on her campaign, and candidate Joe Snyder, who ran separately, spent \$12,829. None of the money came from development companies. Because of reporting errors, the amounts were incorrect in a story in the News section of the Nov. 4 edition of the Register, and the Register incorrectly reported that O'Connor and Snyder together outspent Harkey and Anderson. O'Connor, a Dana Point Planning Commission member, did not receive direct contributions of more than \$250 from persons who had projects pending before the commission during the prior 12 months." [Orange County Register, 11/28/04]

---

**After The Election, Harkey Said She Had No Problem With Edwards' Development Project In The Headlands And As A Newly Elected Councilmember, Would Help Steer The Headlands Development**

---

**After Her Election Victory, Harkey Said She Had No Problem With Edwards' Development Project In The Headlands.** "Harkey -- the target of numerous negative mailers -- said she has no problems with the Headlands project. But said she is concerned about the town center being too touristy. Harkey, 53, a real-estate consultant, said she can use her development background -- and her independence -- as the projects move forward. 'I don't know how you can work without being influenced when somebody has bought and paid for your position on the council,' Harkey said." [Orange County Register, 11/4/04]

**As A Newly Elected Councilmember, Harkey Would Help Steer The Headlands Development Project.** "Diane Harkey and Lara Anderson, who between them shelled out a small-potatoes \$49,000 on their City Council campaigns, were celebrating their wins Wednesday. And Mayor Joe Snyder and slate-mate April O'Connor, who spent \$150,000 in developer contributions, were dealing with defeat. [...] Among the projects they will help steer: a plan to create a town center in the lackluster downtown area, as well as the Headlands development, which will include 125 custom homes, 35,000 square feet of retail, a 90-room hotel, 40-room hostel, open space and parks on the bluffs beloved by author Richard Henry Dana." [Orange County Register, 11/4/04]

**2005: Harkey Voted Against Creating A Tax District In The Headlands To Have The Owners Of Multimillion Dollar Lots Pay \$27,000 In Taxes For City Improvements**

---

**2005: Harkey Voted Against Creating A Tax District In The Headlands To Have The Owners Of Multimillion Dollar Lots Pay \$27,000 In Taxes For City Improvements Such As Streets, Parks, And Utilities**

---

**In The Headlands Development, The City Council Considered A New Tax District To Have The Owners Of Multimillion Dollar Lots Pay \$27,000 In Taxes For City Improvements Such As Streets, Parks, And Utilities.** "As the multimillion-dollar lots on the Headlands promontory go on sale this summer, potential buyers should be prepared to pay as much as \$27,000 a year for improvements such as streets, parks and utilities. Although the proposed Mello-Roos taxes are higher than in other developments in Orange County, it's not expected to affect sales of the estimated \$3.3 million-to-\$5.5 million lots, according to a memo to the city. [...] The City Council last week voted 3-2 to explore further the process of establishing what could be the city's first community-facilities district, a method by which homeowners pay for infrastructure and amenities. Council members Jim Lacy and Diane Harkey voted no, saying there were too many unanswered questions about the process." [Orange County Register, [5/4/06](#)]

**May 2006: Harkey Voted Against Exploring The Establishment Of A Community-Facilities District Saying That The Council Did Not Have "A Depth Of Knowledge" On The Project.** "The City Council last week voted 3-2 to explore further the process of establishing what could be the city's first community-facilities district, a method by which homeowners pay for infrastructure and amenities. Council members Jim Lacy and Diane Harkey voted no, saying there were too many unanswered questions about the process. 'There's not a depth of understanding on this council of this project,' Harkey said." [Orange County Register, [5/4/06](#)]

**June 2006: Harkey Voted Against Establishing The Tax District.** "After hours of discussion Wednesday night, the City Council passed a \$27,000 tax for future Headlands homeowners. The council voted 3-1 -- with Diane

Harkey opposed -- to form the city's first community-facilities district, referred to as a Mello-Roos district, to pay for some of the streets, parks and utilities at the Headlands." [Orange County Register, [6/16/06](#)]

**Harkey: "We Are Premature In This Whole Process. There's No Rush For Us To Go Into This."** "At the meeting, Harkey said the council should take more time to understand the financing involved. 'We are premature in this whole process,' she said. 'There's no rush for us to go into this.'" [Orange County Register, [6/16/06](#)]

### **2008: Harkey Abstained From Voting On Issuing \$9 Million In Bonds For Infrastructure Projects In The Headlands, In Which The Bonds Were Paid For By The \$27,000 Tax**

**2008: Harkey Abstained From Voting On Issuing \$9 Million In Bonds For Infrastructure Projects In The Headlands.** "Efforts to issue the first \$9 million in bonds for infrastructure projects at The Strand at Headlands began Tuesday night at the Dana Point City Council meeting. A proposal to issue up to \$9 million in bonds passed by a 3-0 vote, with Councilwoman Diane Harkey abstaining and Mayor Joel Bishop recusing himself from the discussion for possible conflict of interest, since he lives near the Headlands." [Orange County Register, [6/4/08](#)]

**The \$27,000 Tax From The Taxing District Paid For The Bonds.** "The bonds, likely to be closer to \$8 million, will be paid for by taxes on 28 parcels of land already sold in the residential and commercial development. The special taxes consist of a facilities tax and a maintenance tax, which, when combined, would not exceed \$27,940 per year for residential parcels and \$15,805 per year for nonresidential." [Orange County Register, [6/4/08](#)]

### **2005: In A Lawsuit Against The City, Mobile Home Park Residents Claimed A Procedural Error By The City Should Nullify The City's Approval Of The Headlands Development**

**2005: Residents Of A Mobile Home Park Sued The City Of Dana Point For The Closure Of Their Mobile Home Park, In Which They Claimed A Procedural Error On The City's Part Should Nullify The Closure, As Well As The Headlands Development.** "Legal challenges to a mobile home park closure and the city's concerns about a proposed drive-through at a Pacific Coast Highway coffee shop have been costly. And not just in dollars. [...] In the meantime, a hearing is scheduled Tuesday in Orange County Superior Court on the case filed by several residents of the Dana Point mobile home park against the city and Makar. Residents argue that a procedural error in the city's housing element, part of its general plan, should nullify the council's approval last year of a report to close the mobile home park -- as well as other city approvals such as the Headlands development and a timeshare ordinance." [Orange County Register, [5/5/05](#)]

## **Use Of Official Social Media For Campaign Purposes**

### **Harkey Used The Same Twitter Account For Official And Personal Business And To Highlight Her Congressional Campaign**

**2018: Harkey Used Her Twitter Account, Which She Had Only One Of For Personal And Official Business, To Show The Republican Party Of Orange County's Endorsement Of Her.** "Honored to have received the endorsement of the Orange County #Republican Party. Thank you @OCGOP ! #CA49" [Diane Harkey, Twitter, [2/26/18](#)]

**2018: Harkey Used Her Twitter Account, Which She Had Only One Of For Personal And Official Business, To Thank Representatives Issa And Walters For Their Endorsement Of Her And Included A Link To Her Campaign Website.** "Thank you Congressman @DarrellIssa & @RepMimiWalters for your endorsements-please join me and support my campaign <http://www.HarkeyforCongress.com>" [Diane Harkey, Twitter, [1/24/18](#)]

**2018: When Asked If A Public Official Can Use Their Official Twitter For Campaign Purposes, The FPPC Said There Was "Nothing In The Act That Prohibits This" But That Funds Spent For It Needed To Be From**

**The Campaign.** QUESTION: “What are the rules and regulations regarding the use of an elected official's Twitter for campaign purposes? More specifically, can an elected official, who seemingly has one Twitter they use for personal and official business, also use it to promote their re-election campaign? Would this count using public resources for political benefit? Thank you and have a good day.” ANSWER: “There is nothing in the Act that prohibits this. However, any funds spent to do this would need to come out of the campaign bank account.” [Fair Political Practices Commission, email, [2/28/18](#)]

**Harkey Said Her Social Media Was Used To Highlight Issues She Believed Should Be Covered.** “Recently reelected Assemblywoman Diane Harkey, R-Dana Point, treats her accounts slightly different than both Solorio and Lieu. If the media isn’t hitting on the issues she believes are important then she takes matters into her own hands. ‘I tweet a lot about high speed rail, cap and trade, deficits and the mountain of debt we are accumulating,’ Harkey told the Register in an email. ‘If the issues aren’t being adequately exposed there’s an opportunity to use your own bully pulpit to lead the debate that often gets lost in the traditional press outlets.’ The direct contact, the knowledge that state politicians run their own accounts, is all evidence of their edge over national politicians and Harkey knows this. ‘A candidate can absolutely have an edge by harnessing the power of social media,’ she said. ‘This is especially true when you consider the tight margins this year in state races, and the fact that the 18 to 29-year-old demographic has grown up with, regularly uses, and has a very firm grasp on the power of social media.’ Harkey has 1,252 followers on Twitter and 2,589 friends on Facebook.” [Orange County Register, [11/28/12](#)]

**Harkey Copy And Pasted Her Biography In The Official Board Of Equalization Website To Her Congressional Campaign Website**

| <b>Board Of Equalization Biography</b>   | <b>Harkey For Congress Biography</b>  |
|--|---|
| <i>Additions highlighted in green, subtractions highlighted in red; significant word choice changes in yellow.</i>   |   |
| As Chairwoman of the State Board of Equalization, Diane capitalizes on her private and public sector experience to promote the rights and interests of all taxpayers.  | As Chairwoman of the State Board of Equalization, Diane capitalizes on her private and public-sector experience to promote the rights and interests of all taxpayers.   |
| Harkey advocates for policies that support job creation <b>in the private sector</b> , improve California's state budget outlook, and reduce the burden of complying with government audits and various tax regulations. | <b>As a Constitutional officer</b> , Harkey advocates for policies that support job creation, <b>employment opportunities</b> , improve California’s state budget outlook, and reduce the burden of complying with government audits and various tax regulations. |
| Harkey also serves as Chair of the Business Taxes Committee, the regulatory body at the BOE charged with writing regulations implementing California's business tax regulations.   | Harkey also served as Chair of the Business Taxes Committee, the regulatory body at the BOE charged with writing, <b>updating and streamlining regulations</b> that implement California’s business tax statutes.   |
| In her first year at the Board, Harkey successfully pushed for changes to provide clarity on 1031 exchanges in real estate transactions.   | In her first year at the Board, Harkey successfully pushed for changes to provide clarity on 1031 exchanges in real estate transactions,  |
|  | <b>and soon began to establish clear guidelines for sales tax exemptions for medical devices and inventories. She held numerous seminars to help tax professionals,</b>   |



|   |  |
|---|--|
|   | business owners and individuals navigate California's complex tax laws and regulations.  |
| Her office solved over 400 constituent cases in 2015 and has held many successful events educating taxpayers on Proposition 13, California's manufacturing exemption and many areas of state tax law.   | Her office has favorably resolved over 400 constituent cases district-wide, and continues to hold educational events explaining property tax assessment, the importance of Proposition 13, manufacturing exemptions and a variety of topics regarding state tax law. |
| Harkey believes that California must establish new policies that ensure future improvements in transportation, water, and other necessities, so our state can retain its place as one of the top-ranking economies in the world.                    | Harkey strongly supports policies that ensure future improvements in water, power and transportation and public safety that will allow California to retain its place as one of the top-ranking economies in the world.  |
| Harkey works directly with other Board Members, the Governor's Administration, and the State Legislature to make California golden once again.  |  |
| Harkey graduated Cum Laude with a degree in Economics from the University of California, Irvine and enjoyed a successful 30-year career in corporate finance and banking.   | Harkey graduated Cum Laude with a degree in Economics from the University of California, Irvine and enjoyed a successful 30-year career in corporate finance and banking.  |
| Working in good and bad economic climates with individuals, small business owners, and leaders of publicly-traded companies helped form the pragmatic business perspective that she brings to the Board of Equalization.                            | Working in good and bad economic climates with individuals, small business owners, and leaders of publicly-traded companies helped form the pragmatic business perspective that she brings to the Board and will carry over to Congress.                             |
| Harkey won her election to the Board of Equalization with over 61% of the vote and is proud to represent 9.5 million constituents in the counties of Orange, Riverside, San Diego, Imperial, and the southernmost portion of San Bernardino County. | Harkey won her election to the Board of Equalization with over 61% of the vote and is proud to represent 9.5 million constituents in the counties of Orange, Riverside, San Diego, Imperial, and the southernmost portion of San Bernardino County.                  |

[Board of Equalization, Diane Harkey, accessed [3/7/18](#); Harkey for Congress, accessed [3/7/18](#)]

## Marina Mobile Home Estates

**Residents Of A Mobile Home Park Sued The City Of Dana Point For The Closure Of Their Mobile Home Park But Harkey Said Their Homes Were Gone And Their Lawsuit A "Burden"**

---

**2005: Residents Of A Mobile Home Park Sued The City Of Dana Point For The Closure Of Their Mobile Home Park, In Which They Claimed A Procedural Error On The City's Part Should Nullify The Closure**

---

**2005: Residents Of A Mobile Home Park Sued The City Of Dana Point For The Closure Of Their Mobile Home Park, In Which They Claimed A Procedural Error On The City's Part Should Nullify The Closure.** “Legal challenges to a mobile home park closure and the city's concerns about a proposed drive-through at a Pacific Coast Highway coffee shop have been costly. And not just in dollars. [...] In the meantime, a hearing is scheduled Tuesday in Orange County Superior Court on the case filed by several residents of the Dana Point mobile home park against the city and Makar. Residents argue that a procedural error in the city's housing element, part of its general plan, should nullify the council's approval last year of a report to close the mobile home park -- as well as other city approvals such as the Headlands development and a timeshare ordinance.” [Orange County Register, 5/5/05]

**Orange County Register: “At Issue Is The City's Failure In 2000 To Submit Its Adopted Version Of A Revised Housing Element To A State Housing Agency.”** ““The bottom line is, I don't want to mess with the nice little image of the city, but they should have done things right from the beginning,’ resident Robert Traphagen said. At issue is the city's failure in 2000 to submit its adopted version of a revised housing element to a state housing agency. The city argues that's not grounds to void the general plan. ‘I think the city is on firm ground,’ City Manager Doug Chotkevys said. ‘The courts will bear that out.’ Makar officials declined to comment on the litigation.” [Orange County Register, 5/5/05]

---

**Harkey Said She “Understood” Why The Residents’ Sued The City But Called The Lawsuit A “Burden” On The City And Said That Their Homes Were Gone**

---

**Harkey Said She “Understood” Why The Residents’ Sued The City But Called The Lawsuit A “Burden” On The City And “A Tough Situation.”** “Rayfield, who voted against the closure report, and Councilwoman Diane Harkey say they are torn by the residents' lawsuit. ‘I understand why they're doing it,’ Harkey said. ‘I hope some negotiations can be reached. I have expressed that to Makar.’ ‘I would like them to help somehow and take the burden off the city,’ she said. ‘It's a tough situation.’” [Orange County Register, 5/5/05]

**Harkey On The Closure Of Marina Mobile Homes Estates: “Nothing That Anybody Can Do Can Replace Your Homes. They're Gone, But I Do Hope That We Can Move Forward.”** ““(This is) a very open wound on the community at present. Nothing that anybody can do can replace your homes. They're gone, but I do hope that we can move forward.’ - Councilwoman Diane Harkey” [Orange County Register, [7/5/06](#)]

|  |
|--|
| <b>2006: Harkey Voted To Have A Residential Development At The Former Marina Mobile Home Estates With Doheny Estates, An Affiliate Of Makar Properties, As The Developer</b> |
|--|

**Harkey Voted To Have A Residential Development At The Former Marina Mobile Home Estates With Doheny Estates, An Affiliate Of Makar Properties, As The Developer.** “City officials and residents could soon get a glimpse into what could become of the former Marina Mobile Home Estates site. The City Council last week voted unanimously to take the first step in getting a residential development at the former Marina Mobile Home Estates site on Del Obispo Street. The developer, Doheny Estates LLC, an affiliate of Makar Properties, has asked the city to initiate the process of changing the site zoning to build medium-to-higher density, single and multifamily dwellings on the 8.9-acre site. No specific project has been submitted, but last week's decision allows city staff and the developer to begin working on the details of the best use for the site.” [Orange County Register, [7/5/06](#)]

**The Former Mobile Homeowners And Doheny Estates Had Several Pending Lawsuits At The Time.** “With several lawsuits between the developer and former mobile homeowners still pending and the city's attempt to meet its housing goals, the property's history and its future have been a sensitive and closely scrutinized subject in the past year.” [Orange County Register, [7/5/06](#)]

## **2007: A Couple Who Lived In A Mobile Home Claimed Harkey Pressured Them To Sign An Offer From Makar Properties, During Which The Husband Was Removed From The Meeting**

**2007: Makar Properties LLC Offered Former Residents Of A Mobile Home Park, Which It Bought And Then Closed, \$950,000 To End Litigation.** “At 5 p.m. Monday, the deadline passed for some former residents of the park to accept a \$950,000 offer from Makar Properties LLC, who purchased the park in 2004 and proceeded to close it. The offer was an effort to end the litigation and controversy surrounding the park's closure and to bring peace to the situation, according to a letter written by City Attorney Patrick Muñoz.” [Orange County Register, [5/3/07](#)]

**Residents Who Did Not Accept The Offer Were Faced With Paying Makar's \$300,000 Legal Fees.** The city and Makar have won each of the three lawsuits brought against them by former residents of the mobile home park. The residents, who did not accept the offer, likely will be faced with paying Makar's legal fees, which total over \$300,000. The legal fees would have been forgiven had the offer been accepted.” [Orange County Register, [5/3/07](#)]

**A Couple, The Traphagens, Who Had Not Accepted The Offer And Could Not Pay The Legal Fees Went To A City Council Meeting.** “Robert and Colleen Traphagen, former mobile home park residents and petitioners in the lawsuits, spoke at Tuesday's meeting and said they could not afford to pay the company's legal fees, as they had already lost everything in the mobile home park closure. ‘We lost our nest egg,’ Robert said. ‘It's getting really bad.’” [Orange County Register, [5/3/07](#)]

**Harkey Claimed The Couple Approached Her And That She Delivered A Draft Letter For The Couple To Be Sent To The Couple's Attorney To Accept The Offer.** “According to Mayor Diane Harkey, the Traphagens approached her on April 26, afraid they would not be able to afford the legal fees. On Friday she delivered a draft letter to the Traphagens, to be sent to their attorney, Patrick Evans. The letter stated that the Traphagens wanted to accept the offer.” [Orange County Register, [5/3/07](#)]

**The Traphagens Said Harkey Pressured Them To Sign The Letter To Which Harkey Said She Was Shocked And After Shouting Ensued, The Husband Was Removed From The Meeting.** “At Tuesday's meeting the Traphagens said they felt pressured by Harkey to sign the letter and were very pleased with their attorney. Harkey said she was just trying to help and was shocked by their response. During the debate on Tuesday, people started shouting from the floor, Harkey was banging her gavel for order and a sheriff's deputy ushered two people from the gallery. One was Robert Traphagen; the other is unidentified at press time.” [Orange County Register, [5/3/07](#)]

## **2006: Marina Mobile Home Estates Was Considered To Have Affordable Housing Added To It**

**Marina Mobile Home Estates Was Considered To Have Affordable Housing Added To It.** “Dana Point will look at four areas in the city where affordable housing might be added -- Town Center, the former Marina Mobile Home Estates, a school-district storage yard and a swath of open space called Via Canon. Councilwoman Diane Harkey said she worries residents near Via Canon would oppose turning city-owned parkland into a development. ‘I think we'd have a war on our hands,’ she said.” [Orange County Register, [5/15/06](#)]

## **Doheny House**

### **Some Residents Stated Harkey Had A Conflict Of Interest Over The Dana Point City Council's Consideration Of Buying A Local Historic Home**

**2006: Harkey Held A Fundraiser In Local, Historic Home That Was Being Considered At The Time To Become A Rental House, Which Drew Criticism From Residents And Questions Of A Conflict Of Interest**

**2006: Harkey Held A Fundraiser In Local, Historic Home That Was Being Considered At The Time To Become A Rental House, Which Drew Criticism From Residents And Questions Of A Conflict Of Interest.**

“In recent weeks, Harkey also found herself dealing with unhappy Dana Point residents furious over the city's consideration of a plan to buy the historic Doheny House, home to the city's founding family, and transform it into a rental house for weddings and other events. The plan, which included possibly condemning nearby homes for parking, was scuttled last week. But that decision came after Harkey took the most heat for having held a recent fundraiser at the house, which some called a conflict of interest.” [Los Angeles Times, [3/27/06](#)]

---

**Harkey: “I Love That House. I Walked By It Everyday For 20-Plus Years. It's Not The House So Much As The Grounds”**

---

**The Doheny House Was A Historic Landmark In Capistrano Beach.** “The Doheny House -- a historic landmark in Capistrano Beach -- is the center of an ongoing controversy between personal property rights and the value of a home in the eyes of the community.” [Orange County Register, [2/15/07](#)]

**Harkey: “I Love That House. I Walked By It Everyday For 20-Plus Years. It's Not The House So Much As The Grounds.”** “Mayor Diane Harkey, who used to live in Capistrano Beach, has fond memories of the house, its gardens and ocean view. ‘I love that house,’ she said. ‘I walked by it everyday for 20-plus years. It's not the house so much as the grounds.’” [Orange County Register, [2/15/07](#)]

**Harkey: “I'm Doing Everything I Can To Take Every Step To Make Sure We Preserve It.”** “Harkey said she hoped to preserve the house within the constraints of the law. ‘What can the city legally do?’ she asked. ‘I'm doing everything I can to take every step to make sure we preserve it.’” [Orange County Register, [2/15/07](#)]

## Relationships

### Significant Findings

- ✓ *Representative Darrell Issa Endorsed Harkey, whom she had donated \$2,000 to in 2012.*
- ✓ *In 2016, Harkey endorsed Ted Cruz for President and praised Cruz's choice of Carly Fiorina as his Vice President.*
- ✓ *In 2011, Harkey said still liked Romney but was "impressed with Michelle Bachmann" and said that Rick Perry would "be a stellar candidate" as she signed a letter encourage Perry to run.*
- ✓ *In 2011, Harkey signed onto the Committee to Draft Rick Perry for President.*
- ✓ *Harkey praised Governor Brown's handling of the budget, reportedly lamented that Brown "will only be here for another term," and said, "His approach is a lot like mine."*
- ✓ *Harkey said Governor Schwarzenegger's downfall was from his "flexibility in policy and values."*
- ✓ *Mike Carona endorsed Harkey for her 2006 State Senate campaign while he faced allegations of sexual harassment in that same month and later served 52 months for felony witness tampering.*

## Darrell Issa

### 2017: Representative Darrell Issa Endorsed Harkey To Secede Him In Congress

**HEADLINE: "Rep. Darrell Issa Endorses Tax Board Member Diane Harkey As His Successor"**

**HEADLINE: "Rep. Darrell Issa Endorses Tax Board Member Diane Harkey As His Successor"** [San Diego Union-Tribune, [1/24/18](#)]

**Darrell Issa Endorsed Harkey.** "After weeks of saying he supported her candidacy, Rep. Darrell Issa has officially endorsed California Board of Equalization member Diane Harkey to succeed him in Congress. In an appearance on ABC 10 News on Wednesday morning, Issa, R-Vista, said that Harkey, who is also a Republican, would join Congress well-trained from her work in the state Assembly and the Board of Equalization. 'She's had to battle the bureaucracy in Sacramento and she's had to deal with the tax code that continues to be troublesome for employers,' Issa said. He also said she supports efforts to make government more transparent and knows constituents well from her work representing them in other offices. Harkey previously served as a member of the state Assembly and mayor of Dana Point, in Orange County." [San Diego Union-Tribune, [1/24/18](#)]

**Harkey Said She Was "Extremely Honored" To Received Issa's Endorsement And Said Issa "Served HIS District Extremely Well."** "Harkey, 66, of Dana Point, also appeared on the show. She said she was 'extremely honored' to receive the endorsement. Issa 'served his district extremely well, he's very experienced, he's a business person, quite successful in his own right,' Harkey said." [San Diego Union-Tribune, [1/24/18](#)]

### 2014: Issa Endorsed Harkey For Board Of Equalization

**Issa Endorsed Harkey For Board Of Equalization**



**Issa Endorsed Harkey For Board Of Equalization.** “Over 100 respected GOP leaders examined the candidates for Board of Equalization and gave their support to Diane Harkey. That includes official endorsements of the San Diego Republican Party, Howard Jarvis Taxpayers Association, National Tax Limitation Committee, Hispanic 100, Rep. Darrell Issa, Assemblyman Brian Jones and many others.” [San Diego Union-Tribune, Sherry Hodges Former Chief Of Staff for Assemblywoman Harkey Op-Ed, [5/30/14](#)]

### Harkey Donated \$2,000 To Issa Over The Course Of His Career

| Date         | Candidate (Office Sought) or Committee | Party | Amount            |
|--------------|--|-------|-------------------|
| 9/24/12      | Darrell Issa Victory Fund              | R     | \$1,000.00        |
| 9/24/12      | Issa for Congress                      | R     | \$1,000.00        |
| <b>Total</b> |  |       | <b>\$2,000.00</b> |

[FEC, individual contribution search, accessed [1/16/18](#)]

## National Political Figures

### Michelle Bachmann

#### 2011: Harkey Said She Was “Impressed With Michelle Bachmann”

**2011: Harkey Said Still Liked Romney But Was “Impressed With Michelle Bachmann” And Said That Rick Perry Would “Be A Stellar Candidate” As She Signed A Letter Encourage Perry To Run.** “Harkey says she still likes Romney, but is ‘impressed with Michelle Bachmann,’ and signed a letter encouraging Perry to enter the race. ‘If Rick Perry were to jump in, he’d be a stellar candidate,’ Harkey said, though she noted Perry, unlike Romney, has not been fully vetted. She offered a tepid assessment of the front-runner: ‘I’m not not supporting Romney.’” [Sacramento Bee, 7/21/11]

### Mimi Walters

#### 2018: Walters Endorsed Harkey For Congress

**Representative Mimi Walters Endorsed Harkey.** “Issa’s is Harkey’s second endorsement from a member of Congress, and follows Rep. Mimi Walters, R-Irvine.” [San Diego Union-Tribune, [1/24/18](#)]

#### 2007: Walters Endorsed Harkey For Her 2008 Campaign For State Assembly

**January 2007: Walters Endorsed Harkey And Was Harkey’s Honorary Campaign Chairwoman.** “Walters, who has announced her run for state senate in 2008, endorsed Harkey and was named as Harkey’s honorary campaign chairwoman.” [Orange County Register, [1/22/07](#)]

### Mitt Romney

#### 2011: Harkey Said She Still Liked Romney

**2011: Harkey Said Still Liked Romney But Was “Impressed With Michelle Bachmann” And Said That Rick Perry Would “Be A Stellar Candidate” As She Signed A Letter Encourage Perry To Run.** “Harkey says she still likes Romney, but is ‘impressed with Michelle Bachmann,’ and signed a letter encouraging Perry to enter the race. ‘If Rick Perry were to jump in, he’d be a stellar candidate,’ Harkey said, though she noted Perry, unlike Romney, has not been fully vetted. She offered a tepid assessment of the front-runner: ‘I’m not not supporting Romney.’” [Sacramento Bee, 7/21/11]

---

**2012: Harkey And Her Husband Donated \$2,500 To Romney's Campaign**

---

**2012: Harkey And Her Husband Donated \$2,500 To Romney's Campaign.** "County GOP Chairman Scott Baugh and his wife Wendy marked New Year's Eve by each chipping in \$2,500 to Team Romney. Other Romney donors giving \$2,500 include Assemblywoman Diane Harkey, R-Dana Point and her husband, businessman Dan Harkey." [Orange County Register, [2/3/12](#)]

---

**2007: Harkey And Her Husband Donated \$4,600 To Mitt Romney's Campaign**

---

**2007: Harkey And Her Husband Donated \$4,600 To Mitt Romney's Campaign.** "In Orange County, the vault within the vault for Republicans, Romney raised \$706,000 in his first three months as an announced candidate in 2007. In his first three months as a candidate this time around, Orange County accounted for less than half of that, \$316,000, his FEC filing shows. 'There is a plethora of candidates,' Assemblywoman Diane Harkey, R-Dana Point, told me. 'People really haven't decided.' Harkey and her husband gave a combined \$4,600 to Romney in early 2007." [Sacramento Bee, 7/21/11]

---

**Paul Cook, Member Of Congress**

---

---

**2012: Harkey Endorsed Paul Cook**

---

**Harkey Endorsed Paul Cook.** "Colonel Paul Cook (ret.) announced the endorsements of leading Republican lawmakers today. Both Assembly Republican Leader Connie Conway - who represents Barstow, Needles, many rural areas in San Bernardino County, and all of Inyo County - as well as Senate Republican Leader Bob Huff have endorsed Cook. They were joined by the following lawmakers in their endorsement: Assemblymembers Katcho Achadjian, Bill Berryhill, Martin Garrick, Diane Harkey, Kevin Jeffries, Brian Nestande, Jim Nielsen, and Don Wagner. Senators Tom Berryhill, Anthony Cannella, and Bob Dutton." [Representative-Elect Paul Cook, press release via Targeted News Service, 6/1/12]

---

**Paul Glaabis, Member Of Congress**

---

---

**Paul Glaabis Endorsed Harkey For Her 2008 State Assembly Campaign**

---

**April 2007: Four Local Members Of Congress, Paul Glaabis, And Tom Harman Endorsed Harkey.** "Here's what she's been able to leverage: \*Incumbent Walters is her honorary campaign chairwoman and held a fundraiser at her palatial Laguna Niguel home for Harkey. \*The fundraiser's emcee was county GOP boss Scott Baugh-- even though Baugh typically does not endorse in primaries and hasn't endorsed in this one. \*Four local congressmen are among her endorsees. Potential challenger Paul Glaabis now backing her. So is state Sen. Tom Harman, who fended off Harkey's aggressive campaign against him last year." [Orange County Register, [4/9/07](#)]

---

**Rick Perry**

---

---

**2011: Harkey Said Rick Perry Would "Be A Stellar Candidate" For President**

---

**2011: Harkey Said That Rick Perry Would "Be A Stellar Candidate" As She Signed A Letter Encourage Perry To Run.** "Harkey says she still likes Romney, but is 'impressed with Michelle Bachmann,' and signed a letter encouraging Perry to enter the race. 'If Rick Perry were to jump in, he'd be a stellar candidate,' Harkey said, though she noted Perry, unlike Romney, has not been fully vetted. She offered a tepid assessment of the front-runner: 'I'm not not supporting Romney.'" [Sacramento Bee, 7/21/11]

---

**2011: Harkey Signed Onto The Committee To Draft Rick Perry For President**

---

**2011: Harkey Signed Onto The Committee To Draft Rick Perry For President.** “Republican Assemblyman Dan Logue has made no secret of his admiration for the Lone Star State. The Linda Republican often points to the state’s relatively lax regulatory structure and business-friendly climate as a model California should follow. Last month, he led a mostly Republican delegation of California lawmakers on a ‘fact finding’ trip to Texas to learn more about its job creation strategies. Now he’s looking to make the governor who brags of poaching California companies the nation’s commander in chief, announcing the creation of the Committee to Draft Rick Perry for President. [...] Republican Assemblymembers Katcho Achadjian, Diane Harkey, Kevin Jeffries, Brian Jones and Mike Morrell have signed on to the California-based draft Perry campaign. It has launched a website urging supporters to call on the governor to run. Tell us whether you think Perry is presidential material in the poll below.” [Sacramento Bee, 5/20/11]

## **Ted Cruz**

### **April 2016: Harkey Endorsed Ted Cruz For President**

**2016: Harkey Endorsed Ted Cruz.** “Board of Equalization member Diane Harkey, a former assemblywoman who also endorsed Cruz, told the crowd that the Republican Party’s contested nominating contest has put California ‘on the map for a primary, and I never thought I’d see that in my whole life. We matter!’” [Sacramento Bee, [4/12/16](#)]

### **April 2016: Harkey Praised Cruz’s Choice Of Carly Fiorina As His Vice President**

**Harkey Praised Cruz’s Choice Of Carly Fiorina As His Vice President.** “When Ted Cruz formally named Carly Fiorina as his vice presidential running mate yesterday, the positive reaction in California from Republican leaders was swift: ‘Carly’s life experiences provide a unique perspective and insight into the business community, women’s work, family and health concerns, as well as a conservative California perspective to issues of security and employment growth affecting our state and the nation. Her tireless spirit, commitment, integrity, straight talk and can do attitude is just what Americans want to see as Vice President.’ Diane Harkey, Member, State Board of Equalization” [Ted Cruz, press release via University of California, Santa Barbara, [4/28/16](#)]

## **State & Local Political Figures**

### **Acquanetta Warren, Mayor Of Fontana**

#### **2010: Harkey Endorsed Acquanetta Warren For State Assembly**

**Harkey Endorsed Acquanetta Warren For State Assembly.** “Don, Paul, Jacqueline, Pat, Mike, Henry, Acquanetta. Her name stands out, true, but Acquanetta Warren is even more of an oddity than her four-syllable handle lets on: She’s a black Republican woman, and she’s a serious candidate for the 63rd Assembly District. [...] ‘She’s a dynamo,’ said Assemblywoman Diane Harkey, R-San Juan Capistrano, who has endorsed Warren. ‘She’s a very strong, conservative Republican, and she’s a female, which we need desperately.’” [Los Angeles Daily News, [4/4/10](#)]

### **Arnold Schwarzenegger**

#### **Harkey Said Governor Schwarzenegger’s Downfall Was From His “Flexibility In Policy And Values”**

**2013: Harkey Said Governor Schwarzenegger’s Downfall Was From His “Flexibility In Policy And Values.”** “In an op-ed announcing her 2014 candidacy for the California Board of Equalization, a tax authority, Republican state Assemblywoman Diane Harkey of Dana Point said ‘flexibility in policy and values’ were the downfall of Gov. Arnold Schwarzenegger, a Republican who alienated many in his party with his moderate views. ‘Conventional wisdom says Republicans must change who we are and what we stand for if we want to reach the young, minorities and women that broke decisively for Democrats. Compromise on social issues, immigration and even taxation seem

to be the prescription,' Harkey wrote. 'But to win elections again we must `expand' who we are, and not lose sight of what we stand for.'" [Associated Press via NewsOK, [2/26/13](#)]

### **Brian Jones, Assemblymember**

#### **2014: Brian Jones Endorsed Harkey For Board Of Equalization**

**Brian Jones Endorsed Harkey For Board Of Equalization.** "Over 100 respected GOP leaders examined the candidates for Board of Equalization and gave their support to Diane Harkey. That includes official endorsements of the San Diego Republican Party, Howard Jarvis Taxpayers Association, National Tax Limitation Committee, Hispanic 100, Rep. Darrell Issa, Assemblyman Brian Jones and many others." [San Diego Union-Tribune, Sherry Hodges Former Chief Of Staff For Assemblywoman Harkey Op-Ed, [5/30/14](#)]

### **Derek Reeve, San Juan Capistrano City Council Member**

#### **Harkey Responded To A Request From The San Juan Capistrano City Council To Investigate A Conflict Of Interest Between A Councilmember And The City**

**Harkey Responded To A Request From The San Juan Capistrano City Council To Investigate A Conflict Of Interest Between A Councilmember And The City.** "The Orange County Republican Party may have buyer's remorse regarding its endorsement of San Juan Capistrano City Councilman Derek Reeve. [...] The Attorney General's Office is investigating the legality of a city councilman also working as a lawyer for a group that frequently clashes with City Hall. The probe was requested by Assemblyman Mark Stone, D-Monterey Bay, on behalf of Assemblywoman Diane Harkey, R-Dana Point, who was responding to a request from the City Council majority to investigate Reeve's relationship with the activist group Community Common Sense. The office has yet to issue an opinion." [Orange County Register, [9/16/14](#)]

### **Etta Waterfield, Santa Maria City Council Member**

#### **2010: Harkey Endorsed Etta Waterfield For The State Assembly**

**Harkey: "We Know The Democrats Are Going To Continue Pressuring The Legislature To Raise Taxes And That's Why We Need Proven Conservatives Like Etta Waterfield In The Assembly To Stop Higher Taxes."** "State Assembly candidate Etta Waterfield announced that another conservative lawmaker has endorsed her bid to replace Assemblyman Sam Blakeslee. 'We know the Democrats are going to continue pressuring the legislature to raise taxes,' said Assemblywoman Diane Harkey, R-San Juan Capistrano, 'and that's why we need proven conservatives like Etta Waterfield in the Assembly to stop higher taxes.' Waterfield's campaign described Harkey as 'renowned for her expertise in financial matters,' noting her 30-year career in finance and banking before being elected." [San Luis Obispo Tribune, [2/13/10](#)]

### **Jerry Brown**

#### **Harkey Praised Governor Brown's Handling Of The Budget, Reportedly Lamented That Brown "Will Only Be Here For Another Term," And Said "His Approach Is A Lot Like Mine"**

**2014: Harkey Praised Governor Brown's Handling Of The Budget And Reportedly Lamented That Brown "Will Only Be Here For Another Term."** "Gov. Jerry Brown received a warm welcome from lawmakers Monday as he pitched his proposal to pay off debt and save money for future economic downturns. He faced only one mild question during a rare appearance before a legislative committee, joked about what office he might hold more than a decade from now and played his greatest-hits talking points about stabilizing California's tumultuous finances. 'There's nothing complicated about the idea of saving money,' Brown said as he urged Democrats and Republicans to unite behind his proposal. 'Voters can understand it.' Brown's testimony before the Assembly

Budget Committee, part of a special legislative session he called to focus attention on his proposal, was another sign of his willingness to throw his personal political capital behind the measure. Judging by his reception, Brown is on safe ground. One Republican, Assemblywoman Diane Harkey of Dana Point, praised the governor's handling of the budget and lamented that he 'will only be here for another term,' already assuming Brown will win reelection in November." [Los Angeles Times, [4/28/14](#)]

**Harkey On Governor Brown: "His Approach Is A Lot Like Mine – Very Direct."** "During the Wednesday event, Brown took questions from the audience, some seemingly planted, some not. When Assemblywoman Diane Harkey, an Orange County Republican, stood, Brown called on her, by her first name. The governor-elect never will be mistaken for a warm and fuzzy guy. But legislators notice when governors know their names. 'His approach is a lot like mine – very direct,' Harkey said of Brown afterward." [Sacramento Bee, 12/9/10]

**Harkey: "I Appreciate That This Governor Wants To Dream Big, But We Just Left A Dream-Big Governor. We Need Somebody That's Real, From This Earth, And That Will Help Us Get Out Of This Mess."** "While balancing the budget will remain a top priority, Gov. Jerry Brown indicated in his State of the State address Wednesday that he also intends to pursue an ambitious agenda of change and capital investment during his second year in office. [...] 'I find it very, very difficult to understand why anyone would be promoting financial solvency, and go biz, and trying to fund a state-operated, high-speed rail,' said Assemblywoman Diane Harkey, R-Dana Point. 'I appreciate that this governor wants to dream big, but we just left a dream-big governor. We need somebody that's real, from this Earth, and that will help us get out of this mess.'" [Orange County Register, [1/19/12](#)]

---

### **Jerry Kern, Oceanside City Council Member**

---

---

#### **2009: Harkey Supported Councilmember Jerry Kern In His Effort Against A Recall Election**

---

**Harkey Supported Councilmember Jerry Kern In His Effort Against A Recall Election.** "Four North County legislators are backing Oceanside Councilman Jerry Kern in his effort to survive a recall election Dec. 8. Rep. Darrell Issa, state Sen. Mark Wyland and Assembly members Martin Garrick and Diane Harkey announced their support Thursday. The four are Republicans, as is Kern." [San Diego Union-Tribune, 11/22/09]

---

### **Jim Wood, Oceanside Mayor**

---

---

#### **Harkey Called Oceanside Mayor Jim Wood "A True Friend"**

---

**Harkey Called Oceanside Mayor Jim Wood "A True Friend."** "A gold watch, baseball caps, proclamations, a parking placard - and a lot of good wishes - were presented last Thursday to retired Oceanside Mayor Jim Wood at a 'Meet the City' event sponsored by the Chamber of Commerce. [...] State elected officials included Diane Harkey, R-Dana Point, chairwoman of the California Board of Equalization, and Assemblyman Rocky Chavez, R-Oceanside. 'This man has never wavered,' Harkey said. 'He's always been a true friend.'" [San Diego Union-Tribune, 2/1/18]

---

### **Lisa Bartlett, Dana Point City Council Member**

---

---

#### **Harkey Supported The Lisa Bartlett's 2006 Campaign The Dana Point City Council**

---

**Harkey Supported The 2006 Campaigns Of Lisa Bartlett And Joel Bishop To The Dana Point City Council.** "With all the precincts counted, three new challengers -- Lisa Bartlett, Steven Weinberg and Joel Bishop -- won City Council seats in Tuesday's election. Jim Lacy, the only incumbent, came in sixth and will not serve a second term. [...] Bartlett and Bishop had the same campaign manager and held events together during the race. Both were supported by current Councilwoman Diane Harkey, and three votes are enough to pass most items before the



council. But both Bartlett and Bishop said they would vote individually, and not as a block.” [Orange County Register, 11/9/06]

**Harkey Did Not Endorse An Incumbent In The Race Who Had Endorsed Harkey For State Senate.** “Jim Lacy endorsed her Senate bid but then watched Harkey give the cold shoulder to his Dana Point City Council reelection bid. Instead, she endorsed two challengers for the three contested seats. Both won and Lacy lost. He isn't one of her biggest fans these days. ‘She's got sharp elbows, she's wealthy, she's a mean SOB when it comes to politics, and she doesn't have a clear political philosophy,’ said Lacy. ‘The bottom line is that she's got the money and the oligarchy that often determines OC politics respects that.’” [Orange County Register, [4/9/07](#)]

---

### **After The Election, Bartlett Nominated Harkey To Be Mayor Of Dana Point**

---

**Bartlett Nominated Harkey To Be Mayor And Harkey Nominated Bartlett As Mayor Pro Tem, Which Was Not A Unanimous Vote.** “At its first meeting on Dec. 13, the new City Council elected Diane Harkey as mayor and approved the second reading of the Town Center Plan. After new Councilmen Joel Bishop and Steven Weinberg and Councilwoman Lisa Bartlett were sworn in, Bartlett nominated Harkey for mayor. She was elected unanimously. The election for Mayor Pro Tem was divided. Harkey nominated Bartlett. Former Mayor Lara Anderson nominated Weinberg. Bartlett was elected 3-2, with Anderson and Weinberg opposed.” [Orange County Register, 12/21/06]

---

### **Harkey Replaced A Fellow Councilmember Who Opposed A Toll Road Project With Bartlett**

---

**Harkey Replaced A Fellow Councilmember Who Opposed A Toll Road Project With Bartlett.** “Perhaps the biggest disagreement about committee assignments came over who would serve on the Foothill/Eastern Transportation Corridor Agency, which oversees the Foothill (241) Toll Road. City Councilwoman Lara Anderson was taken off the Board of Directors for the toll road agency due to her stance against the toll road's proposed route. Anderson had previously served for two years on the agency board and was secretary of the board when she was removed. Harkey nominated Mayor Pro Tem Lisa Bartlett as Anderson's replacement, with herself as the alternate. During the Jan. 8 City Council meeting, Anderson expressed her desire to remain on the committee, but no one nominated her to take Bartlett's place.” [Orange County Register, 2/15/07]

---

### **Martin Garrick, State Assembly Member**

---

---

#### **Harkey On Martin Garrick: “He’s Committed To Our Values And Has Been A True Believer.”**

---

**Harkey On Martin Garrick: “He’s Committed To Our Values And Has Been A True Believer.”** “Martin Garrick of Carlsbad, once part of the Reagan White House team, plans to stick with the Gipper’s ‘stay the course’ philosophy when he assumes the helm of the Assembly Republican caucus next month. For majority Democrats, that means a continuation of steadfast GOP budget bargaining positions — no new taxes, widespread cuts and overriding various environmental safeguards in the name of protecting businesses and jobs. Republicans yesterday named Garrick as their leader, replacing Assemblyman Sam Blakeslee of San Luis Obispo. Garrick, 56 and in his fourth year in the Assembly, said his election sends the message that raising taxes won’t solve California’s persistent financial crisis. [...] ‘He’s committed to our values and has been a true believer,’ said Assemblywoman Diane Harkey, R-Dana Point, whose district includes Camp Pendleton and other parts of North County.” [San Diego Union-Tribune, 1/20/10]

---

### **Matthew Harper, State Assembly Member**

---

---

#### **2014: Harkey Endorsed Matthew Harper For State Assembly**

---

**Harkey Endorsed Matthew Harper For State Assembly.** “Matthew Harper, a candidate for the 74th Assembly District, has been endorsed by the 74th's outgoing assemblyman, Allan Mansoor (R-Costa Mesa). Mansoor, a

former Costa Mesa mayor, is now running for the Orange County Board of Supervisors after serving two terms in Sacramento. Harper, mayor of Huntington Beach, also said 73rd District Assemblywoman Diane Harkey (R-Dana Point), Costa Mesa Mayor Jim Righeimer and Irvine Mayor Steven Choi have endorsed him.” [Los Angeles Times, [5/14/14](#)]

---

## **Mike Carona, Orange County Sheriff**

---

---

### **Mike Carona, A Local Sheriff Accused Of Sexual Harassment, Endorsed Harkey For Her 2006 State Senate Campaign Who Faced Allegations Of Sexual Harassment In That Same Month**

---

**January 2006: Sheriff Mike Carona Endorsed Harkey.** “Last week Diane Harkey, Republican candidate for the 35th State Senate District, picked up another endorsement – from Sheriff Carona. Harkey is running against Tom Harman, R-Huntington Beach, in the April 11 primary for the seat vacated when John Campbell went to Congress.” [Orange County Register, [1/30/06](#)]

**In That Same Month, Carona Faced Allegations Of Sexual Harassment.** “It’s still five months off, but the campaign for sheriff is off to a rousing start. About 20 people rallied outside the Sheriff’s Department in Santa Ana Friday, calling on Sheriff Mike Carona to resign because of sexual harassment allegations and problems with his reserve deputy program. (Carona denies allegations on both issues.) The event was organized by Tim Whitacre, a supporter of Bill Hunt, the San Clemente police chief challenging Carona. Whitacre swore it wasn’t a ‘campaign thing,’ and Hunt didn’t attend, although his wife did. One person at the rally carried a sign that read, ‘We want a sheriff, not a sex offender.’” [Orange County Register, [1/30/06](#)]

---

### **By 2007, Carona Was Indicted For Illegally Using His Office To Take Bribes In Exchange For Favors**

---

**October 2007: Carona Was Indicted For Illegally Using His Office To Take Bribes In Exchange For Favors.** “Carona, 52, was indicted by a federal grand jury last week on charges that he illegally used his elected office by taking bribes of cash and lavish gifts in exchange for favors. The indictment says he accepted \$350,000, a Cartier watch, lavish vacations and tickets to big sporting events. In return, prosecutors allege, he offered his well-heeled friends concealed weapons permits, badges and, in one case, a ‘get out of jail free’ card that gave the buddy free access to the department’s resources, according to the indictment unsealed Tuesday.” [Orange County Register, [10/31/07](#)]

**Harkey In 2007 On The Indictment: “I’m Greatly Saddened By The Indictment. I Think We Need To Let The Process Run Its Course. Indictment Is Not A Conviction.”** “‘I’m greatly saddened by the indictment,’ said Dana Point Mayor Diane Harkey. ‘I think we need to let the process run its course. Indictment is not a conviction. We need to let the law take its course and see what really happened.’” [Orange County Register, [10/31/07](#)]

---

### **Carona Served 52 Months For Felony Witness Tampering**

---

**Carona Served 52 Months For Felony Witness Tampering.** “His departure from public life was nasty, dramatic and well-documented. But former Orange County Sheriff Mike Carona got out of prison this week in a far different manner: Quietly, and somewhat mysteriously. Carona, 59, has left a federal prison medical center in Lexington, Ky., said Kenny Coleman, the center’s camp administrator, on Thursday. Carona served 52 months of a 66-month sentence for felony witness tampering.” [Orange County Register, [5/18/15](#)]

---

## **Nathan Fletcher, State Assembly Member**

---

---

### **Harkey Endorsed Nathan Fletcher For San Diego Mayor And Said They Shared Prioritizing Cutting Wasteful Spending And Reforming Public Pensions**

---

**Harkey Endorsed Nathan Fletcher For San Diego Mayor And Said They Shared Prioritizing Cutting Wasteful Spending And Reforming Public Pensions.** “Nathan Fletcher netted two more endorsements for his San

Diego mayoral campaign today. The Republican assemblyman gained the support of two fellow GOP lawmakers: Sen. Mark Wyland, R-Solana Beach, and Assemblywoman Diane Harkey, R- Dana Point. [...] Harkey said she and Fletcher share priorities of cutting wasteful spending and reforming public pensions.” [City News Service, 6/30/11]

### **Sandra Hutcheson, Orange County Sheriff**

#### **2008: Harkey Supported Sandra Hutchens, A Retired Division Chief With The Los Angeles Sheriff's Department, For Orange County Sherriff**

**Harkey Supported Sandra Hutchens, A Retired Division Chief With The Los Angeles Sheriff's Department, For Orange County Sherriff.** “The Orange County Board of Supervisors is set to make a final choice for sheriff today from two local law enforcement professionals. After whittling down the list of 48 candidates, the board last week chose as finalists Sandra Hutchens, a retired division chief with the Los Angeles Sheriff's Department, and Santa Ana Police Chief Paul Walters. The appointment of a new sheriff fell to the board in January, after Sheriff Mike Carona resigned to focus on defending himself against federal public corruption charges. Hutchens, 53, lives in Dana Point and is supported by many female politicians, including Assemblywoman Mimi Walters, former state Sen. Marian Bergeson and Dana Point City Councilwoman Diane Harkey.” [Orange County Register, [6/10/08](#)]

### **Steven Choi, Irvine Mayor**

#### **2015: Harkey Endorsed Irvine Mayor Steven Choi**

**Harkey Endorsed Irvine Mayor Steven Choi.** “Republican Mayor Steven Choi is running for the 68th Assembly District seat occupied by Donald Wagner, R-Irvine, who will be termed out in 2016. [...] Choi is backed by Irvine council colleagues Jeff Lalloway, Christina Shea and Lynn Schott, and former Assemblywoman Diane Harkey, now a member of the California State Board of Equalization, according to his campaign announcement.” [Orange County Register, [7/16/15](#)]

### **Michelle Steel, Board Of Equalization**

#### **Outgoing Board Of Equalization Member Steel Endorsed Harkey To Replace Her On Her Seat**

**Board Of Equalization Member Michelle Steel And U.S. Representative Ken Calvert Endorsed Harkey.** “Both lawmakers have had their eye on the Board of Equalization seat since 2011. Harkey's endorsements includes incumbent Board of Equalization member Michelle Steel and U.S. Rep. Ken Calvert (R-Corona). Wyland's supporters include former Gov. Pete Wilson and 2012 presidential candidate Mitt Romney.” [Los Angeles Times, [12/23/13](#)]

## **State & Local Interest Groups**

### **Alliance For Orange County Taxpayers**

#### **The Alliance For Orange County Taxpayers Spent \$150,000 Supporting Harkey In Her 2006 State Senate Campaign**

**The Alliance For Orange County Taxpayers Spent \$150,000 Aiding Harkey.** “Harkey got a boost from the Orange County Republican establishment. Pitching in \$150,000 was a group called the Alliance for Orange County Taxpayers, whose contributors included longtime GOP donors Buck Johns, Doy Henley and Howard Ahmanson, owner of Fieldstead & Co. The Lincoln Club of Orange County, a local fundraising powerhouse, spent \$67,850 on an independent anti-Harman effort, and \$20,000 came from the conservative California Republican Assembly to help Harkey.” [Los Angeles Times, [4/12/06](#)]

**The Alliance Of Orange County Taxpayers Spent \$ \$83,500 On Against Harkey's Opponent.** "The late spending for Harman was partly answered by two groups backing Harkey: the Lincoln Club of Orange County, a GOP fund-raising group, and the Alliance of Orange County Taxpayers, based in Tustin. The Lincoln Club spent \$30,200, while the tax group pitched in \$83,500 on anti-Harman mail." [Los Angeles Times, [4/4/06](#)]

## California Organization Of Police And Sheriffs

### The California Organization Of Police And Sheriffs Endorsed Harkey In Her 2004 City Council Campaign

**The California Organization Of Police And Sheriffs Endorsed Harkey.** "Diane Harkey has the LAW ENFORCEMENT ENDORSEMENT of the California Organization of Police and Sheriffs." [Diane4DP.com via Wayback Machine, [1/29/05](#)]

## California Republican Assembly

### The California Republican Assembly Endorsed Harkey For Her 2006 State Senate Campaign

**The California Republican Assembly Endorsed Harkey.** "The California Republican Assembly, a bellwether of the conservatism Hoffenblum refers to, does an annual scorecard of legislators based on a dozen or so key votes. Harman has averaged an 86 percent from that group -- not the highest score, but not far down the list. Rep. John Campbell, R-Irvine, who vacated the contested Senate seat in December when he was elected to Congress, averaged 93 percent over the same period. Harkey is unrated because she hasn't served in the Legislature, but has been endorsed by the CRA." [Orange County Register, [4/5/06](#)]

**The California Republican Assembly \$20,000 Aiding Harkey.** "Harkey got a boost from the Orange County Republican establishment. Pitching in \$150,000 was a group called the Alliance for Orange County Taxpayers, whose contributors included longtime GOP donors Buck Johns, Doy Henley and Howard Ahmanson, owner of Fieldstead & Co. The Lincoln Club of Orange County, a local fundraising powerhouse, spent \$67,850 on an independent anti-Harman effort, and \$20,000 came from the conservative California Republican Assembly to help Harkey." [Los Angeles Times, [4/12/06](#)]

## Hispanic 100

### 2014: Hispanic 100 Endorsed Harkey For Board Of Equalization

**Hispanic 100 Endorsed Harkey For Board Of Equalization.** "Over 100 respected GOP leaders examined the candidates for Board of Equalization and gave their support to Diane Harkey. That includes official endorsements of the San Diego Republican Party, Howard Jarvis Taxpayers Association, National Tax Limitation Committee, Hispanic 100, Rep. Darrell Issa, Assemblyman Brian Jones and many others." [San Diego Union-Tribune, Sherry Hodges Former Chief Of Staff For Assemblywoman Harkey Op-Ed, [5/30/14](#)]

## Howard Jarvis Taxpayers Association

### 2014: The Howard Jarvis Taxpayers Association Endorsed Harkey For Board Of Equalization

**The Howard Jarvis Taxpayers Association Endorsed Harkey For Board Of Equalization.** "Over 100 respected GOP leaders examined the candidates for Board of Equalization and gave their support to Diane Harkey. That includes official endorsements of the San Diego Republican Party, Howard Jarvis Taxpayers Association, National Tax Limitation Committee, Hispanic 100, Rep. Darrell Issa, Assemblyman Brian Jones and many others." [San Diego Union-Tribune, Sherry Hodges Former Chief Of Staff For Assemblywoman Harkey Op-Ed, [5/30/14](#)]

## Lincoln Club Of Orange County

### The Lincoln Club Of Orange County Endorsed Harkey For Her 2004 City Council Campaign

The Lincoln Club Of Orange County Endorsed Harkey. [Diane4DP.com via Wayback Machine, [1/29/05](#)]

### The Lincoln Club Of Orange County Spent \$67,850 Aiding Harkey In Her 2006 State Senate Campaign

**The Lincoln Club Of Orange County \$67,850 Aiding Harkey.** “Harkey got a boost from the Orange County Republican establishment. Pitching in \$150,000 was a group called the Alliance for Orange County Taxpayers, whose contributors included longtime GOP donors Buck Johns, Doy Henley and Howard Ahmanson, owner of Fieldstead & Co. The Lincoln Club of Orange County, a local fundraising powerhouse, spent \$67,850 on an independent anti-Harman effort, and \$20,000 came from the conservative California Republican Assembly to help Harkey.” [Los Angeles Times, [4/12/06](#)]

**The Lincoln Club Of Orange County Spent \$30,200 And \$83,500 Against Harkey’s Opponent.** “The late spending for Harman was partly answered by two groups backing Harkey: the Lincoln Club of Orange County, a GOP fund-raising group, and the Alliance of Orange County Taxpayers, based in Tustin. The Lincoln Club spent \$30,200, while the tax group pitched in \$83,500 on anti-Harman mail.” [Los Angeles Times, [4/4/06](#)]

## Redlands Tea Patriots

### 2014: The Redlands Tea Patriots Endorsed Harkey For Board Of Equalization

**The Redlands Tea Patriots Endorsed Harkey For Board Of Equalization.** “The Redlands Tea Party Patriots did endorse a number of candidates Thursday night, in addition to Donnelly: [...] - George Runner and Diane Harkey for the State Board of Equalization” [Redlands Daily Facts via San Bernardino Sun, [4/4/14](#)]

## Republican Party Of Orange County

### 2014: The Republican Party Of Orange County Endorsed Harkey For The Board Of Equalization

**The Republican Party Of Orange County Endorsed Harkey.** “The high-stakes nature of the race between Wyland and Harkey was clear last year when the Dana Point assemblywoman filed a \$10 million defamation lawsuit against the veteran senator for comments he made about a lawsuit against Harkey and her husband, Dan, alleging he defrauded investors. Harkey dropped the lawsuit in November. Earlier this month, she received a coveted endorsement from the Republican Party of Orange County and lists about \$225,000 in her campaign account as of Dec. 31.” [Sacramento Bee, 2/28/14]

## San Diego Republican Party

### 2014: The San Diego Republican Party Endorsed Harkey For The Board Of Equalization

**The San Diego Republican Party Endorsed Harkey For The Board Of Equalization.** “Over 100 respected GOP leaders examined the candidates for Board of Equalization and gave their support to Diane Harkey. That includes official endorsements of the San Diego Republican Party, Howard Jarvis Taxpayers Association, National Tax Limitation Committee, Hispanic 100, Rep. Darrell Issa, Assemblyman Brian Jones and many others.” [San Diego Union-Tribune, Sherry Hodges Former Chief Of Staff For Assemblywoman Harkey Op-Ed, [5/30/14](#)]

## National Interest Groups



## National Federation Of Independent Business

### 2014: The National Federation Of Independent Business Endorsed Harkey

**The National Federation Of Independent Business Endorsed Harkey.** “The National Federation of Independent Business, California's and the nation's leading small business association, today announced the endorsement of Assemblymember Diane Harkey for California Board of Equalization District 4. ‘NFIB is very pleased to endorse Assemblymember Diane Harkey for the California Board of Equalization,’ said John Kabateck, NFIB/CA executive director. ‘Diane has been a voice in the Assembly for small business and has consistently advocated for lower taxes, fewer regulations and improving the business climate in California. She understands the challenges our members face and what needs to be done to help them succeed. She will be a welcome addition to the California BOE.’” [National Federation Of Independent Business, press release via States News Service, 10/2/14]

### 2012: National Federation Of Independent Business And California SAFE Trust Endorsed Harkey

**2012: National Federation Of Independent Business And California SAFE Trust Endorsed Harkey.** “The National Federation of Independent Business/California SAFE Trust today announced its endorsement of 31 candidates in California Senate and Assembly races. Today's endorsement comes from NFIB's California Save America's Free Enterprise Trust, the organization's political action committee, and is based on voting records (if applicable) and positions on key small business issues to evaluate the candidates' views on legislative issues affecting small business. [...] District 73: Diane Harkey” [National Federation of Independent Business/California SAFE Trust, press release via States News Service, 5/15/12]

## National Tax Limitation Committee

### 2014: The National Tax Limitation Committee Endorsed Harkey For Board Of Equalization

**The National Tax Limitation Committee Endorsed Harkey For Board Of Equalization.** “Over 100 respected GOP leaders examined the candidates for Board of Equalization and gave their support to Diane Harkey. That includes official endorsements of the San Diego Republican Party, Howard Jarvis Taxpayers Association, National Tax Limitation Committee, Hispanic 100, Rep. Darrell Issa, Assemblyman Brian Jones and many others.” [San Diego Union-Tribune, Sherry Hodges Former Chief Of Staff For Assemblywoman Harkey Op-Ed, [5/30/14](#)]

## News Organizations

### San Diego Union-Tribune

#### 2014: The San Diego Union-Tribune Wrote An Editorial Against Harkey That She Was “Unsuitable For Public Service.”

**San Diego Union-Tribune Editorial: “But It Would Take Acres Of Newsprint To List What’s Been Disappointing About The Other Serious Board Of Equalization Candidate, Assemblywoman Diane Harkey Of Dana Point.”** “But it would take acres of newsprint to list what’s been disappointing about the other serious Board of Equalization candidate, Assemblywoman Diane Harkey of Dana Point. It was in 2009 that fraud allegations first emerged against Point Center Financial, a real-estate firm led by her husband, Dan Harkey. Though she has been listed as both a public officer and an employee of the company, she says she had nothing to do with the actions that led to three fraud judgments against Dan Harkey and Point Central Financial awarding \$12.5 million in damages to about 80 investors.” [San Diego Union-Tribune, Editorial, [5/27/14](#)]

**San Diego Union-Tribune Editorial: “Given That Her Campaign Disclosure Forms Showed Limited Personal Assets At The Time, It Is Obvious That People Would Wonder If Her Career In Politics Is Based On A Family Fortune Built At Least Partly Through Fraud.”** “Other facts are crucial and damning.

As The Orange County Register reported in 2009, Diane Harkey spent \$135,000 to launch her political career in 2004 with a successful bid for the Dana Point City Council. She spent \$2 million more on a failed state Senate bid in 2006, a successful Assembly run in 2008, and on other political campaigns. Given that her campaign disclosure forms showed limited personal assets at the time, it is obvious that people would wonder if her career in politics is based on a family fortune built at least partly through fraud.” [San Diego Union-Tribune, Editorial, [5/27/14](#)]

**San Diego Union-Tribune Editorial: “Both Harkey’s Refusal To Answer Basic Questions About Her Family Scandal And Her Decision To Depict Herself As A Victim Are Unconscionable. She Is Unsuitable For Public Service.”** “Yet for five years, Harkey has seethed that this question is ‘sexist’ and amounts to ‘slander’; she even briefly sued state Sen. Mark Wyland, R-Solana Beach, for his related criticism. Harkey has done so even though she has changed details on her original story — actions that invite further media scrutiny. She has done so even as dozens of other political figures faced similar tough questions about their families’ finances. Both Harkey’s refusal to answer basic questions about her family scandal and her decision to depict herself as a victim are unconscionable. She is unsuitable for public service.” [San Diego Union-Tribune, Editorial, [5/27/14](#)]

---

### **2008: The San Diego Union-Tribune Endorsed Harkey For Her State Assembly Campaign**

---

**The San Diego Union-Tribune Endorsed Harkey.** “In the 73rd Assembly District -- which is mostly coastal Orange County but also includes Oceanside -- we support Dana Point Councilwoman Diane Harkey, a Republican. She is far more likely to emulate the sensible, pro-business approach of departing incumbent Mimi Walters than Democratic candidate Judy Jones, a businesswoman and educator.” [San Diego Union-Tribune, Editorial, 10/15/08]

## **Staff**

### **Nathan Miller, Harkey’s Deputy District Director**

---

### **2016: Miller, An Aide To Harkey, Resigned After Posting On Twitter A Picture Of A Hangman With A Message Saying “I’m Ready For Hillary”**

---

**August 2016: Miller, An Aide To Harkey Resigned After Posting On Twitter A Picture Of A Hangman With A Message Saying “I’m Ready For Hillary.”** “An aide to California Board of Equalization member Diane Harkey has resigned over posting to Twitter this week a picture of a hangman holding a noose with the message, ‘I’m Ready for Hillary.’ Nathan Miller, deputy district director in Harkey’s Riverside office for the tax board, submitted his resignation Thursday, according to Harkey’s office. Miller, a longtime Republican activist in the Inland Empire, also is vice president of the Riverside Community College District. Wednesday’s tweet came from the account of the Riverside County Republican Party, according to The Press-Enterprise, which first reported the story. The tweet has since been removed.” [Sacramento Bee, [8/4/16](#)]



[Sacramento Bee, [8/4/16](#)]

**Harkey's Office Had No Comment On The Post.** "Harkey, elected in 2014 to a board district that includes much of Southern California, previously served in the Assembly. Her office had no comment on Miller's Twitter post." [Sacramento Bee, [8/4/16](#)]

**Harkey's Chief Deputy Said The Aide Admitted That The Tweet Lacked Judgement.** "The image showed a bloody, masked hangman, holding a noose, above the caption 'I'm Ready for Hillary.' 'He admitted to sending an inappropriate tweet that lacked judgment,' said Harkey's chief deputy Russell Lowery, 'and he offered his resignation and it was accepted.'" [Desert Sun, [8/3/16](#)]

**Miller Worked For Harkey For Eleven Months.** "Miller did not return messages seeking comment Thursday, but has worked for the last 11 months in Diane Harkey's Board of Equalization office, representing taxpayers in Southern California, including Riverside and Imperial counties." [Desert Sun, [8/3/16](#)]

## Donald Trump

### Significant Findings

- ✓ *Harkey declined ranking President Trump's performance and expressed some reservations but praised Trump's regulatory reforms.*

## Harkey Declined Ranking President Trump's Performance And Expressed Some Reservations But Praised Trump's Regulatory Reforms

**HEADLINE: "Many GOP House Candidates Wary Of Embracing Trump"** [Orange County Register, [2/16/18](#)]

**Harkey Declined Ranking President Trump's Performance And Expressed Some Reservations But Praised Trump's Regulatory Reforms.** "The best-known and most-accomplished GOP candidates in the Royce and Issa districts all declined an invitation to rank Trump's performance to date. Former state Senate GOP Leader Bob Huff of Diamond Bar, Assemblyman Rocky Chavez, R-Oceanside, and San Diego County Supervisor Kristin Gaspar did not respond inquiries. Orange County Supervisor Shawn Nelson of Fullerton, former Assemblywoman Young Kim of Fullerton and Board of Equalization Member Diane Harkey of Dana Point answered other questions about Trump, but declined to give him a score. Political consultant Dave Gilliard is working with Kim and Harkey. 'Neither felt comfortable giving a score like that so early in his term,' Gilliard said. Kim, Harkey and Nelson all praised regulatory reforms of the president, with Kim and Nelson also applauding the tax-reform package. When prompted, all three also expressed reservations with some aspects of the presidency." [Orange County Register, [2/16/18](#)]

**Harkey's Campaign Manager Said That Harkey Was "Not Tied Down To Any Candidate."** "At the same time, Republican candidates may likely try to distance themselves from President Trump. Former State Assemblywoman and current Board of Equalization Representative Diane Harkey has also thrown her hat in the ring, saying on her campaign website that she plans to focus on tax reform. Asked about her position on the policies of the president, her campaign manager Dave Gilliard offered this: 'I don't know if anybody in their right mind would have a position on Trump, so to speak. If it's a Donald Trump idea, that's fine. If it's a Nancy Pelosi idea, that's fine too, as long as it's good. She's not tied down to any candidate, which is to her advantage.'" [San Diego Union-Tribune, [1/14/18](#)]

---

# Issues

---



## Agriculture Issues

### Significant Findings

- ✓ *Harkey on increasing a lobster fishing permit fee: "I appreciate that we need to protect the fishes and the environment and everything, but they're not in danger right now."*

## Fishing

### **Harkey On Increasing A Lobster Fishing Permit Fee: "I Appreciate That We Need To Protect The Fishes And The Environment And Everything, But They're Not In Danger Right Now"**

**Harkey On Increasing A Lobster Fishing Permit Fee: "I Appreciate That We Need To Protect The Fishes And The Environment And Everything, But They're Not In Danger Right Now."** "California lawmakers approved a bill Tuesday that would raise fees for a group that is not usually on the Legislature's radar lobster fishermen. Under the bill, AB408, fishermen who trap lobsters off the California coast will have to pay an additional \$300 for a lobster fishing permit. [...] Republicans also said they opposed the bill because they feel California should not be adding fees on business owners as the economy struggles to emerge from recession. 'I appreciate that we need to protect the fishes and the environment and everything, but they're not in danger right now,' said Assemblywoman Diane Harkey, R-Laguna Niguel. The bill passed the Assembly on a 43-25 vote and goes to the governor." [Associated Press, 9/1/10]

## Arts & Quality Of Life Issues

### Significant Findings

- ✓ *Harkey said that cities have learned how to let residents receive and pay for high levels of service and said, "Cities love gated communities."*

## Gated Communities

### **Harkey Said That Cities Have Learned How To Let Residents Receive And Pay For High Levels Of Service And Said, "Cities Love Gated Communities"**

**Harkey Said That Cities Have Learned How To Let Residents Receive And Pay For High Levels Of Service And Said, "Cities Love Gated Communities."** "California's Proposition 13, now 35 years old, has become a bedrock document with unyielding backers. Many Californians support it with near-religious fervor. [...] Orange County Assemblywoman Diane Harkey noted that cities have learned how to let residents who prefer high levels of services to pay for and receive them. 'Cities love gated communities,' she said. In the end, it was clear that there are several property tax-related issues that are worthy of at least public consideration - and that none has anything to do with the core of Proposition 13." [Ventura County Star, 4/9/13]

## Budget Issues

### Significant Findings

- ✓ *In 2010, Harkey said California was “literally bankrupt,” had “taxed everyone into oblivion,” and needed to change “by reducing government staff, regulation, spending” and “pension benefits.”*
- ✓ *2016: Harkey on California’s economy with a 5.3% unemployment rate: “I don't think we are booming by any stretch of the imagination, but I do think we are stable for a while.”*
- ✓ *In 2011, Harkey voted against the state budget and said Democrats sought to “to make the most painful cuts for people in our districts, for the needy, so they will be begging for taxes to be increased.”*
- ✓ *In 2009, Harkey voted against the state budget in which the bulk of its tax increases were on tobacco products, oil companies, and said the state needed deeper cuts.*
- ✓ *In 2007, Harkey said she was “pleased” with Senate Republicans for holding up the state budget for more than a month to push for spending cuts.*
- ✓ *In 2009, Harkey said she was working on an initiative to undo two bonds voters approved worth \$50 billion as she believed voters may not want to spend the money*

## California’s Economy

### **2010: A Spokesperson For The State Treasurer Accused Harkey Of Hurting Taxpayers By Hurting The State’s Bond Market When She Said California Was “Literally Bankrupt”**

#### **Harkey Said California Was “Literally Bankrupt,” Like A Family With Maxed Out Credit Cards And Zero Savings**

**Harkey Said California Was “Literally Bankrupt.”** “Republican U.S. Senate hopeful and former Hewlett Packard CEO Carly Fiorina raised the specter of bankruptcy in a discussion with Southern California business owners. And Republican Assemblywoman and retired banker Diane Harkey of Dana Point Orange County said the state is ‘literally bankrupt.’” [San Francisco Chronicle, [2/22/10](#)]

**Harkey Said The State Was Like A Family With Maxed Out Credit Cards And Zero Savings And Said She Was “Scared” For The State.** “She compared the state's situation to a family with a mortgaged house, maxed out credit cards and zero savings. She said her outspokenness on the topic at public meetings and other forums has caused some at the Capitol to tell her she is apocalyptic, and she said she has been asked to quiet down. ‘It would be nice if we could hide our problems like nobody knew about them, but the bond market is watching. It's not a secret,’ Harkey said, adding later: ‘I'm scared. I want to get the state fixed.’” [San Francisco Chronicle, [2/22/10](#)]

#### **A Spokesperson For The State Treasurer Said Harkey’s Statement Hurt Taxpayers By Poisoning The Bond Market When The State Has To Sell Bonds**

**A Spokesperson For The State Treasurer Said Harkey’s Statement Hurt Taxpayers By Poisoning The Bond Market When The State Has To Sell Bonds.** “Statements like Harkey's could actually hurt the state, said Tom Dresslar, spokesman for Treasurer Bill Lockyer. ‘You might score some political points by saying the state is bankrupt, but you're hurting taxpayers when you do that. We are not basically bankrupt,’ Dresslar said. ‘When you

have that kind of talk out there and it makes it into the papers, it poisons the market when you go to sell bonds.”  
[San Francisco Chronicle, [2/22/10](#)]

### **2010: Harkey Said California Had Spent And “Taxed Everyone Into Oblivion”**

#### **2010: Harkey On California’s Budget: “We've Spent And We've Taxed Everyone Into Oblivion”**

**Harkey On California’s Budget: “We've Spent And We've Taxed Everyone Into Oblivion.”** “They also said it was time to slash spending in Sacramento. ‘We've spent and we've taxed everyone into oblivion,’ said Assemblywoman Diane Harkey, R-Dana Point, who represents the 73rd Assembly District, which includes Oceanside, Camp Pendleton and parts of Orange County.” [North County Times, 5/8/10]

### **2010: Harkey Said California Needed To Change The Way It Did “ Businesses By Reducing Government Staff, Regulation, Spending” And “Pension Benefits”**

#### **2010: Harkey Said That California Needed To Change The Way It “Does Business By Reducing Government Staff, Regulation, Spending” And “Rein In Unsustainable Pension Benefits”**

**Harkey Said That California Needed To Change The Way It “Does Business By Reducing Government Staff, Regulation, Spending” And “Rein In Unsustainable Pension Benefits.”** “Judy Jones, a business consultant/educator, opposes incumbent Diane L. Harkey for the 73rd Assembly District seat. Each candidate was asked to respond to three questions. Q. What would you do to close the state's budget gap? Harkey: We cannot close the state's budget gap until we address the real issue - the state is de-facto bankrupt. Accumulated over-spending and debt are creating recurring \$20B deficits and will continue to do so for the foreseeable future. We must restructure the way California does business by reducing government staff, regulation, spending (across the board if necessary), enhance oversight and accountability for bond or other dollars spent on state projects, and rein in unsustainable pension benefits.” [Orange County Register, 9/28/10]

### **2016: Harkey On California’s Economy With A 5.3% Unemployment Rate: “I Don't Think We Are Booming By Any Stretch Of The Imagination, But I Do Think We Are Stable For A While”**

**2016: Harkey On California’s Economy With A 5.3% Unemployment Rate: “I Don't Think We Are Booming By Any Stretch Of The Imagination, But I Do Think We Are Stable For A While.”** “Harkey said while California is generally in better economic shape, ‘I don't think we are booming by any stretch of the imagination, but I do think we are stable for a while.’ In the state unemployment report for April, the Inland area's 5.6 percent jobless rate was higher than the state's 5.3 percent. And housing remains sluggish for the area, Harkey noted. One key for economic improvement, she said, was completion of work on the 91 freeway. There are two ongoing projects - the widening of the freeway from the Orange/Riverside counties border to the 15, and between Adams Street in Riverside and the interchange for the 60 and 91 and the 215. Increased mobility will make the Inland housing market more attractive and also boost area logistics centers, she said. Both Harkey and Thornberg also said California's roadways need attention, as well as the tax revenue flow that underwrites their maintenance.” [Press-Enterprise, [5/26/16](#)]

**Harkey Credited Freeway Improvement Projects For The Economic Improvement.** “One key for economic improvement, she said, was completion of work on the 91 freeway. There are two ongoing projects - the widening of the freeway from the Orange/Riverside counties border to the 15, and between Adams Street in Riverside and the interchange for the 60 and 91 and the 215. Increased mobility will make the Inland housing market more attractive and also boost area logistics centers, she said. Both Harkey and Thornberg also said California's roadways need attention, as well as the tax revenue flow that underwrites their maintenance.” [Press-Enterprise, [5/26/16](#)]

**Harkey Said California’s Economy Was In A Better Shape But That Not All Areas, Including The Inland Empire, Have Felt It.** “The board attributed the gasoline-volume milestone to a better statewide economy and

cheaper gasoline prices, although its vice chair Diane L. Harkey said in an interview that the improvement is tempered by the Inland area's slower recovery. Harkey, whose district includes Riverside County and a section of San Bernardino County, said while California is generally in better economic shape, 'I think people in the Inland area will tell you they don't feel like they are back from the recession.'" [Point-Enterprise, [5/26/16](#)]

### **2017: In Response To California's GDP Outpacing Federal GDP Growth, Harkey Said She Was "Proud To Represent" High Ranking Areas When It Came To Economic Activity**

**2017: In Response To California's GDP Outpacing Federal GDP Growth, Harkey Said She Was "Proud To Represent The Cities Of Anaheim, San Diego, And Riverside, All Of Which Ranked In The Top Five When It Comes To Economic Activity Among California Regions."** "California's Gross Domestic Product (GDP) has grown consistently faster than the nation's as a whole for four straight years. In 2015, the California GDP rose 5.6 percent, while the U.S. GDP increased 3.7 percent (unadjusted for inflation). [...] California was represented by two of the top 10 areas: Los Angeles-Long Beach-Anaheim (\$930.8 billion), and San Francisco-Oakland-Hayward (\$431.7 billion). The Los Angeles metropolitan area accounts for 37.9 percent of California's GDP, while the San Francisco Bay Area comprises 17.6 percent. 'I'm proud to represent the cities of Anaheim, San Diego, and Riverside, all of which ranked in the top five when it comes to economic activity among California regions,' said Board of Equalization Chairwoman Diane Harkey." [California State Board of Equalization, press release, [4/13/17](#)]

## **Funding And Budgets**

### **2013: Harkey Said She Supported Governor Brown's Conservative Approach To The Budget**

**2013: Harkey Said She Supported Governor Brown's Conservative Approach To The Budget.** "The jobless rate dropped below 9 percent this spring for the first time in five years, when it fell to 8.6 percent in May. Assemblywoman Diane Harkey, a Republican from Dana Point who expects to run for the state Board of Equalization next year, added a note of caution. Not only did the unemployment rate increase, but state tax revenues fell \$266 million below the state Department of Finance's forecast for July, the first month of the fiscal year. Democrats who control the state Legislature have been lobbying to increase spending on social programs, but Harkey supported the conservative approach adopted by Democratic Gov. Jerry Brown. She said consumers and business owners may be reacting to temporary income and sales tax increases sought by Brown and approved by voters last year, and to uncertainty over the looming potential costs of the federal Affordable Care Act. 'Whenever you make huge changes, that can affect the bottom line,' said Harkey, vice chairwoman of the Assembly Appropriations Committee. 'You're going to cut back on employing people and do with what you have. I think all of these things are starting to hit home.'" [Associated Press via 89.3 KPCC, [8/16/13](#)]

### **2012: Harkey Called For An Outside Audit Into The State Budget After Accounting Errors Came To Light Which She Said Was "An Embarrassment For California"**

**2012: Harkey Called For An Outside Audit Into The State Budget After Accounting Errors Came To Light.** "In their first examination of state accounting problems, California lawmakers condemned parks officials Thursday for hiding nearly \$54 million from budget writers. The revelation has damaged the integrity of state government and its budget process, lawmakers from both parties said at an Assembly budget subcommittee hearing. [...] Finance Director Ana Matosantos testified that her department has found no other instances where departments purposely shielded funds in the way that parks officials apparently had for years. In a quick audit released last week, the Finance Department found \$268.5 million of accounting errors, both positive and negative, in a special fund universe that spent \$33.4 billion in 2010-11. The errors netted \$196.7 million more in state accounts than finance officials knew about in late 2011 as they crafted Gov. Jerry Brown's January budget. [...] But that wasn't enough to satisfy all lawmakers. Assemblywoman Diane Harkey, R-Dana Point, called for an independent review of special funds, noting that 'we've lost public trust with this exposé.' 'I would like to have just an outside audit that tell me these (numbers) reconcile,' she said." [Sacramento Bee, [8/10/12](#)]



**Harkey Said The State Was “Losing Public Trust” And That The Scandal Was “An Embarrassment For California.”** “Lawmakers called Thursday for greater oversight of state accounts after expressing outrage over revelations that state park officials hid money. Assembly members used an oversight hearing as an opportunity to blast state agencies and the governor's Department of Finance for accounting practices that led to hundreds of millions of dollars in discrepancies in hundreds of special funds. [...] ‘We're losing public trust; we're asking them for money, we're cutting programs, and we've lost trust,’ said Assemblywoman Diane Harkey. The Dana Point Republican later called the scandal ‘an embarrassment for California.’” [Associated Press via CSULA University Times, [8/8/12](#)]

**2012: Harkey Criticized Governor Brown’s State Of The State Address Saying That Government Spending Was “Not The Way To Reduce California’s Mountain Of Debt Or Increase Employment”**

**2012: Harkey Criticized Governor Brown’s State Of The State Address Saying That Government Spending Was “Not The Way To Reduce California’s Mountain Of Debt Or Increase Employment.”** “‘The speech was vintage Jerry, filled with humor and witticisms but with the same mantra, invest, spend and tax, at a time when millions are out of work and the state will be facing trigger cuts and deficits for years to come,’ Assemblywoman Diane Harkey, R-Dana Point, said in a prepared statement yesterday. ‘Growing state government and adding to our debt to do so, is not the way to reduce California’s mountain of debt or increase employment.’” [San Mateo Daily Journal, 1/19/12]

**2011: Harkey Said Democrats Sought “To Make The Most Painful Cuts... For The Needy, So They Will Be Begging For Taxes To Be Increased” In The State Budget Debate**

**Harkey Voted Against The State Budget And Said That The Point Of The Cuts Was “To Make The Most Painful Cuts For People In Our Districts, For The Needy, So They Will Be Begging For Taxes To Be Increased”**

**The State Legislature Voted On Spending Cuts To Welfare Programs And Health Benefits To The Poor And Working Families As Part Of A Package To Close A \$26.6 Billion Deficit.** “The California Legislature began voting on billions of dollars in cuts to state spending Wednesday, with both houses approving measures to slash the welfare-to-work program and severely curtail health benefits for poor and working families. Those measures now head to Gov. Jerry Brown for his signature. Lawmakers voted into the evening on a package of bills that make up the budget plan to relieve the state from a \$26.6 billion deficit. But they did not take up the measure that will undoubtedly be the most contentious: legislation that will put additional taxes before voters in a June special election.” [San Francisco Chronicle, [3/17/11](#)]

**Harkey That The Point Of The Cuts Was “To Make The Most Painful Cuts For People In Our Districts, For The Needy, So They Will Be Begging For Taxes To Be Increased.”** “But Assemblywoman Diane Harkey, R-Dana Point Orange County, a member of the Budget Committee, said Republicans' suggestions were ignored as the budget was developed and that Democrats were simply forcing Wednesday's vote for political reasons. She said the governor's budget will actually increase state spending. ‘We were not part of any of the solution here. ... Suggestions were made, and suggestions were denied,’ she said. ‘The point of this exercise is to make the most painful cuts for people in our districts, for the needy, so they will be begging for taxes to be increased.’” [San Francisco Chronicle, [3/17/11](#)]

**Harkey: “This Is Not The Fix We Thought It Would Be.”** “The spending cut measures received little Republican support, and even that required some behind-the-scenes vote wrangling. Republican Assemblywoman Diane Harkey of Dana Point accused Democrats of making cuts so painful to local governments that ‘they will beg to have taxes increased.’ ‘This is not the fix we thought it would be,’ she said.” [Associated Press via San Diego Union-Tribune, [3/16/11](#)]

**Harkey: “The Reductions That Are Being Made Are Not Really Necessary. We Need To Start At The State Bureaucracy Before We Start Cutting From The Really Needy.”** “Democrats complained that

Republicans appeared unwilling to support either spending cuts or the special election calling for an extension of the tax increases. Republicans remained focused on the structural changes they said are necessary to right the state's finances over the long term. 'The reductions that are being made are not really necessary,' said Assemblywoman Diane Harkey, R-Dana Point. 'We need to start at the state bureaucracy before we start cutting from the really needy.' The cuts targeted welfare recipients, poor families in need of health care for their children, the disabled and college students and their families." [Associated Press via San Diego Union-Tribune, [3/20/11](#)]

**Harkey Voted Against The Final Measure A Conference Committee Created Which Rejected A Plan To Limit The Number Of Doctor Visits For Medi-Cal Recipients And Reduced Proposed Cuts To CalWORKS.** "Democratic lawmakers on Thursday pushed California Gov. Jerry Brown's budget plan to a likely vote next week, backing his proposals to eliminate redevelopment agencies and to shift many state services to local governments. The vote by the two-house budget conference committee, opposed by minority Republicans, sets up floor votes in the Assembly and Senate. Brown, facing a \$26.6 billion budget deficit, has set Thursday as a deadline for approval of the spending package that includes the still-unresolved matter of asking voters to extend 2009 tax increases on income, sales and vehicles. [...] The conference committee: \* Rejected Brown's plan to limit the number of doctor visits by adults under Medi-Cal, instead approving a 'soft cap' that would require physician certification that any visits beyond seven a year are necessary. \* Reduced Brown's proposed cuts to CalWORKS, which provides cash assistance to needy families. The legislative committee agreed to lower grant levels by 8 percent; Brown had proposed reducing grant levels by 13 percent. \* Increased by \$50 million Brown's proposal to save \$200 million in general fund spending through department consolidations, operational efficiencies and other cost reduction measures. All four Republicans on the 10-member committee opposed the final measure. Afterward, Assemblywoman Diane Harkey, a Republican, called for an analysis of how much of the budget consists of such measures as one-time cuts and borrowing." [Modesto Bee, 3/4/11]

---

**Harkey: "Democrats' 'Fix' Will Only Ensure That We Bounce From Deficit To Deficit, Hurt The Most Vulnerable And Then Go Begging To The Taxpayers For More Money"**

---

**With Republican Leaders, Harkey Accused Brown Of Trickery And Said, "We Don't Have To Make These Draconian Cuts" And That Democrats Were Creating "The Most Pain" To Force Tax Increases.** "With California Gov. Jerry Brown poised to campaign for his budget proposals today in some of the state's strongest Republican bastions, GOP leaders accused the Democratic governor Thursday of scare tactics and unveiled their own tour to push an anti-tax message. 'It's disingenuous to scare people,' said Assembly Republican Leader Connie Conway of Tulare, who challenged Brown's repeated warning to offer an all-cuts budget that she said would raise college tuition, cut weeks off the school year and close parks if his plan for tax extensions isn't approved. Conway's comments came at a news conference with state GOP Chair Tom Del Beccaro and Assemblywoman Diane Harkey, R-Dana Point Orange County, who suggested that Brown had engaged in trickery with voters. 'We don't have to make these draconian cuts,' Harkey said. She charged that Democrats 'are trying to create the most pain with everyone ... so voters will beg to increase their taxes.'" [San Francisco Chronicle, [4/8/11](#)]

**Harkey: "Democrats' 'Fix' Will Only Ensure That We Bounce From Deficit To Deficit, Hurt The Most Vulnerable And Then Go Begging To The Taxpayers For More Money."** "To be 'bipartisan' in Sacramento means following the Democrats' agenda, continuing down the same path of overspending, regulation, taxation and debt that created our financial woes. Other states are bouncing back while our Golden State continues to lag in recovery. There is no need to spin from budget dance to budget dance every six months. Unless we deal with the fundamental structural problems, we will continue to sway to the music of deficits and debt. Unfortunately, the Democrats' 'fix' will only ensure that we bounce from deficit to deficit, hurt the most vulnerable and then go begging to the taxpayers for more money." [Sacramento Bee, Diane Harkey Op-Ed, 3/26/11]

**Harkey Said Republicans Have Resurged To A "Loyal Opposition" When Jerry Brown Became Governor And That They Have Switched From A Compromise Mentality.** "The budget proposal increases state spending by 31 percent over the next three years, assuming tax extensions and sending our responsibilities to local government. What is different this year is the resurgence of a 'loyal opposition.' Republicans have switched from 'let's make a deal' of the Schwarzenegger era to ensuring that if we don't have a role in diagnosing the cure, we are

not going to swallow the medicine. The governor's budget adds more than 1,300 positions this year, many in 'enforcement' and tax collections, to further 'revenue' enhancement. Hence, the first divide: what stimulates revenue to pay for state services – hitting those paying or employing with more enforcement and new taxes and fees, or encouraging and increasing private sector employment?" [Sacramento Bee, Diane Harkey Op-Ed, 3/26/11]

**Harkey Said The State Was Losing Business Due To Taxation And Regulation And Cited A Goal To Have 33% Renewable Energy By 2020.** "Which leads to the next bone of contention: is the state spending too much or just struggling with a bad economy? While the housing crash began the downward spiral, we are dealing with many self-induced crises. Unemployment remains over 12 percent, but as high as 30 to 40 percent in some farming communities that have been stagnated by lack of consistent water allocations due to anti-people regulations. We are losing businesses to other states, many asserting overregulation and taxation, and yet we are increasing staff and fees in regulatory agencies. We passed legislation requiring a 33 percent renewable energy goal by 2020, which will cause electricity costs to skyrocket. So, we are regulating the providers so they can't 'gouge' ratepayers." [Sacramento Bee, Diane Harkey Op-Ed, 3/26/11]

**Harkey Said Democrats And Their Idea Of "Politically Feasible" Meant, "Hitting The Most Needy."** "Not all Democrats are happy with this medicine; they swallowed hard, cutting roughly \$5 billion to \$7 billion, many to social services, deferring and borrowing to reach what is claimed to be \$12 billion in spending reductions. Republicans provided many substitute measures to save billions of dollars, but all were rejected. So, we provided cover to pass the cuts, as state spending must decrease in any way politically feasible. For the moment, with the Democrats who are united in extending the 'temporary taxes' for another five years, 'politically feasible' means hitting the most needy, releasing prisoners and deferring payments to schools, but not reducing state overhead." [Sacramento Bee, Diane Harkey Op-Ed, 3/26/11]

**Harkey: "Be Happy We Have A Loyal Opposition To Counter The Big-Government, Sky's-The-Limit, Debt-Is-Good Mindset That Has Ruled And Ruined Us On The 'Left Coast.'" "As time goes by, our proposals for reduced spending, pension reform, a firm spending cap and common-sense solutions to make California more business-friendly will gain in bipartisan appeal. Be happy we have a loyal opposition to counter the big-government, sky's-the-limit, debt-is-good mindset that has ruled and ruined us on the 'Left Coast.'" [Sacramento Bee, Diane Harkey Op-Ed, 3/26/11]**

---

### **Harkey Said She Initially Appreciated Governor Brown's Budget Plan**

---

**Harkey Said She Appreciated Governor Brown's Initial Budget Plan But Questioned If Taking Development Money Counted As Cuts And If Brown Was Cutting Community Colleges To Spare Primary Education.** "Lawmakers in both houses promised Thursday to put the state budget on an accelerated track, but Gov. Jerry Brown's goal of finishing by March seems daunting in light of the plan's complexity. [...] Cohen said Brown's proposal places a reimbursement guarantee in the state constitution, which he believes would ensure payment beyond five years. Assemblywoman Diane Harkey, R-Dana Point, said she appreciated the fact that Brown put forth a 'workout plan' to solve California's budget woes. But she questioned whether some items count as cuts -- such as taking redevelopment money. She also pressed Cohen on whether Brown was cutting community colleges to spare K-12 schools." [Modesto Bee, 1/14/11]

**2010: Harkey Did Not Support The State Budget; Said, "I Can't Extol (The Budget's) Virtue Or Claim Anything Wrong With It. I Simply Can't Vote" For It**

---

**Harkey Did Not Support The State Budget: "I Can't Extol (The Budget's) Virtue Or Claim Anything Wrong With It. I Simply Can't Vote" For It**

---

**The State Assembly Rushed A Budget Package Bill In Which Details Of The Bill Were Released To Members Shortly Before A Vote To Which Harkey Said, "I Simply Can't Vote Under These Circumstances."** "Even as Assembly Speaker John A. Perez on Thursday hailed transparency, openness and public participation in this year's budget deliberations, the key bill on which his house was voting had not yet been released to the

public. The 800-page text of the main budget bill was not available from the Legislature's Web site, from the office of the Assembly clerk, or from the bill room shortly before or directly after the Assembly's first vote on the bill. [...] The public's only chance to hear details about the final package was in a brief public hearing Wednesday by the joint budget conference committee. Assemblywoman Diane Harkey, R-Dana Point, said final elements of the package were not released to lawmakers until shortly before Thursday's Assembly vote. 'I simply can't vote under these circumstances,' Harkey said." [Los Angeles Times, [10/8/10](#)]

**Harkey On The Budget: "I Can't Extol (The Budget's) Virtue Or Claim Anything Wrong With It. I Simply Can't Vote."** "A spokeswoman for Controller John Chiang has said that even with a spending plan, the state could still face the prospect of IOUs because it will not have all the cash on hand to pay bills put off during the budget impasse. While the Legislature appeared to be moving toward adopting a budget, some lawmakers called for more time to review the spending plan before casting a vote. Assemblywoman Diane Harkey, R-Dana Point (Orange County), said, 'I can't extol (the budget's) virtue or claim anything wrong with it. I simply can't vote' because she did not have time to read the bill." [San Francisco Chronicle, [10/8/10](#)]

---

**Harkey Accused Assembly Democrats Of Promoting A Bill To Give The State Controller More Borrowing Flexibility As A Way To Keep The State Solvent Through The November Election**

---

**2010: Harkey Accused Assembly Democrats Of Promoting A Bill To Give The State Controller More Borrowing Flexibility As A Way To Keep The State Solvent Through The November Election.** "The state Assembly approved three relatively minor bills related to California's budget Thursday, but postponed debate on ways to raise revenue. Assembly members could barely agree on giving the state controller more borrowing flexibility to make it easier for the state to keep cash flowing later this year, despite a call for unity by Assemblyman Jim Nielsen, R-Gerber, vice chairman of the Assembly Budget Committee. Some Republicans said the state can't afford more debt. Assemblywoman Diane Harkey, R-Dana Point, accused Democrats of promoting the bill to keep the state solvent through the November election. The Assembly sent the bill to Gov. Arnold Schwarzenegger on a 54-14 vote, the minimum needed because the measure required two-thirds approval." [Record Searchlight, 2/25/10]

**2010: Harkey Said She Was Ready To "To Implement Long-Term Structural Changes For Budgeting, Debt Relief, Reserve Funds And Pension Reform"**

**2010: Harkey Said Governor Schwarzenegger's State Of The State Address Offered "Little To Decrease The Stranglehold That Regulation Has Had On That Effort, Or To Reduce Our Debt Burden."** "Members of the Assembly Republican Caucus today issued the following responses to Gov. Arnold Schwarzenegger's State of the State address: [...] \*Assemblywoman Diane Harkey, Dana Point: 'I am encouraged that the Governor wants to stimulate job growth and jump-start our economy but his proposals offer little to decrease the stranglehold that regulation has had on that effort, or to reduce our debt burden.'" [California State Assembly, Republican Caucus, press release via States News Service, 1/6/10]

**Harkey Said The Speech Was An Overly Optimistic "Pep Talk" When "We Are Structurally And Fundamentally Bankrupt."** "Assemblywoman Diane Harkey, R-Dana Point, called the speech an overly optimistic 'pep talk.' 'We are structurally and fundamentally bankrupt,' she said. 'We need to overhaul quite a few things.'" [Orange County Register, [1/6/10](#)]

**Harkey: "Even If Difficult Budget Cuts Are Made, The Potential Of Federal Control Over This Great State Should Strike A Fearful Chord With Every Californian."** "Facing a future of \$20 billion budget deficits over the next 5 years, it is no longer unthinkable that our state could be forced into federal receivership as was the case with New York City in the 1970s. Even if difficult budget cuts are made, the potential of federal control over this great state should strike a fearful chord with every Californian." [California State Assembly, Republican Caucus, press release via States News Service, 1/6/10]

**Harkey Said She Was Ready To “To Implement Long-Term Structural Changes For Budgeting, Debt Relief, Reserve Funds And Pension Reform.”** “I am ready to work with Republicans and Democrats to implement long-term structural changes for budgeting, debt relief, reserve funds and pension reform to send a clear signal to our creditors that we understand the severity of the issue. This is no longer a Republican or Democratic issue. We cannot hide from the numbers anymore. The time for action is now.” [California State Assembly, Republican Caucus, press release via States News Service, 1/6/10]

---

**2009: Harkey Voted Against The State Budget In Which The Bulk Of Its Tax Increases Were On Tobacco Products, Oil Companies, And Said The State Needed Deeper Cuts**

---

**2009: Harkey Voted Against The State Budget In Which The Bulk Of Its Tax Increases Were On Tobacco Products, Oil Companies, And A Vehicle License Fee**

---

**Harkey Voted Against The 2009 State Budget, Which Had A Tax Increase.** “The five Assembly Republicans whose districts are partly or entirely in San Diego County – Joel Anderson, Nathan Fletcher, Martin Garrick, Diane Harkey and Kevin Jeffries – all voted against the massive tax hikes in the state budget deal. All also voted to keep Mike Villines, who helped draft the deal including the tax hikes, as Assembly GOP leader when Villines was targeted for breaking his anti-tax pledge. The five are engaged in political kabuki – letting Villines allegedly resolve the budget crisis, but without punishing him for orchestrating the tax hikes that will stagger this state. So much for their promises to protect taxpayers. Local Republicans should feel betrayed.” [San Diego Union-Tribune, [2/28/09](#)]

---

**Harkey Said The State Was “Running Out Of Cash; We Need To Curtail Our Expenses” And That Refusing Deeper Cuts Was “Just A Violation Of Your Fiduciary Duty To The People Of California”**

---

**2009: California Faced A \$24.3 Billion Budget Deficit It Had To Close Or Else Issue IOUs To Those Who Depended On The State’s Social Services.** “California lawmakers headed back to the Capitol on Sunday as the state faced a fast-approaching deadline to close its \$24.3 billion budget deficit. Failure to solve the shortfall for the fiscal year that begins Wednesday will lead the state controller to begin issuing IOUs, about \$3 billion worth just for July. Rapidly declining tax revenue has left the state with insufficient money to pay all its bills. [...] Without a balanced budget in place by the end of the fiscal year on Tuesday, the state controller has said he will have to start issuing the IOUs. They will be sent to state contractors, college students, welfare recipients, low-income seniors, the disabled and others who depend on or deliver social services.” [Associated Press via The Mercury News, [6/29/09](#)]

**Harkey Criticized Assembly Democrats For A \$23.4 Billion Package Of Spending Cuts And Tax And Fee Increases.** “Majority Democrats in the Assembly were voting late Sunday on a \$23.4 billion package of spending cuts, tax and fee increases, and accounting tricks designed to close a gaping hole in the budget for the fiscal year that starts Wednesday. [...] While tax hikes normally require two-thirds approval, Democrats argued that by eliminating an 18-cent per-gallon excise tax on gasoline, the net revenue to the state becomes zero and thus doesn't represent a tax hike. Sunday's bills then would replace the excise tax with an equivalent fee, which Democrats argue does not require a two-thirds vote. [...] But Republicans argued it's wrong to raise taxes in a fragile economy, and that voters soundly rejected the notion of increased revenues to help bridge the state's budget gap. ‘What do they have to do - throw (every legislator) out before we get it?’ asked Assemblywoman Diane Harkey, R-Dana Point.” [Sacramento Bee, 6/29/09]

**The Bulk Of The Tax Increases Were On Tobacco Products, Oil Companies, And A Vehicle License Fee.** “Democrats pointed out that the bulk of their proposed tax increases were on tobacco products and oil companies, and were not a general tax increase. The higher vehicle license fee, however, would hit every car owner.” [Associated Press, 6/29/09]

**Harkey Said The State Was “Running Out Of Cash; We Need To Curtail Our Expenses” And That Refusing Deeper Cuts Was “Just A Violation Of Your Fiduciary Duty To The People Of California.”**



“Assemblywoman Diane Harkey, R-Dana Point, said California voters were clear during the May 19 special election that they wanted state government to live within its means after lawmakers and Schwarzenegger raised income, sales and vehicle taxes earlier this year. ‘We are running out of cash; we need to curtail our expenses,’ Harkey said during an Assembly debate on the Democratic budget plan. Refusing deeper cuts in state spending, she said ‘is just a violation of your fiduciary duty to the people of California.’” [Associated Press, 6/29/09]

### **2007: Harkey Said She Was “Pleased” With Senate Republicans For Holding Up The State Budget For More Than A Month To Push For Spending Cuts**

**2007: State Senate Republicans Held The State Budget For More Than A Month To Push For Spending Cuts And To Prevent Bond Money From Being Used On Climate Change Lawsuits.** “The impasse over the state budget this year was a point of pride for many Republicans in Orange County and across the state. For more than a month, 14 Senate Republicans, led by Irvine’s Dick Ackerman, held up the budget to push for spending cuts and changes to prevent bond money from being spent on global warming lawsuits. Admirers called them courageous and urged them to stand firm. [...] But what exactly did the Republicans achieve? Did they cave to pressure? And what does the future hold for the senators? When the impasse ended Tuesday, Democrats and other critics said the plan that finally passed looked very similar to what was being offered earlier. ‘We got the same thing we had on Aug. 1,’ said Sen. Abel Maldonado, R-Santa Maria, who broke from his colleagues to vote for the budget on the first of the month, after the governor promised to veto \$700 million in spending. Maldonado’s defection meant only one more Republican vote was needed for passage, but getting it took 20 days.” [Orange County Register, [8/24/07](#)]

**Harkey Said She Was “Pleased” With Senate Republicans.** “Republicans, however, say these observations are way off the mark. Both members of the caucus and outside loyalists say much was achieved from the impasse, while senators add that Ackerman’s status as leader is solid. ‘All in all, I’m pleased,’ said Diane Harkey, the Republican mayor of Dana Point who is running for Mimi Walters’ seat in the state Assembly and who has been endorsed by seven senators, including Ackerman. Harkey acknowledged that some Orange County Republicans would have preferred that the senators hold out longer to stall passage of proposed health care changes, but said, ‘I think Sen. Ackerman got the best deal he could.’” [Orange County Register, [8/24/07](#)]

## **Government Spending**

### **2009: Harkey Said She Was Working On An Initiative To Undo Two Bonds Voters Approved Worth \$50 Billion As She Believed Voters May Not Want To Spend The Money**

**2009: Harkey Said She Was Working On An Initiative To Undo Two Bonds Voters Approved Worth \$50 Billion As She Believed Voters May Not Want To Spend The Money After The Recession.** “Would encouraging people to circumvent the new withholding tax just dig a deeper budget hole? Harkey said the crisis should be solved by slashing spending. She is working on an initiative that targets a couple of bonds voters approved in 2006 and 2008 that would drum up billions of dollars for spending on ‘a mixed bag’ of issues such as education and other social services. The initiative would ask voters whether they still want to spend that money - about \$50 billion in approved, but not funded bonds, said Jeff Corless, Harkey’s chief of staff. If voters say they don’t want to spend that money, those items would be pulled off the table. In 2006 and 2008, people didn’t know the economic situation would get as bad as it is, and they may have changed their minds on what they’re willing to spend, Harkey said.” [Orange County Register, 10/31/09]

**Harkey Planned To Get Her Measure Passed In The Assembly First And Said, “But If I Can’t Do It By Getting Votes On The Assembly Floor, You’re Going To See It In An Initiative.”** “But the initiative is far from the ballot. Harkey said she will try to get it passed in a state Assembly bill by early next year. ‘But if I can’t do it by getting votes on the Assembly floor, you’re going to see it in an initiative,’ she said. ‘I’m going to get resistance on that.’” [Orange County Register, 10/31/09]

## Facebook's Initial Public Offering

### In Response To Facebook's Initial Public Offering, In Which The State Was Invested, Harkey Said The Revenue From The IPO Should Not Be On The Books Yet Saying "You Can't Count On It"

**In Response To Facebook's Initial Public Offering, Of Which The State Was Invested In, Harkey Said The Revenue From The IPO Should Not Be On The Books Yet Saying "You Can't Count On It."** "In California, there are at least 1.9 billion reasons to like Facebook. In dollar terms, that's the staggering amount Gov. Jerry Brown and lawmakers are counting on as investors cash in on Facebook's initial public offering. The anticipated windfall has generated a number of questions — not just for the state budget, but for public-employee retirement systems vested in the company's success. [...] Republicans have not put up much of a fight over how to spend Facebook revenues. Assemblywoman Diane Harkey, a Republican who represents parts of coastal North San Diego County, said she would prefer leaving Facebook revenues off the books until the money is in hand given the market volatility and legal questions about the IPO's handling are answered. 'It's not continual. You can't count on it,' she said, proposing the bulk of the money — when it does materialize — go to schools and to pay off debt." [San Diego Union-Tribune, [6/23/12](#)]

## Local Government Funds

### Harkey Endorsed Proposition 22 To Limit The State In Borrowing Money From Local Governments

#### **Proposition 22 Would Make It Harder For The State To Borrow Money From Local Governments.**

"Proponents of a measure that would make it harder for the state to borrow money from local governments appears headed for the November ballot. Supporters of the measure -- a coalition of cities, counties and public transit groups -- say they have enough certified signatures to put their measure before voters this fall. The measure would eliminate the ability of state lawmakers to borrow sales, automobile and property tax revenues that normally go to local governments. The measure also eliminates the state's ability to ever touch those local dollars." [Los Angeles Times, [6/22/10](#)]

**Harkey Endorsed Proposition 22 To Limit The State In Local Government Funds.** "At first blush, Proposition 22 on the Nov. 2 ballot seems like just another measure to stop the state from stealing local government funds. Supporters use virtually the same argument for Prop. 22 as was used for other successful measures to limit state authority over local finances in 2004 and 2006: 'For too long, Sacramento politicians have used loopholes in the law to take billions in taxpayer funds dedicated by voters to local government and transportation services. ... THE SOLUTION - YES on 22 will STOP STATE RAIDS of LOCAL GOVERNMENT and TRANSPORTATION FUNDS.' As you'd expect, Prop. 22 is endorsed by a host of Republicans, who generally support local control, including Orange County's Curt Hagman, Tom Harman, Diane Harkey, Jim Silva and Van Tran. Also on board is a long list of cities and local officials, including at least 20 Orange County cities." [Orange County Register, [11/2/10](#)]

## State Controller

### Harkey Supported Having The Legislative Analyst's Office Determine If The Budget Was Balanced Rather Than The State Controller

**Harkey Supported Having The Legislative Analyst's Office Determine If The Budget Was Balanced Rather Than The State Controller.** "Saulo Londono, Mansoor's spokesman, said there have been rumblings that Democrats would file a lawsuit, so the GOP letter hopes to resolve the legal issue in a simple, cost-efficient way. Mansoor, Harkey and Wagner support having the nonpartisan Legislative Analyst's Office – rather than a partisan state controller – determine whether a budget is balanced." [Sacramento Bee, [6/29/11](#)]

## Civil Rights & Liberties

### Significant Findings

- ✓ *Harkey voted at least twice against a bill that delayed job applicants revealing prior convictions until after employers have seen their qualifications.*
- ✓ *Harkey voted against requiring prosecutors to disclose to juries when they have not disclosed exculpatory evidence.*
- ✓ *Harkey voted against a bill that would protect voters' privacy when registering to vote online and allow students to register online.*
- ✓ *Harkey voted against limiting depositions of any person to 7 hours of total testimony.*

## Criminal Justice Reform

### Ban The Box

#### **2013: Harkey Voted At Least Twice Against A Bill That Delayed Job Applicants Revealing Prior Convictions Until After Employers Have Seen Their Qualifications**

**2013: Harkey Voted Against A Bill That Delayed Job Applicants Revealing Prior Convictions Until After Employers Have Seen Their Qualifications.** In May 2013, Harkey voted against a bill that would prohibit employers from asking about an applicant's prior convictions, "until the agency has determined the applicant meets the minimum employment qualifications for the position." The bill passed the Assembly, 48-29-2. [AB 218, [5/30/13](#); California Legislative Information, [10/10/13](#)]

**2013: Harkey Voted Against A Bill That Delayed Job Applicants Revealing Prior Convictions Until After Employers Have Seen Their Qualifications In Committee.** In May 2013, Harkey voted against a bill that would prohibit employers from asking about an applicant's prior convictions, "until the agency has determined the applicant meets the minimum employment qualifications for the position." The bill passed 12 to 5. [AB 218, [5/24/13](#); California Legislative Information, [10/10/13](#)]

## Fair Trial

#### **2014: Harkey Voted Against Requiring Prosecutors To Disclose To Juries When They Have Not Disclosed Exculpatory Evidence**

**2014: Harkey Voted Against Requiring Prosecutors To Disclose To Juries When They Have Not Disclosed Exculpatory Evidence.** In August 2014, Harkey voted against a bill that would, "authorize a court in any criminal trial or proceeding in which the court has determined that the prosecuting attorney has intentionally or knowingly failed to disclose certain materials and information, as specified, to instruct the jury that the failure to disclose has occurred and that the jury shall consider the failure to disclose in determining whether reasonable doubt of the defendant's guilt exists." The bill passed Senate concurrence, 47-28-4. [AB 885, [8/29/14](#); California Legislative Information, [9/4/14](#)]

## Voter Registration

## Harkey Voted Against A Bill That Would Protect Voters' Privacy When Registering To Vote Online And Allow Students To Register Online

**2014: Harkey Voted Against A Bill That Would Protect Voters' Privacy When Registering To Vote Online And Allow Students To Register Online.** In May 2014, Harkey voted against a bill that would protect voters' privacy when registering to vote online and allow students to register online. "This bill would require an individual or organization that distributes voter registration cards, a person entrusted with an affidavit of registration from an elector, or an individual or organization that assists with the submission of an affidavit of registration electronically on the Internet Web site of the Secretary of State to comply with specified requirements relating to the voter registration information. [...] This bill would require each community college and California State University campus that operates an automated class registration system, as specified, to permit students, during the class registration process, to apply to register to vote online by submitting an affidavit of voter registration electronically on the Internet Web site of the Secretary of State. This bill would encourage the University of California to comply with these provisions. This bill would state that it is the intent of the Legislature that every eligible high school and college student receive a meaningful opportunity to apply to register to vote." The bill passed the Assembly, 55-18-6. [AB 1446, [5/1/14](#); California Legislative Information, [9/26/14](#)]

## Depositions

### 2012: Harkey Voted Against Limiting Depositions Of Any Person To 7 Hours Of Total Testimony

**2012: Harkey Voted Against Limiting Depositions Of Any Person To 7 Hours Of Total Testimony On Its Final Vote.** In August 2012, Harkey voted against a "bill [that] would limit a deposition of any person to 7 hours of total testimony, except under specified circumstances. Under the bill, the court would be required to allow additional time if necessary to fairly examine the deponent. The court would also be required to allow additional time if the deponent, another person, or any other circumstance impedes or delays the examination. The bill would state the intent of the Legislature with regard to these matters." The bill passed 52 to 27. [AB 1875, [8/29/12](#); California Legislative Information, [8/29/12](#)]

**2012: Harkey Voted Against Limiting Depositions Of Any Person To 7 Hours Of Total Testimony On Its First Vote In The Assembly.** In May 2012, Harkey voted against a "bill [that] would limit a deposition of any person to 7 hours of total testimony, except under specified circumstances. Under the bill, the court would be required to allow additional time if necessary to fairly examine the deponent. The court would also be required to allow additional time if the deponent, another person, or any other circumstance impedes or delays the examination. The bill would state the intent of the Legislature with regard to these matters." The bill passed 50 to 24. [AB 1875, [5/31/12](#); California Legislative Information, [5/31/12](#)]

## Armenian Genocide

### Harkey Voted For And Spoke In Support Of Legislation Encouraging Schools To Use Oral Histories When Teaching About The Armenian Genocide

**Harkey Voted For And Spoke In Support Of Legislation Encouraging Schools To Use Oral Histories When Teaching About The Armenian Genocide.** "Despite heavy opposition by pro-Turkey lobbying groups, the California State Assembly voted unanimously to pass Assemblymember Adrin Nazarian's bill, AB 659, encouraging schools to use oral histories when teaching about the Armenian Genocide. AB 659 will now move on to State Senate for consideration. [...] Other members of the State Assembly who spoke in support of the measure during the floor session today were Assemblymembers Tim Donnelly (R) and Diane Harkey (R)." [Armenpress, [1/30/14](#)]

## Diversity

## **Harkey Voted Against A Bill Requiring Various Medical Boards To Report The Demographics Of Their Licensees To The Government**

**2014: Harkey Voted Against A Bill Requiring Various Medical Boards To Report The Demographics Of Their Licensees To The Government.** In August 2014, Harkey voted against a bill requiring various medical boards to report the demographics of their licensees to the government, with race being optional. “This bill would require these boards to collect and report specific demographic data relating to its licensees, subject to a licensee’s discretion to report his or her race or ethnicity, to the Office of Statewide Health Planning and Development. The bill would require these boards to collect this data at least biennially, at the times of both issuing an initial license and issuing a renewal license.” The bill passed Senate concurrence, 54-21-4. [AB 2102, [8/21/14](#); California Legislative Information, [9/18/14](#)]



## Consumer Issues

### Significant Findings

- ✓ *Harkey voted for a bill that lowered the threshold for something to be “Made in the USA.”*
- ✓ *Harkey voted against a bill that would allow consumers to receive their credit report if they had been rejected due to poor credit.*
- ✓ *In 2012, Harkey voted for regulating the activities to debt buyers but initially voted against the bill.*
- ✓ *Harkey voted for requiring life insurance policies to have a grace period if there was a nonpayment premium lapse on its final vote but initially voted against it.*

## Domestic Manufacturing

### **2013: Harkey Voted For A Bill That Lowered The Threshold For Something To Be “Made In The USA”**

**2013: Harkey Voted For A Bill That Lowered The Threshold For Something To Be “Made In The USA”** In May 2013, Harkey voted for a bill that, “would eliminate the requirement that any article, unit, or part of the merchandise be substantially manufactured in the United States in order for the merchandise to advertise that it is made in the United States. The bill would deem any merchandise to be substantially made, manufactured, or produced within the United States if specified requirements are met, including that United States manufacturing costs constitute at least 90% of the total manufacturing costs for the merchandise and that the merchandise was last substantially transformed or assembled in the United States.” The bill passed the Assembly, 50-18-11. [AB 890, [5/30/13](#); California Legislative Information, [6/14/13](#)]

## Credit Reports

### **2013: Harkey Voted Against A Bill That Would Allow Consumers To Receive Their Credit Report If They Had Been Rejected Due To Poor Credit**

**2013: Harkey Voted Against A Bill That Would Allow Consumers To Receive Their Credit Report If They Had Been Rejected Due To Poor Credit.** In May 2013, Harkey voted against a bill that would allow consumers to receive their credit report if they have been rejected due to poor credit. “This bill would make it unlawful for a consumer credit reporting agency to prohibit, or to dissuade or attempt to dissuade, a user of a consumer credit report furnished by the credit reporting agency from providing a copy of the consumer’s credit report to the consumer, upon the consumer’s request, if the user has taken adverse action against the consumer based upon the report.” The bill passed the Assembly, 55-21-3. [AB 1220, [5/28/13](#); California Legislative Information, [9/30/13](#)]

## Debt

### **2012: Harkey Voted For Regulating The Activities To Debt Buyers But Initially Voted Against The Bill**

**2012: Harkey Voted For Regulating The Activities To Debt Buyers On Its Final Committee Vote.** In July 2012, Harkey voted for a “bill [that] would enact the Fair Debt Buyers Practices Act, which would regulate the activities of a person or entity that has bought consumer debt and the circumstances in which the person may bring

suit. The bill would prohibit a debt buyer, as defined, from making any written statement in an attempt to collect a consumer debt unless the debt buyer possesses information that the debt buyer is the sole owner of the specific debt at issue, the debt balance, as specified, and the name and address of the creditor at the time the debt was charged off, among other things. The bill would require the debt buyer to make certain documents available to the debtor, without charge, upon receipt of a request, within 15 days. The bill would require that a specified notice be included with the debt buyer's first written communication with the debtor. The bill would require all settlement agreements between a debt buyer and a debtor to be documented in open court or otherwise in writing and would require a debt buyer who receives a payment on a debt to provide a receipt or statement containing certain information. The bill would prohibit a debt buyer from initiating a suit to collect a debt if the statute of limitations on the cause of action has expired." The bill passed 11 to 0. [SB 890, [7/2/12](#); California Legislative Information, [7/2/12](#)]

**2012: Harkey Against Regulating The Activities To Debt Buyers On Its Initial Committee Vote.** In July 2012, Harkey voted against a "bill [that] would enact the Fair Debt Buyers Practices Act, which would regulate the activities of a person or entity that has bought consumer debt and the circumstances in which the person may bring suit. The bill would prohibit a debt buyer, as defined, from making any written statement in an attempt to collect a consumer debt unless the debt buyer possesses information that the debt buyer is the sole owner of the specific debt at issue, the debt balance, as specified, and the name and address of the creditor at the time the debt was charged off, among other things. The bill would require the debt buyer to make certain documents available to the debtor, without charge, upon receipt of a request, within 15 days. The bill would require that a specified notice be included with the debt buyer's first written communication with the debtor. The bill would require all settlement agreements between a debt buyer and a debtor to be documented in open court or otherwise in writing and would require a debt buyer who receives a payment on a debt to provide a receipt or statement containing certain information. The bill would prohibit a debt buyer from initiating a suit to collect a debt if the statute of limitations on the cause of action has expired." The bill failed 3 to 3. [SB 890, [7/2/12](#); California Legislative Information, [7/2/12](#)]

## Life Insurance

### **2012: Harkey Voted For Requiring Life Insurance Policies To Have A Grace Period If There Was A Nonpayment Premium Lapse On Its Final Vote But Initially Voted Against It**

**2012: Harkey Voted For Requiring Life Insurance Policies To Have A Grace Period If There Was A Nonpayment Premium Lapse On Its Final Vote.** In August 2012, Harkey voted for a "bill [that] would require that every life insurance policy issued or delivered in this state contain a provision for a grace period of not less than 60 days from the premium due date and that the policy remains in force during the 60-day grace period. The bill would also require an insurer to give the applicant for an individual life insurance policy the right to designate at least one person, in addition to the applicant, to receive notice of lapse or termination of a policy for nonpayment of premium. The bill would require an insurer to provide each applicant with a form, as specified, to make the designation and to notify the policy owner annually of the right to change the designation. The bill would prohibit a notice of pending lapse and termination from being effective unless mailed by the insurer to the named policy owner, a named designee for an individual life insurance policy, and a known assignee or other person having an interest in the individual life insurance policy at least 30 days prior to the effective date of termination if termination is for nonpayment of premium. The bill would also make conforming changes." The bill passed 77 to 0. [AB 1747, [8/22/12](#); California Legislative Information, [8/22/12](#)]

**2012: Harkey Voted Against Requiring Life Insurance Policies To Have A Grace Period If There Was A Nonpayment Premium Lapse On Its First Vote In The Assembly.** In May 2012, Harkey against a "bill [that] would require that every life insurance policy issued or delivered in this state contain a provision for a grace period of not less than 60 days from the premium due date and that the policy remains in force during the 60-day grace period. The bill would also require an insurer to give the applicant for an individual life insurance policy the right to designate at least one person, in addition to the applicant, to receive notice of lapse or termination of a policy for nonpayment of premium. The bill would require an insurer to provide each applicant with a form, as specified, to make the designation and to notify the policy owner annually of the right to change

the designation. The bill would prohibit a notice of pending lapse and termination from being effective unless mailed by the insurer to the named policy owner, a named designee for an individual life insurance policy, and a known assignee or other person having an interest in the individual life insurance policy at least 30 days prior to the effective date of termination if termination is for nonpayment of premium. The bill would also make conforming changes.” The bill passed 51 to 24. [AB 1747, [5/14/12](#); California Legislative Information, [5/14/12](#)]

## Consumer Protection

### 2014: Harkey Voted For A Bill That Extended Consumer Protections For Public Utilities Users

**2014: Harkey Voted For A Bill That Extended Consumer Protections For Public Utilities Users.** In May 2014, Harkey voted for a bill that extended consumer protections for public utilities users. “This bill would require solicitations of customers by a community choice aggregator contain, and communication by the community choice aggregator to the public or prospective and existing customers to be consistent with, specified information and would require that the implementation plan filed by a community choice aggregator completely describe certain matter required to be disclosed under existing law. The bill would authorize the commission to require that a community choice aggregator, when registering with the commission, provide additional information to ensure compliance with basic consumer protection and other rules and other procedural matters.” The bill passed the Assembly, 51-15-13. [AB 2145, [5/28/14](#); California Legislative Information, [8/19/14](#)]

## Automobiles

### Harkey Voted Against A Bill To Exempt BMW From Requiring Vehicle Owners Quick And Convenient Options To Obtain A Replacement Key

**Harkey Voted Against A Bill To Exempt BMW From Requiring Vehicle Owners Quick And Convenient Options To Obtain A Replacement Key.** “The California Assembly is expected to vote again soon on Senate Bill 750 (Hernandez), which is sponsored by BMW and opposed by the Automobile Club of Southern California. The bill would permanently exempt BMW from a California law that requires manufacturers to provide vehicle owners safe and secure options to conveniently and quickly obtain replacement keys when their key is lost, stolen, or broken. SB 750 would benefit BMW at the expense of California motorists and allow the company to withhold from car owners data needed to access and operate their vehicle. [...] The following Assembly Members did not vote for SB 750 in June: [...] Assembly Member Diane Harkey” [Automobile Club of Southern California, press release via Globe Newswire, [8/14/12](#)]

## Crime & Public Safety Issues

### Significant Findings

- ✓ *Harkey criticized the legalization of marijuana to which she said, “California could be on its way to establishing the next big tobacco industry and the first banana republic in the nation.”*
- ✓ *Harkey did not say whether marijuana should be legal but questioned if the state should legitimize it and said that the state was helping the industry “avoid the potential negative consequences of violating federal law.”*
- ✓ *In 2012, Harkey voted at least twice against a bill giving greater protections for pedestrians and cyclists after in 2006, two female joggers were paralyzed in Dana Point in a hit and run and the city had to pay a nearly \$50 million settlement.*
- ✓ *Harkey voted for allocating a \$100,000 public safety grant for a school resource officer.*

## Marijuana Legalization

### **Harkey On The Legitimization Of Marijuana: “California Could Be On Its Way To Establishing The Next Big Tobacco Industry And The First Banana Republic In The Nation”**

#### **Harkey Criticized The Legalization Of Marijuana To Which She Said, “California Could Be On Its Way To Establishing The Next Big Tobacco Industry And The First Banana Republic In The Nation”**

**HEADLINE: “DIANNE HARKEY: Pot Legalization Could Create A Banana Republic”** [Press-Enterprise, Diane Harkey Op-Ed, [1/16/16](#)]

**Harkey On The Bureaucracy To Tax Marijuana: “But The Structure Legislated In 2015 Ensures Any Taxes Collected... Will Not Add More To Our State Coffers But Will Fund A New State Bureaucracy Led By A Yet-To-Be Hired Pot Czar.”** “One consistent adage in politics is if you want to understand the why, follow the money. To be sure, there are billions of dollars at stake. Promoters tout that the state could eventually collect several million to billions in presently forgone taxes. But the structure legislated in 2015 ensures any taxes collected, with the exception of sales tax, will not add more to our state coffers but will fund a new state bureaucracy led by a yet-to-be hired Pot Czar. The new bureaucracy's mission will be to further industry participants' regulatory needs, address negative impacts of cultivation, manufacturing and transportation of the products and generally to expand the market for marijuana. Commercializing marijuana similar to tobacco is anticipated to draw major corporate interests and increase usage under the guise of a regulated, safer and higher quality-controlled product. Gov. Jerry Brown's 2016-17 budget calls for 126 new hires, 61 allocated to control environmental impacts.” [Press-Enterprise, Diane Harkey Op-Ed, [1/16/16](#)]

**Harkey: “Colorado Is A Petri Dish For Research On The Effects Of Legalization With Regard To Increasing Drugged Driving, Youth Use, Cartel Activity And Disappointing State Revenue.”** “With only 5 million people to our 38 million, Colorado is a petri dish for research on the effects of legalization with regard to increasing drugged driving, youth use, cartel activity and disappointing state revenue. Amazingly, our Legislature seems unwilling to address criminal resistance to and public safety impacts of increasing use, as California attempts to legitimize a multi-billion dollar underground and illegal industry.” [Press-Enterprise, Diane Harkey Op-Ed, [1/16/16](#)]

**Harkey: “It Seems Irresponsible To Underestimate Local Law Enforcement Funding Needs To Fend Off Criminal Activity In Our Communities As The State Attempts To Collect Taxes From Permitted As Well As Black-Market Operators.”** “More amazing yet, the retention of financial records that all other businesses keep still poses a major hurdle to legitimacy. Much like the marijuana industry itself, banks are fearful of money laundering charges and asset seizures by the federal government for what is still an illegal drug at the federal level. It seems irresponsible to underestimate local law enforcement funding needs to fend off criminal activity in our communities as the state attempts to collect taxes from permitted as well as black-market operators. These black-market individuals may not wish to pay their fair share of taxes or co-exist with the state's legitimized operators.” [Press-Enterprise, Diane Harkey Op-Ed, [1/16/16](#)]

**Harkey On One Marijuana Initiatives’ Proposals: “It’s A Pay-To-Play System That Punishes Communities That Obey Federal Law Or Simply Do Not Want Marijuana Trade In Their Neighborhoods.”** “One well-funded initiative establishes the California Marijuana Tax Fund, which consists of all taxes, interest and penalties collected and paid to the state by the industry. It will not contribute to the state's general fund, and can only be used to further the initiative. [...] Grants to local governments could be approved for law enforcement, fire protection or other public health programs, providing the locals have not banned the cultivation or retail sale of marijuana. It's a pay-to-play system that punishes communities that obey federal law or simply do not want marijuana trade in their neighborhoods. The impacts of areas that embrace the trade could spill over into those communities that do not wish to participate, without recompense or recourse.” [Press-Enterprise, Diane Harkey Op-Ed, [1/16/16](#)]

**Harkey On The Legitimization Of Marijuana: “California Could Be On Its Way To Establishing The Next Big Tobacco Industry And The First Banana Republic In The Nation.”** “So, follow the money. The cannabis initiative pads the pockets of the industry participants, funds a growing bureaucracy, promotes the products and, when considering the potential cost or unintended consequences, has very little direct benefit to our existing state budget. If all goes according to plan and marijuana becomes our new ‘cash’ crop replacing existing agriculture, California could be on its way to establishing the next big tobacco industry and the first banana republic in the nation.” [Press-Enterprise, Diane Harkey Op-Ed, [1/16/16](#)]

**Harkey On The Legalization Of Marijuana: “Nobody Knows How This Is Really Going To Work.”** “Board member Diane Harkey alluded to the challenges of taking what has been largely an illegal marketplace and moving it under state government. ‘Nobody knows how this is really going to work,’ she said.” [Associated Press, [11/30/16](#)]

---

**Harkey Did Not Say Whether Marijuana Should Be Legal But Questioned If The State Should Legitimize It And Said That The State Was Helping The Industry “Avoid... Consequences Of Violating Federal Law”**

---

**HEADLINE: “Premature For California To Plan For Cannabis Banking”** [Orange County Register, Diane Harkey Op-Ed, [8/20/15](#)]

**Harkey: “Whether Cannabis Should Be Legal In California Is Not The Issue - Federal Law Is.”** “Whether cannabis should be legal in California is not the issue - federal law is. So, before we change our moniker from Golden State to Emerald State in anticipation of new tax revenue, let's ensure our efforts won't run afoul of the Supremacy Clause. While we should encourage our leaders to explore resolutions to this burgeoning underground economy, our focus should remain on providing water and power to our people and industries such as agriculture, housing, transportation, clean technology and manufacturing. Promoting growth for these less exciting industries would stimulate employment, provide greater job opportunities and, ultimately, create more taxpayers and revenue. California will need these jobs and industries to shoulder the burden on all of us during the inevitable next downturn in the economy.” [Orange County Register, Diane Harkey Op-Ed, [8/20/15](#)]

**HEADLINE: “Don’t Sanction Criminality”** [Press-Enterprise via Diane Harkey, Diane Harkey Op-Ed, [6/27/15](#)]

**Harkey Said That California Was Helping The Marijuana ‘Industry’ “Avoid The Potential Negative Consequences Of Violating Federal Law.”** “In our enthusiastic pursuit of taxing cannabis, however, we are attempting to help an ‘industry’ avoid the potential negative consequences of violating federal law. Regardless of



the recent polls showing California's popular support for legalization, or our state's laws legitimizing 'medical marijuana' use, the legal dynamic remains unchanged in the United States, of which California still claims membership." [Press-Enterprise via Diane Harkey, Diane Harkey Op-Ed, [6/27/15](#)]

**Harkey Did Not Say Whether Marijuana Should Be Legal But Questioned If The State Should Legitimize It, If Record Keeping Should Be Exempt From It, And How To Prevent Minors Consuming It.** "So, without getting into the issue of whether or not marijuana should be legal, the question is can and should we pursue legitimizing the industry through taxation? Accurate and reliable record keeping for cash and non-cash transactions is key to establishing tax policy. It's been suggested that to avoid federal seizure of records and bank accounts we establish a state bank, which certainly conjures a new image of a logo for a Bank of California. However, even if a cannabis banking accommodation could be established within our federal or state banking framework, there are many legal and safety issues, as well as the consideration of fairness in treatment for tax purposes that must be addressed. For example: If we exempt certain record keeping for one industry, will others follow? What will be the regulatory framework to prevent proliferation among minors?" [Press-Enterprise via Diane Harkey, Diane Harkey Op-Ed, [6/27/15](#)]

**Harkey Said California Must Decide Whether Its Employees Should "Turn A Blind Eye To Federal Law, Accept Incomplete Financial Information, And Place Themselves In Harm's Way" Due To "Known Cartel Involvement."** "Without a legal, verifiable banking and regulatory framework, we must decide if we are prepared to require state employees to turn a blind eye to federal law, accept incomplete financial information and place themselves in harm's way attempting to audit and collect taxes on an industry with known cartel involvement. Without seriously getting into the weeds, our tax receipts may well go up in smoke." [Press-Enterprise via Diane Harkey, Diane Harkey Op-Ed, [6/27/15](#)]

**Harkey Called The Medical Marijuana Industry An "An Underground Industry" That Was "Very Difficult To Assess" What Was Owed In State Taxes As "They Don't Keep Books And Records"**

**Harkey Called The Medical Marijuana Industry An "An Underground Industry" That Was "Very Difficult To Assess" What Was Owed In State Taxes As "They Don't Keep Books And Records."** "Thirteen medical marijuana dispensaries owe more than \$12 million in unpaid state taxes, according to a report recently published by the Board of Equalization. [...] 'Let's face it: It's been an underground industry,' said Diane Harkey, Board of Equalization member representing Southern California. 'One of the big problems with this industry is that they don't keep books and records and they only use cash, so no bank accounts,' she said, with marijuana's federally illegal status blocking bank access. 'That makes it very difficult to assess what they really owe.' Many marijuana businesses do pay state (and often local) taxes, Harkey pointed out - though their payments are often based largely on self reporting." [Inland Valley Daily Bulletin, [3/24/17](#)]

**Harkey Said She Believed Only 25% Of Pot Shops Complied With State Tax Laws But Hoped It Would Go Up With New Legislation.** "But the Board of Equalization has estimated that only around 40 percent of pot shops have historically complied with state tax laws. And Harkey said she believes it might be closer to 25 percent, with the agency forced to rely on citizen complaints and information posted to sites like the online dispensary guide Weedmaps.com to track down businesses. [...] Once new legislation and comprehensive regulations for the state's marijuana industry kick in for the first time Jan. 1, Harkey said she's optimistic that compliance will go up. And that will mean fewer canna-businesses will be listed among these debtors, who are all included on the Board of Equalization's most recent delinquent taxpayer list." [Inland Valley Daily Bulletin, [3/24/17](#)]

## **Pedestrian & Cyclist Safety**

**2012: Harkey Voted At Least Twice Against A Bill Requiring Three Feet Between An Automobile And A Cyclist When Passing**

**2012: Harkey Voted Against A Bill Requiring Three Feet Between An Automobile And A Cyclist When Passing.** In August 2012, Harkey voted against a "bill [that] would recast this provision as to overtaking and

passing a bicycle by requiring, with specified exceptions, the driver of a motor vehicle overtaking and passing a bicycle that is proceeding in the same direction on a highway to pass in compliance with specified requirements applicable to overtaking and passing a vehicle, and to do so at a safe distance that does not interfere with the safe operation of the overtaken bicycle, having due regard for the size and speed of the motor vehicle and the bicycle, traffic conditions, weather, and the surface and width of the highway. The bill would prohibit, with specified exceptions, the driver of the motor vehicle that is overtaking or passing a bicycle proceeding in the same direction on a highway from passing at a distance of less than 3 feet between any part of the motor vehicle and any part of the bicycle or its operator. The bill would make a violation of these provisions an infraction punishable by a \$35 fine. The bill would also require the imposition of a \$220 fine on a driver if a collision occurs between a motor vehicle and a bicyclist causing bodily harm to the bicyclist, and the driver is found to be in violation of the above provisions.” The bill passed 54 to 24. [SB 1464, [8/27/12](#); California Legislative Information, [8/27/12](#)]

**2012: Harkey Voted Against A Bill Requiring Three Feet Between An Automobile And A Cyclist When Passing In Committee.** In August 2012, Harkey voted against a “bill [that] would recast this provision as to overtaking and passing a bicycle by requiring, with specified exceptions, the driver of a motor vehicle overtaking and passing a bicycle that is proceeding in the same direction on a highway to pass in compliance with specified requirements applicable to overtaking and passing a vehicle, and to do so at a safe distance that does not interfere with the safe operation of the overtaken bicycle, having due regard for the size and speed of the motor vehicle and the bicycle, traffic conditions, weather, and the surface and width of the highway. The bill would prohibit, with specified exceptions, the driver of the motor vehicle that is overtaking or passing a bicycle proceeding in the same direction on a highway from passing at a distance of less than 3 feet between any part of the motor vehicle and any part of the bicycle or its operator. The bill would make a violation of these provisions an infraction punishable by a \$35 fine. The bill would also require the imposition of a \$220 fine on a driver if a collision occurs between a motor vehicle and a bicyclist causing bodily harm to the bicyclist, and the driver is found to be in violation of the above provisions.” The bill passed 12 to 4. [SB 1464, [8/8/12](#); California Legislative Information, [8/8/12](#)]

**2006: Harkey Voted For Banning Joggers And Cyclists Along A Stretch Of PCH Where A Hit And Run Paralyzed Two Female Joggers; The City Settled Their Lawsuit For Nearly \$50 Million**

**2006: Harkey Voted For Banning Joggers And Cyclists Along The Inland Side Of PCH Where The Joggers Were Injured And Two Others Died And Creating A New Beachside Path For Joggers And Pedestrians**

**2006: Harkey Voted For Banning Joggers And Cyclists Along The Inland Side Of PCH Where The Joggers Were Injured And Two Others Died And Creating A New Beachside Path For Joggers And Pedestrians.** “A narrow stretch of Pacific Coast Highway will soon be off-limits to joggers and cyclists after the City Council on Aug. 23 unanimously decided a beachside path set off from vehicles would be safer. The law bans pedestrians and bicycles along the inland side of Pacific Coast Highway, where three accidents since April have left two people dead and two injured. [...] The new path will be better protected by a new 1.5-mile concrete barrier. The 10-foot-wide path is under construction and should be completed in September. During construction, joggers and bicyclists are restricted from running or cycling in the area until construction is complete. Those headed northbound on Pacific Coast Highway would reach the path by a new crosswalk at the traffic signal at Camino Capistrano.” [Orange County Register, 8/31/06]

**The Vote Occurred After Two Joggers Were Injured And Left Paralyzed, In A Hit And Run On Pacific Coast Highway**

**2006: Two Joggers Were Injured In A Hit And Run On Pacific Coast Highway.** “Joggers hit on PCH Stacy Neria and her friend Carol Daniel were hit by a vehicle as they ran along Coast Highway in Capistrano Beach with two other women. The driver fled the scene.” [Orange County Register, 12/28/06]

**The Hit And Run Paralyzed Both Women.** “Two women left permanently disabled after being struck by a car while jogging along Pacific Coast Highway reached a \$49-million settlement Tuesday with the city of Dana

Point. The lawsuit brought by Carol Daniel, 42, and Stacy Neria, 35, both mothers of three who live in San Clemente, was scheduled to go to trial Tuesday. Instead, it ended with one of the largest settlements in Orange County history. The women were hit April 8, 2006, by William Todd Bradshaw, who fled the scene. Bradshaw, who had three previous drunk driving convictions, was arrested several days later, convicted and sentenced to four years in prison. Daniel and Neria were jogging with two other women in the bicycle lane on the northbound side of PCH when they were struck. Daniel was thrown about 60 feet, breaking her neck and pelvis and nearly severing one of her legs. Neria suffered a fractured skull, broken legs and a broken pelvis, nose and cheek. Both women are now quadriplegics. The other two women were not injured.” [Los Angeles Times, [11/28/07](#)]

---

### **The Joggers’ Lawsuit Alleged The Road Was Unsafe As The Bike Lane Was Too Wide And Improperly Marked And That The City Knew The Bike Lane Was Unsafe But Failed To Respond**

---

**The Lawsuit Alleged The Road Was Unsafe As The Bike Lane Was Too Wide And Improperly Marked.** “The lawsuit alleged that the road was unsafe because the bike lane was too wide -- possibly causing drivers to mistake it for another lane -- and improperly marked. The city has since added concrete barriers protecting joggers and bicyclists. [...] During discovery, Callahan found that the city's master plan for bike lanes stated that no lane shall be more than 8 feet wide. ‘Except this orphan stretch of roadway . . . varied from 9 to 12 feet,’ he said. ‘And it wasn't marked as a bike lane. We had an oversized bike lane, the same width as a travel lane with no signs. This was an accident waiting to happen.’” [Los Angeles Times, [11/28/07](#)]

**The Victims’ Attorney Claimed The City Had A Previous Report, In Which He Claimed The City Knew The Bike Lane Was Unsafe But The City Failed To Respond.** “Callahan said the city had a report that people were inadvertently driving in the bike lanes in 2002 in a previous case he handled. An expert at that time testified the lanes were unsafe but the city failed to do anything, according to depositions of public works officials in the Neria and Daniel case, he said. ‘All they had to do was get a can of paint and stencil little bike figures in the bike lane and drivers would have known there was a bike lane,’ Callahan said. City officials could not be reached late Tuesday to address Callahan's contentions about the previous case. ‘It's our understanding that there never was a dangerous condition out there,’ Munoz said. ‘We created a bike lane that goes north and south and is protected by K-rails.’” [Los Angeles Times, [11/28/07](#)]

---

### **The Two Joggers Reached A Settlement With The City Of Dana Point For Between \$49 And \$50 Million But The City Manager Said The Settlement Was Not An Admission Of Fault From The City**

---

**The Two Joggers Reached A Settlement With The City Of Dana Point For Between \$49 And \$50 Million But The City Manager Said The Settlement Was Not An Admission Of Fault From The City.** “Two women left permanently disabled after being struck by a car while jogging along Pacific Coast Highway reached a \$49-million settlement Tuesday with the city of Dana Point. [...] According to Dana Point officials, the settlement was \$49 million. Callahan said the figure was closer to \$50 million. City Atty. A. Patrick Munoz said the settlement was a compromise for the city, which had maintained that its roads were safe. ‘Our view is the real wrongdoer is Mr. Bradshaw,’ he said. ‘We only hope the money will help these ladies with their lifelong needs.’ Munoz said the agreement should not be construed as an admission of fault by the city, but rather is being offered in the hopes the money ‘will aid in a better quality of life for both women and their families.’” [Los Angeles Times, [11/28/07](#)]

---

### **Harkey Said The Settlement Will “Help Provide A Better Quality Of Life For The Two Survivors”**

---

**Harkey Said The Settlement Will “Help Provide A Better Quality Of Life For The Two Survivors.”** “Dana Point Mayor Diane Harkey said the settlement will ‘help provide a better quality of life for the two survivors.’ ‘This was a really sad accident,’ she said. ‘It upset two families and it's just a shame that the guy driving was a criminal,’ referring to Bradshaw's three previous drunk driving convictions.” [Los Angeles Times, [11/28/07](#)]

## **2008: Harkey Voted For Allocating A \$100,000 Public Safety Grant For A School Resource Officer**

**2008: Harkey Voted For Allocating A \$100,000 Public Safety Grant For A School Resource Officer.** “The council also unanimously approved allocating a \$100,000 public safety grant for a school resource officer and to prevent graffiti. After hearing concerns of increasing suspicious persons and trespassing from a resident, Mayor Pro Tem Lisa Bartlett addressed the public safety issue. ‘We need residents to activate neighborhood watch programs again,’ Bartlett said. ‘We’ve become too lax because things are so safe here.’” [Orange County Register, 8/21/08]

## **Prison Population Reduction**

### **Harkey Criticized A Plan To Release 27,000 Inmates Which She Said Put “A Ton Of Pressure On Local Governments Because We Don’t Want These People In Our Communities”**

**The State Assembly Passed A Prison Reform Bill That Planned To Release 27,000 Inmates And Reduce Supervision For Some Parolees Whiles Increasing It For The Most Violent Offenders.** “Casting aside Republican concerns about public safety and criticism from Senate Democrats, the Assembly on Monday approved a scaled-back prison reform bill that falls short of the \$1.2 billion in cuts needed to plug the state's deficit. [...] The Assembly bill would see about 27,000 inmates released this fiscal year, offering credit for time served if inmates participate in rehabilitation programs. And it would reduce supervision for some parolees in favor of beefing up supervision of the most violent offenders.” [Mercury News, [8/30/09](#)]

**Harkey On Reducing Supervision On Parolees: “These People Are Preying On Young Women And Young Girls. We Don’t Want This In Our Cities And In Our Communities.”** “Assembly Speaker Karen Bass, D-Los Angeles, removed both provisions, muting most of the opposition from law enforcement organizations. Republican lawmakers remain opposed to a part of the bill that would lessen supervision of many parolees. ‘These people are preying on young women and young girls. We don't want this in our cities and in our communities,’ said Assemblywoman Diane Harkey, R-Dana Point.” [Associated Press via East Bay Times, [8/31/09](#)]

**Harkey Said, “These Are Crimes Against Women, Actual Crimes” And Invoked The Dugard Case When A Sex Offender Was Paroled From A Federal Prison And Kidnapped Dugard For 18 Years.** “Republicans warned that releasing inmates ahead of schedule would embolden predators. ‘These are crimes against women, actual crimes,’ said Assemblywoman Diane Harkey, R-Laguna Niguel, invoking the Dugard case among others. Authorities say Dugard was snatched and held for 18 years by a sex offender who had been paroled from a federal prison in Kansas.” [Mercury News, [8/30/09](#)]

**Harkey On The Reduced Supervision Of Some Parolees: “There Is Going To Be A Ton Of Pressure On Local Governments Because We Don’t Want These People In Our Communities.”** “Harkey also said reducing supervision of parolees would simply push the problem onto cities and counties. ‘There is going to be a ton of pressure on local governments because we don't want these people in our communities.’” [Mercury News, [8/30/09](#)]

## **2013: Harkey Signed Onto A Letter Opposing A Court-Ordered Inmate Reduction Plan**

**2013: Harkey Signed Onto A Letter Opposing A Court-Ordered Inmate Reduction Plan.** “With too many innocent Californians becoming victims of crime as a result of the public safety realignment law, Senate and Assembly Republicans today sent a letter to Governor Brown urging him to utilize the tools at his disposal to prevent a looming court-ordered inmate population reduction that would put more Californians at risk. The text of the joint Republican letter is below: [...] Sincerely, [...] Assembly Member Diane Harkey” [California State Assembly, Republican Caucus, press release via States News Service, 4/30/13]

## **Drug Crimes**

## **2014: Harkey Voted Against A Bill That Lessened The Penalties For Cocaine-Related Offenses**

**2014: Harkey Voted Against A Bill That Lessened The Penalties For Cocaine-Related Offenses.** In August 2014, Harkey voted against a bill that increased the threshold and lessened the penalties for cocaine-related offenses. “Existing law generally provides that the interest of any registered owner of a boat, airplane, or any vehicle, except as specified, that has been used to facilitate the manufacture of, or possession for sale or sale of, 14.25 grams or more of cocaine base or 28.5 grams or more of cocaine is subject to forfeiture, as specified. This bill would revise that provision to instead make property that has been used to facilitate the manufacture of, or possession for sale or sale of, 28.5 grams or more of cocaine base or cocaine subject to forfeiture.” “This bill [...] would instead prohibit, except in unusual cases, granting probation or suspending a sentence for persons convicted of possessing for sale or selling a substance containing 28.5 grams or more of cocaine base or 57 grams or more of a substance containing at least 5 grams of cocaine or cocaine base.” The bill passed the Assembly, 50-19-10. [SB 1010, [8/14/14](#); California Legislative Information, [9/28/14](#)]

## **Fire Safety**

### **Harkey Initially Voted Against A Bill That Would Require The State Fire Marshal To Review Building Fire Safety Standards And Raise Them If Necessary Before Finally Voting For It**

**2013: Harkey Voted Against A Bill That Would Require The State Fire Marshal To Review Building Fire Safety Standards And Raise Them If Necessary.** In May 2013, Harkey voted against a bill that would require the State Fire Marshal to review building fire safety standards and allow him to raise the standards if necessary. “The bill would require, if deemed appropriate by the State Fire Marshal based on this review, the State Fire Marshal to, by July 1, 2015, propose for consideration by the commission updated insulation flammability standards that accomplish certain things, including maintaining overall building fire safety.” The bill passed the Assembly, 49-26-4. [AB 127, [5/13/13](#); California Legislative Information, [10/5/13](#)]

**2013: Harkey Changed Her Mind And Voted For The Final Version Of The Bill That Would Require The State Fire Marshal To Review Building Fire Safety Standards And Raise Them If Necessary.** In September 2013, Harkey voted for the final version of the bill that would require the state fire marshal to review building fire safety standards and raise them if necessary. The bill passed Senate concurrence, 76-2. [AB 127, [9/12/13](#); California Legislative Information, [10/5/13](#)]

## **Law Enforcement Memorials**

### **2011: Harkey Requested A Resolution To Rename A Stretch Of I-5 After An Officer Who Fell In The Line Of Duty**

**Harkey Requested A Resolution To Rename A Stretch Of I-5 After An Officer Who Fell In The Line Of Duty.** “A stretch of I-5 is now officially designated as the Officer Richard T. Steed Memorial Highway, in memory of the only San Clemente police officer killed in the line of duty. Steed was shot and killed 33 years ago Tuesday - Nov. 29, 1978. There's just one hitch about two signs that Caltrans erected along the freeway. They don't let motorists know that the honoree is a fallen police officer, and that has caught the attention of a local group that lobbied for the designation and raised \$5,000 to pay for the signs. The signs say ‘Richard T. Steed Memorial Freeway.’ A California Assembly resolution adopted in August at the request of Assemblywoman Diane Harkey listed the designation as ‘the Officer Richard T. Steed Memorial Highway.’” [Orange County Register, [11/29/11](#)]

## **Sex Crimes**



**2014: Harkey Voted Against A Bill That Would Remove Adults Who Had Consensual Sexual Relationships With Minors From The Sex Offender Registry**

**2014: Harkey Voted Against A Bill That Would Remove Adults Who Had Consensual Sexual Relationships With Minors From The Sex Offender Registry.** In May 2014, Harkey voted against a bill that would remove adults who had consensual relationships with minors from the sex offender registry. “This bill would conform statutory law to those court decisions by deleting from the list of offenses requiring registration, sodomy, oral copulation, and sexual penetration, if in each case the offender participates in the offense with another person who is under 18 years of age or when the offender is over 21 years of age and participates in the offense with another person who is under 16 years of age.” The bill failed in the Assembly, 29-37-13. [AB 1640, [5/29/14](#); California Legislative Information, [4/2/14](#)]

**Worker Identification**

**2014: Harkey Voted Against A Bill Requiring Nongovernmental Workers To Properly Identify Themselves In Matters Of “Public Health And Safety”**

**2014: Harkey Voted Against A Bill Requiring Nongovernmental Workers To Properly Identify Themselves In Matters Of “Public Health And Safety.”** In August 2014, Harkey voted against a bill that, “would prohibit a person, firm, corporation, or association that is a nongovernmental entity and contracts to perform, on or after January 1, 2015, public health and safety labor or services for a public agency from displaying on a vehicle or uniform a logo, as defined, that reasonably could be interpreted as implying that the labor or services are being provided by employees of the public agency, unless the vehicle or uniform conspicuously displays specific disclosures.” The bill passed the Assembly, 43-24-12. [SB 556, [8/25/14](#); California Legislative Information, [9/29/14](#)]

## Defense Issues

### Significant Findings

- ✓ *In 1989, Harkey commended Representative C. Christopher Cox for preventing El Toro Marine Corps Air Station from becoming an airport.*

## El Toro Marine Corps Air Station

### **1989: Harkey Commended Representative C. Christopher Cox For Preventing El Toro Marine Corps Air Station From Becoming An Airport**

**Harkey Commended Representative C. Christopher Cox For Preventing El Toro Marine Corps Air Station From Becoming An Airport.** “I would like to commend the actions taken by Rep. C. Christopher Cox (R-Newport Beach). With one sentence added to the 1990 defense spending plan he will have assured the residents surrounding the El Toro Marine Corps Air Station that this base will not become the future, much-sought International Airport for Orange County. It is to be expected that the Airport Site Coalition, a group of predominantly Newport Beach citizens, would oppose the congressman's actions. The coalition has been attempting to shove an airport into someone else's back yard to alleviate the air traffic and congestion at John Wayne.” [Los Angeles Times, Letter to the Editor, [7/16/89](#)]

## Economy & Jobs

### Significant Findings

- ✓ *In 2011, Harkey said the elimination of redevelopment agencies “would have a devastating impact on San Diego” as “that’s how we’ve created jobs, that’s how we’ve cured blight” but in 2012, Harkey voted against legislation reauthorizing redevelopment agencies.*
- ✓ *Harkey voted against a bill that would gradually raise the minimum wage from \$8.00 to \$10.00.*
- ✓ *Harkey voted against a bill mandating that employers give employees at least 3 paid sick days per year and voted against expanding eligibility for family temporary disability compensation.*
- ✓ *Harkey said dependence on government programs did not “rescue the poor from poverty” but attracted more government programs and made “barriers to self-sufficiency and upward mobility.”*
- ✓ *Harkey voted against bills that created reports on employers with a sizable number of employees and fined large businesses for each employee in the state Medicaid program.*
- ✓ *Harkey called plan to turn nearby land into a mail facility that would employ 300 people with the U.S. Postal Service an “unholy alliance” between a ministry and the government.*
- ✓ *Harkey voted at least twice against requiring publicly traded corporations disclose the names and compensation of its five most highly compensated retirees.*

## Redevelopment Agencies

### **2011: Harkey On Eliminating Redevelopment Agencies: “Would Have A Devastating Impact On San Diego. You Know, That’s How We’ve Created Jobs, That’s How We’ve Cured Blight...”**

### **2011: Harkey On Eliminating Redevelopment Agencies: “Would Have A Devastating Impact On San Diego. You Know, That’s How We’ve Created Jobs, That’s How We’ve Cured Blight...”**

**Harkey On Eliminating Redevelopment Agencies: “Would Have A Devastating Impact On San Diego. You Know, That’s How We’ve Created Jobs, That’s How We’ve Cured Blight...”** “Doing away with redevelopment agencies ‘would have a devastating impact on San Diego. You know, that’s how we’ve created jobs, that’s how we’ve cured blight, that’s how we’ve built downtown, that’s how we’ve built parts of Barrio Logan. I know it sounds like you can just stop it and then you get the taxes back. That’s not the way it works.’ Assemblywoman Diane Harkey, R-Dana Point, who represents parts of coastal northern San Diego County, including Oceanside ‘If you ever have a have a hope of making your case, why wouldn’t you show the savings first? Show the reduction. Show the deficit reducing. Show a more friendly business environment. People feel they are overtaxed and underserved.’” [San Diego Union-Tribune, 1/11/11]

### **2011: Harkey Had Not Voted To End Redevelopment Agencies**

**An Orange County Register Editorial Highlighted That Harkey Had Not Voted To End Redevelopment Agencies.** “The vote on Gov. Jerry Brown's plan to end redevelopment agencies was still open Tuesday, so there was still some hope that these noxious local fiefdoms can be shut down. So far, Republican Assembly members have been a major disappointment on this issue. The bill was one vote shy of the two-thirds majority needed for passage, and only Republican, Chris Norby of Fullerton, had voted ‘aye.’ [...] Orange County residents should

contact GOP Assembly members Jim Silva, Don Wagner, Diane Harkey, Jeff Miller, Allan Mansoor (who has been neutral) and Curt Hagman, and ask them why they haven't voted to end these wasteful and abusive agencies.” [Orange County Register, Editorial, [3/23/11](#)]

### **2012: Harkey Voted Against Legislation Reauthorizing Redevelopment Agencies**

**Harkey Voted Against Legislation Reauthorizing Redevelopment Agencies.** “The Legislature, less than a year after ridding California of one of local government's most abusive powers, voted Thursday to effectively reestablish redevelopment agencies under a different name but with similar authority, including the power to divert existing taxes and to add new tax burdens. [...] Assembly Bill 2144 and Senate Bill 1156 passed during this final week of the legislative session. They are designed to restore redevelopment powers under the guise of what are called Sustainable Communities Investment Authorities. ‘Sustainable communities’ is a concept that uses government power to force more congested urban, as opposed to suburban, development, with preference given to accommodations for high-speed rail and open space. The bills also require prevailing wages and labor compliance programs, which will make the unnecessary expenditures more costly. The bills authorize cities and counties to form joint-powers agencies to incur debt and use eminent domain by creating Infrastructure Finance Districts. This amounts to tempting ‘local government to invest dollars they don't have for projects that people don't want and that private investment cannot justify,’ said Assemblywoman Diane Harkey, R-Laguna Niguel, who voted against both bills.” [Orange County Register, Editorial, [8/31/12](#)]

### **2011: Harkey Asked The Legislature’s Counsel To Determine Whether Governor Brown’s Plan To Eliminate Redevelopment Agencies Was Constitutional**

**Harkey Asked The Legislature’s Counsel To Determine Whether Governor Brown’s Plan To Eliminate Redevelopment Agencies Was Constitutional.** “The Legislature's lawyers said in a recent memo that part of Gov. Jerry Brown's plan to eliminate redevelopment agencies is unconstitutional because the state cannot reimburse itself with local property taxes. The Legislative Counsel Bureau focused on the \$1.7 billion in redevelopment money Brown hopes will help balance the remaining \$15.4 billion state deficit. His proposal calls for the elimination of redevelopment agencies, which use property tax revenues to finance projects in blighted areas. The Democratic governor wants to use that money instead for deficit reduction in the first year and greater payments to schools and general local government services in later years. [...] The proposal is contained in Assembly Bill 101 and Senate Bill 77. The latter failed to receive support from two-thirds of lawmakers in March when Republicans objected to the plan. Assemblywoman Diane Harkey, R-Dana Point, asked Legislative Counsel to determine whether AB 101 complies with the constitution.” [Sacramento Bee via California Manufacturers & Technology Association, [5/13/11](#)]

**The Counsel’s Memo To Harkey Did Not Reject That The Redevelopment Agencies Could Be Eliminated.** ‘Assemblywoman Diane Harkey, R-Dana Point, requested the Legislative Counsel Bureau, a nonpartisan public agency that provides certain legal services to the Legislature, to review Assembly Bill 101 -- which eliminates redevelopment. While the bureau's recent memo to Harkey did not reject the notion that agencies could be eliminated, it stated the initial \$1.7 billion grab did not appear to follow state law that requires property tax revenues be used by local jurisdictions. ‘It is our view that a court would conclude that those property tax revenues, as so used, would be deemed to be apportioned to the state, rather than to the districts within a county as required by (the California constitution),’ the memo read.’ [Eureka Times-Standard, [5/11/11](#)]

## **Minimum Wage**

### **2013: Harkey Voted Against A Bill That Would Gradually Raise The Minimum Wage From \$8.00 To \$10.00**

**2013: Harkey Voted Against A Bill That Would Gradually Raise The Minimum Wage From \$8.00 To \$10.00.** In September 2013, Harkey voted against a bill that would raise the minimum wage to \$10.00 an hour by

2016. “Existing law requires that, on and after January 1, 2008, the minimum wage for all industries be not less than \$8.00 per hour. This bill would increase the minimum wage, on and after July 1, 2014, to not less than \$9 per hour. The bill would further increase the minimum wage, on and after January 1, 2016, to not less than \$10 per hour.” The bill passed Senate concurrence, 52-25-1. [AB 10, [9/12/13](#); California Legislative Information, [9/25/13](#)]

## **Paid Sick Leave**

### **Harkey Voted Against A Bill Mandating That Employers Give Employees At Least 3 Paid Sick Days Per Year And Voted Against Expanding Eligibility For Family Temporary Disability Compensation**

**2014: Harkey Voted Against A Bill Mandating That Employers Give Employees At Least 3 Paid Sick Days Per Year.** In August 2014, Harkey voted against a bill that required employers in the state of California to give their employees at least 3 paid sick days per year. “This bill would enact the Healthy Workplaces, Healthy Families Act of 2014 to provide that an employee who, on or after July 1, 2015, works in California for 30 or more days within a year from the commencement of employment is entitled to paid sick days for prescribed purposes, to be accrued at a rate of no less than one hour for every 30 hours worked. An employee would be entitled to use accrued sick days beginning on the 90th day of employment. The bill would authorize an employer to limit an employee’s use of paid sick days to 24 hours or 3 days in each year of employment. The bill would prohibit an employer from discriminating or retaliating against an employee who requests paid sick days.” The bill passed Senate concurrence, 52-25-2. [AB 1522, [8/30/14](#); California Legislative Information, [9/10/14](#)]

**2013: Harkey Voted Against Expanding The Eligibility For Family Temporary Disability Compensation.** In September 2013, Harkey voted against bill that would, “expand the scope of the family temporary disability program to include time off to care for a seriously ill grandparent, grandchild, sibling, or parent-in-law, as defined. The bill would also make conforming and clarifying changes in provisions relating to family temporary disability compensation.” The bill passed the Assembly, 51-22-5. [SB 770, [9/4/13](#); California Legislative Information, [9/24/13](#)]

## **Poverty**

### **Harkey Said Dependence On Government Programs Did Not “Rescue The Poor From Poverty” But Attracted More Government Programs And Made “Barriers To Self-Sufficiency And Upward Mobility”**

**Harkey Said Dependence On Government Programs Did Not “Rescue The Poor From Poverty” But Attracted More Government Programs And Made “Barriers To Self-Sufficiency And Upward Mobility.”** “Living in California, I have witnessed centralized top-down planning, heavily skewed incentives to reconfigure the economy, and how government redistribution of assets and wealth is disguised as creating fairness. Robbing Peter to pay Paul does not ‘grow’ the economy nor, as we have witnessed in California, does dependency on government largess rescue the poor from poverty. But it does attract more to government programs, while providing barriers to self-sufficiency and upward mobility.” [Orange County Register, [11/14/17](#)]

## **Corporate Welfare**

### **Harkey Voted Against Bills That Created Reports On Employers With A Sizable Number Of Employees And Fined Large Businesses For Each Employee In The State Medicaid Program**

**2014: Harkey Voted Against A Bill That Required The Government To Generate A Report On Employers Who Have A Sizable Amount Of Their Employees On California’s Medicaid Program.** In August 2014, Harkey voted against a bill that required the government to generate a report on employers who have a large



amount of employees enrolled in Medi-Cal. “The bill would require the Employment Development Department to collaborate with the State Department of Health Care Services and the State Department of Social Services to determine the total average cost of state and federally funded benefits provided to each identified employer’s employees, as specified. The bill would define an employer as an individual or organization that employs 100 or more beneficiaries of the Medi-Cal program.” The bill passed Senate concurrence, 53-24-1. [AB 1792, [8/29/14](#); California Legislative Information, [9/30/14](#)]

**2013: Harkey Voted Against A Bill That Would Fine Large Businesses For Each Employee Enrolled In Medi-Cal.** In June 2013, Harkey voted against a bill that would, “require a large employer, as defined, to pay the Employment Development Department an employer responsibility penalty for each covered employee, as defined, enrolled in Medi-Cal based on the average cost of employee-only coverage provided by large employers to their employees, including both the employer’s and employee’s share of the premiums, as specified.” The bill failed in the Assembly, 46-27-6. [AB 880, [6/27/13](#); California Legislative Information, [6/24/13](#)]

## Local Jobs

### **Harkey Called Plan To Turn Nearby Land Into A Mail Facility That Would Employ 300 People With The U.S. Postal Service An “Unholy Alliance” Between A Ministry And The Government**

**Harkey Called A Ministry’s Plan To Turn A Portion Of Its Land Into A Mail Facility That Would Employ 300 People With The U.S. Postal Service An “Unholy Alliance” Between A Ministry And The Government.** “San Juan Capistrano officials spoke out Monday against plans to turn a large portion of a bucolic ranch-style campus owned by Crystal Cathedral Ministries into a bustling mail facility. ‘This would destroy the gateway into our community,’ said Mayor Sam Allevato at a news conference on Camino Capistrano, the two-lane road overlooking the property, which is nestled between Interstate 5 and grassy hills on the northern edge of the city. ‘It’s totally out of character for our rural ambience.’ But the city may not have the authority to stop the development. Most businesses need approval from the city to develop the land, but the U.S. Postal Service, as a federal agency, could exempt itself from such laws. That lack of control has angered city officials, who said the facility would threaten the character of the city, known for its equestrian trails, open space and historic mission. The mail processing center would be housed in a 9-acre building and employ 300, and would be among the largest employers in the city of 36,000. [...] ‘This is an unholy alliance between the Schullers [founders of the ministry] and the federal government,’ said Dana Point Mayor Diane Harkey, who predicted that vehicles from the center would compound regional traffic congestion.” [Los Angeles Times, [8/14/07](#)]

**Harkey Attended A News Conference With The Aliso Viejo Mayor To Oppose The Proposed Mail-Processing Location.** “Standing with fellow council members and the Dana Point mayor in front of the proposed location of a mail-processing facility, Aliso Viejo Mayor Carmen Cave said last Thursday that the Postal Service has chosen the wrong city for the plant. Cave addressed about 20 residents at a midday news conference at 50 Liberty, a 26-acre property owned by the Postal Service where dried brush, rocks and shrubbery spread across the landscape. ‘Projects like this do not meet the character of this community,’ Cave said. ‘If this project goes in as proposed, expect more traffic, more air pollution, more noise and more light.’” [Orange County Register, [10/11/07](#)]

**Harkey Attended A News Conference With The Aliso Viejo Mayor To Oppose The Proposed Mail-Processing Location.**



[Orange County Register, [10/11/07](#)]

## Publicly Traded Corporations Disclosure

### **2012: Harkey Voted At Least Twice Against Requiring Publicly Traded Corporations Disclose the Names And Compensation Of Its Five Most Highly Compensated Retirees**

**2012: Harkey Voted Against Requiring Publicly Traded Corporations Disclose the Names And Compensation Of Its Five Most Highly Compensated Retirees.** In August 2012, Harkey voted against a “bill [that] would, instead, require that a publicly traded corporation include in the compensation statement described above the total compensation, as defined, paid to each member of the board of directors, the principal executive officer, principal financial officer, and each of the 3 most highly compensated executive officers, other than the principal executive officer or principal financial officer, who are not members of the board.” The bill failed 32 to 36. [SB 1208, [8/21/12](#); California Legislative Information, [8/21/12](#)]

**2012: Harkey Voted Against Requiring Publicly Traded Corporations Disclose the Names And Compensation Of Its Five Most Highly Compensated Retirees In Committee.** In August 2012, Harkey voted against a “bill [that] would, instead, require that a publicly traded corporation include in the compensation statement described above the total compensation, as defined, paid to each member of the board of directors, the principal executive officer, principal financial officer, and each of the 3 most highly compensated executive officers, other than the principal executive officer or principal financial officer, who are not members of the board.” The bill failed 9 to 4. [SB 1208, [8/8/12](#); California Legislative Information, [8/8/12](#)]

## 2008 Great Recession

### **When Dana Point Expected To Have Increased Revenue From Hotel Taxes, Harkey Said, “With The Dollar Crashing, It Makes It A Lot Easier For People All Around The World To Come Here”**

**When Dana Point Expected To Have Increased Revenue From Hotel Taxes, Harkey Said, “With The Dollar Crashing, It Makes It A Lot Easier For People All Around The World To Come Here.”** “Seven months into the current fiscal year, the city’s budget is doing better than expected, according to city staff. Director of Administrative Services Mike Killebrew said the city would finish the year with nearly \$2 million more than projected due to increased revenue and some cost savings in department budgets. The Transient Occupancy Taxes, which comprise about one-third of the city’s revenue, were up \$800,000 from projected figures. The record-high revenue comes from a tax charged for hotel stays in Dana Point. In other words, the recent economic downturn in America has not affected the high-end resorts in town. In fact, the drop in value of the dollar worldwide may have increased international tourism, City Councilwoman Diane Harkey said. ‘With the dollar crashing, it makes it a lot easier for people all around the world to come here,’ she said.” [Orange County Register, [3/19/08](#)]

## Economic Development

### **2013: Harkey Voted Against A Bill That Increased Transparency When It Came To Economic Development Subsidies**

**2013: Harkey Voted Against A Bill That Increased Transparency When It Came To Economic Development Subsidies.** In August 2013, Harkey voted against a bill that would, “require each local agency, as defined, to provide specified information to the public before approving an economic development subsidy, as defined, within its jurisdiction, and to review, hold hearings, and report on those subsidies at specified intervals.” The bill passed Senate concurrence, 50-23-5. [AB 562, [8/30/13](#); California Legislative Information, [10/11/13](#)]

### **2013: Harkey Voted At Least Twice Against A Bill That Would Remove Incentives From Various Economic Development Areas Including Local Agency Military Base Recovery Areas**

**2013: Harkey Voted Against A Bill That Would Remove Incentives From Various Economic Development Areas Including Local Agency Military Base Recovery Areas On Its Final Vote.** In June 2013, Harkey voted against a bill that would eliminate tax credits and provisions for, “enterprise zones, manufacturing enhancement areas, targeted tax areas, and local agency military base recovery areas, or LAMBRAs.” The bill passed Senate concurrence, 54-16-9. [AB 93, [6/27/13](#); California Legislative Information, [7/11/13](#)]

**2013: Harkey Voted For A Bill That Would Remove Incentives From Various Economic Development Areas Including Local Agency Military Base Recovery Areas On Its First Vote In The Assembly.** In May 2013, Harkey voted for a bill that would eliminate tax credits and provisions for, “enterprise zones, manufacturing enhancement areas, targeted tax areas, and local agency military base recovery areas, or LAMBRAs.” The bill passed 51 to 24. [AB 93, [5/13/13](#); California Legislative Information, [7/11/13](#)]

### **2013: Harkey Voted Against A Bill Establishing The Sustainable Communities Investment Authority, Which Aimed To Foster Economic Development**

**2013: Harkey Voted Against A Bill Establishing The Sustainable Communities Investment Authority, Which Aimed To Foster Economic Development.** In September 2013, Harkey voted against a bill that, “would authorize certain public entities of a Sustainable Communities Investment Area, as described, to form a Sustainable Communities Investment Authority (authority) to carry out the Community Redevelopment Law in a specified manner. The bill would require the authority to adopt a Sustainable Communities Investment Plan for a Sustainable Communities Investment Area and authorize the authority to include in that plan a provision for the receipt of tax increment funds provided that certain economic development and planning requirements are met. The bill would authorize the legislative body of a city or county forming an authority to dedicate any portion of its net available revenue, as defined, to the authority through its Sustainable Communities Investment Plan.” The bill passed the Assembly, 48-28-2. [SB 1, [9/9/13](#); California Legislative Information, [9/3/13](#)]

## Local Development

### **Harkey Voted For Continuing Talks, Which Included The Four Largest Hotels, On Forming A Business Improvement District (BID) For Hotel Properties In Dana Point**

**Harkey Voted For Continuing Talks, Which Included The Four Largest Hotels, On Forming A Business Improvement District (BID) For Hotel Properties.** “The Dana Point City Council allocated a \$100,000 grant for a school resource officer and graffiti prevention and continued talks about creating a business improvement district in the city at its meeting Tuesday night. After a short staff report, the Council unanimously approved the continuation of talks on forming a business improvement district for the hotel properties and the branding of Dana Point as a destination location. The four largest hotels have already agreed to begin the BID talks, and the group has invited any other hotel that wishes to participate to do so.” [Orange County Register, 8/21/08]

**Harkey Expressed Interest In Allowing Unwilling Hotels To Be Excluded From The Business Improvement District.** “Councilwoman Diane Harkey expressed an interest in excluding unwilling hotels from the BID, thereby limiting protest and expediting the formation of the group. Chotkevys assured her that the four major hotels were involved, but other hotels could join if they felt a desire to do so, although involvement will not be mandatory. ‘Some might say this denies them the opportunity of marketing,’ said Harkey. ‘Not true. If we do this they will all benefit from the spillover effect.’” [Orange County Register, 8/21/08]

## Education Issues

### Significant Findings

- ✓ *In 2009, Harkey said California's budget crisis could be solved by cutting spending and that cutting education spending had to be done.*
- ✓ *Harkey voted against a bill to provide funding for school buses as some districts risked losing funding in the bill but saved the state \$248 million.*
- ✓ *Harkey voted against a bill that would make kindergarten compulsory.*
- ✓ *Harkey voted at least three times against requiring pro-profit colleges to disclose if its programs and degrees were accredited.*
- ✓ *Harkey voted against a bill that declared college student employees were also "higher education employees" under the eye of the law.*

## K-12 Education Spending

### **2009: Harkey Said California's Budget Crisis Could Be Solved By Cutting Spending And That Cutting Education Spending Had To Be Done**

**Harkey Said California's Budget Crisis Could Be Solved By Cutting Spending.** "Harkey also talked about how much California is in the hole. She went through a laundry list of state budget issues as audience members questioned California's financial status. Would encouraging people to circumvent the new withholding tax just dig a deeper budget hole? Harkey said the crisis should be solved by slashing spending." [Orange County Register, 10/31/09]

**2009: Harkey Said That Cutting Education Spending Had To Be Done.** "Anne Carpenter, a homemaker in San Clemente, said she was concerned that cutting spending might hurt an already crippled education system. State colleges have implemented furloughs, and primary schools have cut several after-school programs. Harkey said that as much as it hurts to take money from schools, it has to be done." [Orange County Register, 10/31/09]

### **Harkey Voted Against A Bill To Provide Funding For School Buses As Some Districts Risked Losing Funding In The Bill But Saved The State \$248 Million**

**Harkey Voted Against A Bill To Provide Funding For School Buses As Some Districts Risked Losing Funding In The Bill But Saved The State \$248 Million.** "Gov. Jerry Brown is expected to sign fast-tracked legislation to keep fleets of school buses on the road in San Diego County and across California. The Legislature approved a complex funding bill Thursday in response to a \$248 million cut in December for home-to-school transportation that went into effect Jan. 1. [...] To secure Brown's signature, lawmakers and education leaders crafted the legislation to trim state funding to all districts evenly by about \$42 per student. That money would then be redistributed based on transportation needs. As a result, some districts will wind up losing revenue. At the same time, the governor still realizes the \$248 million in overall budget savings. Under the December action, the per-student amount varied widely among districts. In the Assembly, Republican Diane Harkey of Dana Point and Fletcher cast no votes and Republicans Martin Garrick of Solana Beach and Jones voted in favor. Democrats Ben Hueso, Toni Atkins and Marty Block, all of San Diego, voted yes." [San Diego Union-Tribune, [2/2/12](#)]



## **Harkey Supported A Bill To Limit The Use Of High-Cost School Bonds, Which She Said Deserved “Our Total Support”**

**Harkey Supported A Bill To Limit The Use Of High-Cost School Bonds, Which She Said Deserved “Our Total Support.”** “Lawmakers advanced a bill on Monday aimed at restricting the use of high-cost school bonds that prevent districts from paying off the debt before the bonds mature. The Assembly passed AB182 by Assemblywoman Joan Buchanan, D-Alamo. An original co-author, Ben Hueso, moved recently from the Assembly to the Senate. The bill passed 73-0 in the 80-member chamber and was sent to the Senate. ‘This is one bill that deserves our total support,’ said Assemblywoman Diane Harkey, a Republican from Dana Point.” [Associated Press via San Diego Union-Tribune, [4/8/13](#)]

## **Harkey Sponsored A \$5,000 Grant For A Lutheran School**

**Harkey Sponsored A \$5,000 Grant For A Lutheran School.** “Staff and students at Chula Vista's Pilgrim Lutheran School were excited to accept a \$5,000 Barona Education Grant yesterday from the Barona Band of Mission Indians. The Chula Vista K-8 grade school plans to use the funds to purchase 20 Apple iPads and headsets to update the school's computer lab. The school's grant was sponsored by California Board of Equalization member Diane Harkey, who remarked, ‘For a school that receives half the funding of a public school, and with teachers that work twice as hard to serve this community in need, Barona's educational grant to provide cutting edge technology to the classroom goes a long way in plugging these kids into a better future.’ Barona Tribal Council Vice Chairman Raymond Welch and Barona Councilwoman Beth Glasco were also on hand to present Principal Bonnie Sanchez with the check.” [Barona Band of Mission Indians, press release via Marketwired, [10/30/15](#)]

## **Mandatory Kindergarten**

### **2014: Harkey Voted Against A Bill That Would Make Kindergarten Compulsory**

**2014: Harkey Voted Against A Bill That Would Make Kindergarten Compulsory.** In May 2014, Harkey voted against a bill that would make kindergarten compulsory. “This bill, beginning with the 2016–17 school year, would require a child to have completed one year of kindergarten before he or she may be admitted to the first grade, thereby imposing a state-mandated local program.” The bill passed the Assembly, 54-24-1. [AB 1444, [5/28/14](#); California Legislative Information, [8/22/14](#)]

## **Student Workers**

### **2014: Harkey Voted Against A Bill That Declared College Student Employees As “Higher Education Employees” Under The Eye Of The Law**

**2014: Harkey Voted Against A Bill That Declared College Student Employees Were Also “Higher Education Employees” Under The Eye Of The Law.** In May 2014, Harkey voted against a bill that declared college student employees were also “higher education employees.” “Under the act, an ‘employee’ or ‘higher education employee’ is defined as any employee of the Regents of the University of California, the Directors of the Hastings College of the Law, or the Trustees of the California State University. The act further authorizes the board to find that student employees whose employment is contingent on their status as students are employees only if the services they provide are unrelated to their educational objectives, or that those educational objectives are subordinate to the services they perform and that coverage under this act would further the purposes of the act. This bill would instead provide that student employees, employees whose employment is contingent upon their status as students, students are employees or and higher education employees for purposes of the act.” The bill passed the Assembly, 53-24-2. [AB 1834, [5/28/14](#); California Legislative Information, [4/24/14](#)]

## For-Profit Higher Education

### 2012: Harkey Voted At Least Three Times Against Requiring Pro-Profit Colleges To Disclose If Its Programs And Degrees Were Accredited

**2012: Harkey Voted Against Requiring Pro-Profit Colleges To Disclose If Its Programs And Degrees Were Accredited On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would apply that prohibition to the offering of associate, baccalaureate, and master’s degree programs without disclosing that the institution, or specified degree program, is unaccredited, and would list specified limitations of the degree program whose disclosure the bill would require. [...] This bill would require the school catalog to include a statement specifying whether the institution, or any of its programs, are accredited by an accrediting agency recognized by the United States Department of Education, and, if the institution is unaccredited, or offers an associate, baccalaureate, master’s, or doctoral degree program that is not accredited, the bill would require the statement to disclose the known and specified limitations of the degree program.” The bill passed 52 to 28. [AB 2296, [8/28/12](#); California Legislative Information, [8/28/12](#)]

**2012: Harkey Voted Against Requiring Pro-Profit Colleges To Disclose If Its Programs And Degrees Were Accredited On Its First Vote In The Assembly.** In May 2012, Harkey voted against a “bill [that] would apply that prohibition to the offering of associate, baccalaureate, and master’s degree programs without disclosing that the institution, or specified degree program, is unaccredited, and would list specified limitations of the degree program whose disclosure the bill would require. [...] This bill would require the school catalog to include a statement specifying whether the institution, or any of its programs, are accredited by an accrediting agency recognized by the United States Department of Education, and, if the institution is unaccredited, or offers an associate, baccalaureate, master’s, or doctoral degree program that is not accredited, the bill would require the statement to disclose the known and specified limitations of the degree program.” The bill passed 47 to 26. [AB 2296, [5/14/12](#); California Legislative Information, [5/14/12](#)]

**2012: Harkey Voted Against Requiring Pro-Profit Colleges To Disclose If Its Programs And Degrees Were Accredited In Committee.** In May 2012, Harkey voted against a “bill [that] would apply that prohibition to the offering of associate, baccalaureate, and master’s degree programs without disclosing that the institution, or specified degree program, is unaccredited, and would list specified limitations of the degree program whose disclosure the bill would require. [...] This bill would require the school catalog to include a statement specifying whether the institution, or any of its programs, are accredited by an accrediting agency recognized by the United States Department of Education, and, if the institution is unaccredited, or offers an associate, baccalaureate, master’s, or doctoral degree program that is not accredited, the bill would require the statement to disclose the known and specified limitations of the degree program.” The bill passed 10 to 5. [AB 2296, [5/9/12](#); California Legislative Information, [5/9/12](#)]

## Ethnic Studies

### In Response To A Bill Expressing Support For Ethnic Studies In Higher Education, Harkey Said She Was Concerned They Would Be “Setting Something As A Higher Priority”

**In Response To A Bill Expressing Support For Ethnic Studies In Higher Education, Harkey Said She Was Concerned They Would Be “Setting Something As A Higher Priority.”** “At first glance, the issue seemed simple enough: a non-binding resolution that registers support for ethnic studies curriculums at California's three public university systems. But in the hands of the state Assembly, the measure turned into a sometimes testy, nearly hourlong debate. Assemblyman Ricardo Lara, D-Bell Gardens, pushed Assembly Concurrent Resolution 34 backing ethnic studies programs as CSU, UC and state community colleges are deciding how to collectively cut more than \$1 billion from their budgets. Assemblywoman Diane Harkey, R-Dana Point, said she was concerned that the Legislature would be ‘setting something as a higher priority.’” [Sacramento Bee, 5/24/11]

## Funding For Higher Education

**Harkey Criticized A Bill To Allow The State To Borrow From Its University System; Said, “I Don’t See How Any Of You Can Vote For This. You Don’t Understand Even What It’s About”**

**Harkey Criticized Supporters Of A Bill Allowing The State To Borrow From Its University System Saying That They “Don’t Understand Even What It’s About.”** “The state wants the ability to borrow \$1.7 billion from the University of California and California State University after slashing nearly a quarter of state funding for the beleaguered systems. [...] Republicans decried the measure Monday because they had little time to review the proposal or its implications. Bill language was not available to the public at the time of the vote. ‘I don't see how any of you can vote for this,’ said Assemblywoman Diane Harkey, R-Dana Point. ‘You don't understand even what it's about.’” [Sacramento Bee, 7/12/11]

## School-Teacher Negotiations

**2014: Harkey Voted Against A Bill That Tried To Extend The Length Of School-Teacher Negotiations Before The Implementation Of A Unilateral “Final Offer”**

**2014: Harkey Voted Against A Bill That Tried To Extend The Length Of School-Teacher Negotiations Before The Implementation Of A Unilateral “Final Offer.”** In August 2014, Harkey voted against a bill that tried to extend the length of school-teacher negotiations before the implementation of a school’s “last, best and final offer.” “This bill would require the public school employer, after impasse procedures have been completed and the public school employer has made the factfinding panel’s recommendations and findings public, to provide written notice to the exclusive representative of the date for the implementation of each of the terms included in the last, best, and final offer of the public school employer at least 30 days before that implementation. By requiring the local public school employer to perform these additional duties, this bill would impose a state-mandated local program.” The bill passed Senate concurrence, 54-24-1. [AB 1550, [8/25/14](#); California Legislative Information, [8/27/14](#)]

## Election & Campaign Finance Issues

### Significant Findings

- ✓ *Harkey voted against a resolution calling for a constitutional amendment against Citizens United and voted against putting overturning Citizens United on the ballot.*
- ✓ *Harkey on requiring the top five contributors of ballot initiatives to be disclosed on ballot petitions: "People have a right to remain anonymous and still get their views out."*
- ✓ *Harkey voted at least four times against increasing disclosure requirement on political mailings and advertisements.*
- ✓ *On the Dana Point City Council, Harkey voted against lowering the amount candidates can loan to themselves as she said, "I'd really like to see it at zero... but sometimes you need some money late in a campaign to defend yourself."*
- ✓ *Harkey voted against a bill that would impose more restrictions on gathering signatures for petitions.*

## Citizens United

### **2014: Harkey Voted Against A Resolution Calling For A Constitutional Amendment Against Citizens United And Voted Against Putting Overturning Citizens United On The Ballot**

**2014: Harkey Voted Against A Resolution Calling For A Constitutional Amendment Against The Citizens United Decision.** In January 2014, Harkey voted against a resolution that, "would constitute an application to the United States Congress to call a constitutional convention pursuant to Article V of the United States Constitution for the sole purpose of proposing an amendment to the United States Constitution that would limit corporate personhood for purposes of campaign finance and political speech and would further declare that money does not constitute speech and may be legislatively limited." The bill passed the Assembly, 51-20-9. [AJR 1, [1/30/14](#); California Legislative Information, [6/27/14](#)]

**2014: Harkey Voted Against Putting Overturning Citizens United On The Ballot In The November 2014 Election.** In June 2014, Harkey voted against a bill that would put on the ballot, "an advisory question asking whether the Congress of the United States should propose, and the California Legislature should ratify, an amendment or amendments to the United States Constitution to overturn Citizens United v. Federal Election Commission (2010) 558 U.S. 310, and other applicable judicial precedents, as specified." The bill passed the Assembly, 52-23-4. [SB 1272, [6/30/14](#); California Legislative Information, [7/22/14](#)]

## Disclosure Requirements And Transparency

### **Harkey On Requiring The Top Five Contributors Of Ballot Initiatives To Be Disclosed On Ballot Petitions: "People Have A Right To Remain Anonymous And Still Get Their Views Out"**

**Harkey On Requiring The Top Five Contributors Of Ballot Initiatives To Be Disclosed On Ballot Petitions: "People Have A Right To Remain Anonymous And Still Get Their Views Out."** "Sponsors of ballot initiatives who pay signature gatherers to qualify their measures for the ballot would have to prominently disclose the names of their top five financial backers when petitions are circulated under a bill the Assembly passed Monday. The proposal is designed to give people presented with petitions at public places a means to assess which interest groups are promoting the proposal. The names of the top five contributors would have to be printed in 12-point type near

the top of the petition. [...] Assemblywoman Diane Harkey, R-Dana Point, argued that donors ought to have a right to have names withheld from voters. ‘People have a right to remain anonymous and still get their views out,’ she said.” [Ventura County Star, 4/29/13]

## **Harkey Voted At Least Four Times Against Increasing Disclosure Requirement On Political Mailings And Advertisements And Said The Bill Threw Campaign Finance On The Ballot**

### **2012: Harkey Voted At Least Four Times Against Increasing Disclosure Requirements On Political Mailings And Advertisements**

**2012: Harkey Voted Against Increasing Disclosure Requirements On Political Mailings And Advertisements On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would, instead, impose specified disclosure requirements on radio, television, and video advertisements, and certain mass mailing and print advertisements that support or oppose a candidate or ballot measure or solicit contributions in support of those purposes. The bill would require radio, television, and video advertisements that are authorized by a candidate or agent of the candidate to include a statement in which the candidate identifies himself or herself and states that he or she approves the message, as specified. The bill would require radio, television, video, and certain mass mailings and print advertisements that are not authorized by a candidate or an agent of the candidate to disclose, in a prescribed format, the 3 largest identifiable contributors, as defined, of the committee that paid for the advertisement. The bill would require mass mailings or print advertisements that are paid for by certain persons who are not committees to disclose the name of that person as the funder of the mass mailing or print advertisement. The bill would also require that certain committees establish and maintain a committee disclosure Internet Web site, as defined, which discloses the top 10 identifiable contributors and provides a link to either the Internet Web site maintained by the Secretary of State for campaign finance disclosures of the committee, or a page on the committee disclosure Internet Web site that discloses all identifiable contributors to that committee, as specified. The bill would require these advertisements to identify the address for the committee disclosure Internet Web site.” The bill passed 50 to 26. [AB 1648, [8/20/12](#); California Legislative Information, [8/20/12](#)]

**2012: Harkey Voted Against Increasing Disclosure Requirements On Political Mailings And Advertisements.** In August 2012, Harkey voted against a “bill [that] would, instead, impose specified disclosure requirements on radio, television, and video advertisements, and certain mass mailing and print advertisements that support or oppose a candidate or ballot measure or solicit contributions in support of those purposes. The bill would require radio, television, and video advertisements that are authorized by a candidate or agent of the candidate to include a statement in which the candidate identifies himself or herself and states that he or she approves the message, as specified. The bill would require radio, television, video, and certain mass mailings and print advertisements that are not authorized by a candidate or an agent of the candidate to disclose, in a prescribed format, the 3 largest identifiable contributors, as defined, of the committee that paid for the advertisement. The bill would require mass mailings or print advertisements that are paid for by certain persons who are not committees to disclose the name of that person as the funder of the mass mailing or print advertisement. The bill would also require that certain committees establish and maintain a committee disclosure Internet Web site, as defined, which discloses the top 10 identifiable contributors and provides a link to either the Internet Web site maintained by the Secretary of State for campaign finance disclosures of the committee, or a page on the committee disclosure Internet Web site that discloses all identifiable contributors to that committee, as specified. The bill would require these advertisements to identify the address for the committee disclosure Internet Web site.” The bill passed 52 to 26. [AB 1648, [8/16/12](#); California Legislative Information, [8/16/12](#)]

**2012: Harkey Voted Against Increasing Disclosure Requirements On Political Mailings And Advertisements.** In May 2012, Harkey voted against a “bill [that] would, instead, impose specified disclosure requirements on radio, television, and video advertisements, and certain mass mailing and print advertisements that support or oppose a candidate or ballot measure or solicit contributions in support of those purposes. The bill would require radio, television, and video advertisements that are authorized by a candidate or agent of the candidate to include a statement in which the candidate identifies himself or herself and states that he or she



approves the message, as specified. The bill would require radio, television, video, and certain mass mailings and print advertisements that are not authorized by a candidate or an agent of the candidate to disclose, in a prescribed format, the 3 largest identifiable contributors, as defined, of the committee that paid for the advertisement. The bill would require mass mailings or print advertisements that are paid for by certain persons who are not committees to disclose the name of that person as the funder of the mass mailing or print advertisement. The bill would also require that certain committees establish and maintain a committee disclosure Internet Web site, as defined, which discloses the top 10 identifiable contributors and provides a link to either the Internet Web site maintained by the Secretary of State for campaign finance disclosures of the committee, or a page on the committee disclosure Internet Web site that discloses all identifiable contributors to that committee, as specified. The bill would require these advertisements to identify the address for the committee disclosure Internet Web site.” The bill passed 50 to 24. [AB 1648, [5/31/12](#); California Legislative Information, [5/31/12](#)]

**2012: Harkey Voted Against Increasing Disclosure Requirements On Political Mailings And Advertisements In Committee.** In May 2012, Harkey voted against a “bill [that] would, instead, impose specified disclosure requirements on radio, television, and video advertisements, and certain mass mailing and print advertisements that support or oppose a candidate or ballot measure or solicit contributions in support of those purposes. The bill would require radio, television, and video advertisements that are authorized by a candidate or agent of the candidate to include a statement in which the candidate identifies himself or herself and states that he or she approves the message, as specified. The bill would require radio, television, video, and certain mass mailings and print advertisements that are not authorized by a candidate or an agent of the candidate to disclose, in a prescribed format, the 3 largest identifiable contributors, as defined, of the committee that paid for the advertisement. The bill would require mass mailings or print advertisements that are paid for by certain persons who are not committees to disclose the name of that person as the funder of the mass mailing or print advertisement. The bill would also require that certain committees establish and maintain a committee disclosure Internet Web site, as defined, which discloses the top 10 identifiable contributors and provides a link to either the Internet Web site maintained by the Secretary of State for campaign finance disclosures of the committee, or a page on the committee disclosure Internet Web site that discloses all identifiable contributors to that committee, as specified. The bill would require these advertisements to identify the address for the committee disclosure Internet Web site.” The bill passed 11 to 5. [AB 1648, [5/25/12](#); California Legislative Information, [5/25/12](#)]

---

**The Bill Also Placed On The Ballot A Campaign Finance Measure To Which Harkey Said, “We Are Elected To Represent Our Constituents, Not To Throw Everything On The Ballot”**

---

**In Response To A Bill To Place On The Ballot A Measure To Require Greater Disclosure In Campaign Advertising, Harkey Said, “We Are Elected To Represent Our Constituents, Not To Throw Everything On The Ballot.”** “California voters would get a chance to decide whether they favor greater disclosure about donors in campaign advertising under a bill that passed the state Assembly Monday. Among other things, AB1648 would force corporations to include logos on the ads they fund and require third-party committees to disclose their donors on websites. Political mailers would have to include asterisks next to the names of candidates and ballot initiatives that paid to be included. Assemblywoman Julia Brownley said she wrote the bill to help prevent special interests from hiding political spending. ‘This measure will cast a bright light on their activities,’ the Santa Monica Democrat said in a statement. The measure would appear on the November ballot in 2014 if signed by the governor. [...] The procedural maneuver rankled some GOP lawmakers. ‘We are elected to represent our constituents, not to throw everything on the ballot,’ said Assemblywoman Diane Harkey, R-Dana Point. The bill passed 48-26 on partisan lines and moves to the Senate.” [Associated Press via NBC 7 San Diego, [8/20/12](#)]

**City Of Dana Point Campaign Finance**

**Harkey Voted Against Limiting The Amount Candidates Can Loan To Themselves To \$37,500 As She Supported \$50,000 But Said She Would “Really Like To See It At Zero”**

---

**2005: The Dana Point City Council Passed Five Ordinances Reforming Campaign Finance In Its Municipal Elections**

---

**2005: The Dana Point City Council Passed Five Ordinances Reforming Campaign Finance In Its Municipal Elections.** “Future City Council candidates will be campaigning under a different set of rules. The City Council passed five ordinances Wednesday regarding political reform, including increasing the penalties for late reporting of campaign contributions by independent expenditures and individuals.” [Orange County Register, [11/3/05](#)]

---

**Harkey Voted Against Lowering The Amount Candidates Can Loan To Themselves As She Said, “I’d Really Like To See It At Zero... But Sometimes You Need Some Money Late In A Campaign To Defend Yourself”**

---

**Harkey Voted Against Limiting The Amount Candidates Can Loan To Themselves To \$37,500 As She Supported Increasing The Limit To \$50,000.** “Future City Council candidates will be campaigning under a different set of rules. The City Council passed five ordinances Wednesday regarding political reform, including increasing the penalties for late reporting of campaign contributions by independent expenditures and individuals.[...] Lastly, the council approved by a 4-1 vote to limit the amount candidates can loan themselves to \$37,500 during a campaign. Harkey voted no, saying she would like the amount increased to \$50,000. The past policy was \$25,000. [...] Dana Point candidates during the last election spent tens of thousands of dollars. Harkey alone spent \$170,000 – \$35,000 of which came in contributions.” [Orange County Register, [11/3/05](#)]

**Harkey: “I’d Really Like To See It At Zero, Because I Would Hate To See Someone Get Into Too Much Debt. But Sometimes You Need Some Money Late In A Campaign To Defend Yourself -- Much Like I Did”** “‘I’d really like to see it at zero, because I would hate to see someone get into too much debt,’ said Harkey. ‘But sometimes you need some money late in a campaign to defend yourself -- much like I did.’ Dana Point candidates during the last election spent tens of thousands of dollars. Harkey alone spent \$170,000 - \$35,000 of which came in contributions.” [Orange County Register, [11/3/05](#)]

---

**2005: Harkey Voted To Increase Late Fees For Corporate Contributors And Individuals And To Post Their Names Online In Dana Point City Council Elections**

---

---

**Harkey Voted To Approve A \$300 A Day Late Fee For Corporate Contributors And Individuals**

---

**Harkey Voted To Approve A \$300 A Day Late Fee For Corporate Contributors And Individuals But.** “Before Wednesday’s meeting, corporate contributors and individuals were fined \$10 a day for filing late. ‘That’s a joke,’ said Councilwoman Lara Anderson. By a unanimous vote, the council approved a \$300 per day fine.” [Orange County Register, [11/3/05](#)]

---

**Harkey Voted Against A \$100 Late Fee For All Other Reports As She Said It Was “Too Harsh”**

---

**Harkey Voted Against A \$100 Late Fee For All Other Reports** “By a 4-1 vote -- with Diane Harkey voting no -- the council approved a \$100 per day fine for the late filing of all other reports such as the Recipient Committee Campaign Statement and the Statement of Economic Interest.” [Orange County Register, [11/3/05](#)]

**Harkey Said The Fine Was Too Harsh And That People Sometimes Forget As They May Not Be Professionals.** “Harkey said she felt the fine was too harsh for those running on a grass-roots campaign. ‘During the final days of a campaign, you are extremely busy and sometimes you forget to do things that need to get done. For those who are not professional politicians, they shouldn’t be penalized,’ she said.” [Orange County Register, [11/3/05](#)]

---

**Harkey Voted For Posting The Name Of Individuals And Corporations Who Report Their Contributions Late And Voted For Maintaining The Current Campaign Donation Limit For Individuals**

---

**Harkey Voted For Posting The Name Of Individuals And Corporations Who Report Their Contributions Late And Voted For Maintaining The Current Campaign Donation Limit For Individuals.** “The council also unanimously voted to post the names on the city's Web site of those individuals and corporations who report their contributions late. By a 4-0 vote -- with Anderson abstaining -- the council approved to keep the current campaign donation limit of \$540 for individuals.” [Orange County Register, [11/3/05](#)]

## **Petition Signing**

### **2013: Harkey Voted Against A Bill That Would Impose More Restrictions On Gathering Signatures For Petitions**

**2013: Harkey Voted Against A Bill That Would Impose More Restrictions On Gathering Signatures For Petitions.** In September 2013, Harkey voted against a bill that, “would require at least 10% of the signatures that are required to qualify an initiative measure to be solicited by a person who does not receive money or other valuable consideration for the specific purpose of soliciting signatures of electors, and would require that the declaration of such a person include additional content, as specified.” The bill passed Senate concurrence, 51-25-2. [AB 857, [9/11/13](#); California Legislative Information, [9/18/13](#)]

## Energy Issues

### Significant Findings

- ✓ *Harkey said cap-and-trade and low-carbon fuel fees are passed onto consumers, increasing gas prices from “Sacramento shenanigans.”*
- ✓ *Harkey said the state’s cap-and-trade market could be similar to the housing bubble in which “California could get hosed” or “get fleeced.”*
- ✓ *Harkey: “We need to work on eliminating the extra fees from the cost of cap and trade being extended to the oil refineries in the state.”*
- ✓ *Harkey voted against allocating funds from the cap and trade program to transportation, housing and sustainable community programs.*
- ✓ *Harkey called two bills, SB 350 and SB 32, “egregious measures” that sought to establish a renewable energy mandate for the state and require further greenhouse gas reductions, respectively.*
- ✓ *Harkey voted against capping permit fees for rooftop solar energy systems but initially voted for it in committee.*
- ✓ *Harkey voted at least twice against increasing energy production from renewable energy sources.*
- ✓ *Harkey voted against protecting consumers from manipulation of fuel prices.*

## Cap & Trade

### **Harkey Said Cap-And-Trade And Low-Carbon Fuel Fees Are Passed Onto Consumers, Increasing Gas Prices From “Sacramento Shenanigans”**

**HEADLINE: “The Hidden Costs Driving California Gas Prices Up”** [Orange County Register, Diane Harkey Op-Ed, [3/3/16](#)]

**Harkey On The Price Of Gas In California: “The Truth Is That Overreaching Regulatory Policies Effectively Eliminate The Tax Savings, Resulting In Somewhat Of A Wash For Consumers.”** “There are a multitude of factors that result in California's dubious distinction of having the most expensive gasoline in the nation. While a high tax rate certainly contributes to the final price, so to do multiple hidden costs that few motorists realize they are paying. While any reduction is welcome news for California drivers, the truth is that overreaching regulatory policies effectively eliminate the tax savings, resulting in somewhat of a wash for consumers.” [Orange County Register, Diane Harkey Op-Ed, [3/3/16](#)]

**Harkey Said Cap-And-Trade And Low-Carbon Fuel Fees Are Passed Onto Consumers, Increasing Gas Prices From “Sacramento Shenanigans.”** “To illustrate, let's examine the cost of taxes and regulation per gallon of gasoline, as evaluated by the California Energy Commission: State excise tax: 30 cents per gallon; State's cap-and-trade carbon reduction program: 10.3 cents per gallon; 2016 low-carbon fuel standard: 4.3 cents per gallon. Total additional cost: 44.6 cents per gallon. While the excise tax is transparent to the consumer as displayed at the pump, the cap-and-trade and low-carbon fuel fees - or taxes if you prefer - are imposed on industry and are then passed on to you, obscured by the overall cost per gallon of gasoline. These hidden costs are subject to

increases, while remaining outside the public eye, for those who do not have the time or energy to keep track of the Sacramento shenanigans.” [Orange County Register, Diane Harkey Op-Ed, [3/3/16](#)]

### **Harkey Said The State’s Cap-And-Trade Market Could Be Similar To The Housing Bubble In Which “California Could Get Hosed” Or “Get Fleeced”**

**Harkey Said The “California Could Get Fleeced” From Its Cap And Trade System From Market Manipulation.** “California’s quest to curb greenhouse-gas emissions promises a windfall for the cash-squeezed state, which has cut spending on schools, roads and services for the poor. Gov. Jerry Brown and lawmakers are counting on a \$1 billion immediate infusion of new revenues generated by auctioning emission allowances that some industries must buy to comply with the state’s looming cap-and-trade regulation. [...] Moreover, there is no guarantee the revenues would materialize — at least not in the projected amounts — because the price of an allowance would fluctuate with changing market demands. Also, industry groups are preparing lawsuits to challenge the state’s authority to profit from the sale of pollution permits. There is another risk: Market manipulation by traders could expose the state to losses, said Assemblywoman Diane Harkey, a Republican who represents parts of coastal north San Diego County. ‘California could get fleeced,’ she said.” [San Diego Union-Tribune, 6/14/12]

**Harkey Said The State’s Cap-And-Trade Market Could Be Similar To The Housing Bubble In Which “California Could Get Hosed. We Could End Up Owing Billions Instead Of Making Billions.”** “Going forward, Harkey said she’s going to continue monitoring the rail project while also raising issues about implementation of the state’s new greenhouse gas cap-and-trade program. Harkey is concerned that the new system will create in the carbon market the same sort of circumstances that led to the housing bubble. ‘California could get hosed,’ Harkey said. ‘We could end up owing billions instead of making billions.’” [Orange County Register, [5/18/12](#)]

### **Harkey: “We Need To Work On Eliminating The Extra Fees From The Cost Of Cap And Trade Being Extended To The Oil Refineries In The State”**

**Harkey: “We Need To Work On Eliminating The Extra Fees From The Cost Of Cap And Trade Being Extended To The Oil Refineries In The State.”** ““While I’m happy to help lower the price at the pump, to have a true impact for constituents we need to work on eliminating the extra fees from the cost of cap and trade being extended to the oil refineries in the state and the Low Carbon Fuel Standards that have driven up California’s gas costs, making it some of the most expensive fuel in the nation,’ Harkey, a Republican from Laguna Niguel, said in a statement.” [Los Angeles, [2/25/16](#)]

### **2014: Harkey Voted Against Allocating Funds From The Cap And Trade Program To Transportation, Housing And Sustainable Community Programs**

**2014: Harkey Voted Against Allocating Funds From The Cap And Trade Program To Transportation, Housing And Sustainable Community Programs.** In June 2014, Harkey voted against the budget trailer bill that allocates money from the cap and trade program. “The budget trailer bill SB 862 outlines the key details: 35% of future cap and trade proceeds are allocated to transit, housing and other sustainable communities programs and projects: 10% for a transit and intercity rail capital program – administered by the California Transportation Commission (CTC) and Caltrans; 5% for transit operations – administered by Caltrans and the Air Resources Board; and, 20% for housing and sustainable communities (including planning, active transportation, transit and other supportive infrastructure, and not less than half for housing) – administered by the Strategic Growth Council and ARB.” The bill passed the Assembly, 53-26. [SB 862, [6/15/14](#); California Legislative Information, [6/20/14](#); National Resources Defense Council, [6/16/14](#)]



## **Harkey Signed Onto A Letter Urging Governor Brown To Delay Expanding The Cap-And-Trade Program From Including Gasoline And Diesel**

**Harkey Signed Onto A Letter Urging Governor Brown To Delay Expanding The Cap-And-Trade Program From Including Gasoline And Diesel.** “Assemblymember Kristin Olsen, R-Modesto, and 23 fellow Republican lawmakers today sent a letter to Governor Jerry Brown urging him to use his executive authority to delay expanding the cap-and-trade program to include gasoline and diesel, which would have the effect of imposing a hidden gas tax on California drivers. The expansion is scheduled to go into effect on January 1, 2015. [...] Sincerely, [...] Assemblymember Diane Harkey” [California State Assembly, Republican Caucus, press release, 6/26/14]

## **Consumption**

### **Harkey On An Increase In The State’s Gas Consumption: “California's Economy Is Improving And Getting Stronger Every Day. Lower Gas Prices Are A Driving Factor Behind Our State's Improving Economy”**

**Harkey On An Increase In The State’s Gas Consumption: “California's Economy Is Improving And Getting Stronger Every Day. Lower Gas Prices Are A Driving Factor Behind Our State's Improving Economy.”** “Gasoline consumption in California rose 2.4 percent during the 2014-15 fiscal year, the largest annual increase since the 2003-04 fiscal year and a likely byproduct of the Golden State's improving economy, according to the state Board of Equalization. [...] BOE members said they were encouraged by the latest numbers. ‘California's economy is improving and getting stronger every day. Lower gas prices are a driving factor behind our state's improving economy,’ board member Diane Harkey said.” [Sacramento Bee, [2/2/16](#)]

## **Renewable Energy**

### **Harkey Called Two Bills, SB 350 And SB 32, “Egregious Measures” That Sought To Establish A Renewable Energy Mandate For The State And Require Further Greenhouse Gas Reductions**

**HEADLINE: “DIANE HARKEY: Watered-Down SB350 Still Threatens I.E.”** [Press-Enterprise, Diane Harkey Op-Ed, [9/26/15](#)]

**Harkey Called Two Bills, SB 350 And SB 32, “Egregious Measures” That Sought To Establish A Renewable Energy Mandate For The State And Require Further Greenhouse Gas Reductions, Respectively.** “In January, Gov. Jerry Brown called for a 50 percent reduction in petroleum use by 2030, and Democratic state Senate President pro Tem Kevin de León introduced Senate Bill 350. SB350 included drastic gasoline cut and a new state mandate to produce 50 percent of our power from wind and solar. Meanwhile, Democratic state Sen. Fran Pavley decided our 2006 Global Warming Solutions Act, which required greenhouse gas reductions to 1990 levels by 2020, was inadequate. SB32, as introduced, would have given the unelected California Air Resources Board the power to reduce emissions to 80 percent below 1990 levels by the year 2050. These egregious measures failed because your ‘lobbying’ effort (emailing and calling your elected officials) made it happen. SB32 did not advance, and the gas cut component of SB350 was removed, albeit leaving the new renewable energy mandate in place.” [Press-Enterprise, Diane Harkey Op-Ed, [9/26/15](#)]

**Harkey Urged Governor Brown To Not Sign SB 350, Which She Said “Will Still Drive Up Costs For All Of Us.”** “A watered down version of SB350 is awaiting action from Gov. Brown. The remaining renewable energy provisions, however implemented, will still drive up costs for all of us. Home energy costs in California are 41 percent above the national average. It’s nice to know we can still use gasoline in our cars, but should SB350 be signed, Inland Empire residents can expect even higher electric bills in the near future. I urge you to tell Gov. Brown, ‘No on SB 350.’ For more information and to sign a petition opposing SB 350, go to [www.californiadriversalliance.org](http://www.californiadriversalliance.org).” [Press-Enterprise, Diane Harkey Op-Ed, [9/26/15](#)]

## **2012: Harkey Voted Against Capping Permit Fees For Rooftop Solar Energy Systems But Initially Voted For It In Committee**

**2012: Harkey Voted Against Capping Permit Fees For Rooftop Solar Energy Systems.** In August 2012, Harkey voted against a “bill [that] would require permit fees for rooftop solar energy systems, as specified, by a city, county, city or county, or charter city to not exceed the estimated reasonable cost of providing the service for which the fee is charged, which cannot exceed \$500 plus \$15 per kilowatt for each kilowatt above 15kW for residential rooftop solar energy systems, and \$1,000 plus \$7 per kilowatt for each kilowatt between 51kW and 250kW, plus \$5 for every kilowatt above 250kW, for commercial rooftop solar energy systems, unless certain conditions are met.” The bill passed 58 to 13. [SB 1222, [8/27/12](#); California Legislative Information, [8/27/12](#)]

**2012: Harkey Voted For Capping Permit Fees For Rooftop Solar Energy Systems In Committee.** In August 2012, Harkey voted for a “bill [that] would require permit fees for rooftop solar energy systems, as specified, by a city, county, city or county, or charter city to not exceed the estimated reasonable cost of providing the service for which the fee is charged, which cannot exceed \$500 plus \$15 per kilowatt for each kilowatt above 15kW for residential rooftop solar energy systems, and \$1,000 plus \$7 per kilowatt for each kilowatt between 51kW and 250kW, plus \$5 for every kilowatt above 250kW, for commercial rooftop solar energy systems, unless certain conditions are met.” The bill passed 14 to 1. [SB 1222, [8/16/12](#); California Legislative Information, [8/16/12](#)]

## **2012: Harkey Voted At Least Twice Against Increasing Energy Production From Renewable Energy Sources**

**2012: Harkey Voted Against Increasing Energy Production From Renewable Energy Sources.** In May 2012, Harkey voted against a “bill [that] would require the commission, by August 1, 2014, to add an additional 125 megawatts of cumulative rated generation capacity, split proportionately between the state’s electrical corporations, to the proportion of the statewide cap of 750 megawatts that is applicable to electric generation facilities that are eligible for service pursuant to renewable feed-in tariffs. The bill would require a local publicly owned electric utility that sells electricity at retail to 75,000 or more customers, by August 1, 2014, to add an additional 65 megawatts of cumulative rated generation capacity, split proportionately between those utilities, to the proportion of the statewide cap of 750 megawatts that is applicable to electric generation facilities that are eligible for service pursuant to renewable feed-in tariffs. The bill would limit eligibility for the additional generation capacity to electric generation facilities with a rated capacity under 500 kilowatts that are located in the state’s most impacted and disadvantaged communities, as defined.” The bill passed 49 to 27. [AB 1990, [5/30/12](#); California Legislative Information, [5/30/12](#)]

**2012: Harkey Voted Against Increasing Energy Production From Renewable Energy Sources In Committee.** In May 2012, Harkey voted against a “bill [that] would require the commission, by August 1, 2014, to add an additional 125 megawatts of cumulative rated generation capacity, split proportionately between the state’s electrical corporations, to the proportion of the statewide cap of 750 megawatts that is applicable to electric generation facilities that are eligible for service pursuant to renewable feed-in tariffs. The bill would require a local publicly owned electric utility that sells electricity at retail to 75,000 or more customers, by August 1, 2014, to add an additional 65 megawatts of cumulative rated generation capacity, split proportionately between those utilities, to the proportion of the statewide cap of 750 megawatts that is applicable to electric generation facilities that are eligible for service pursuant to renewable feed-in tariffs. The bill would limit eligibility for the additional generation capacity to electric generation facilities with a rated capacity under 500 kilowatts that are located in the state’s most impacted and disadvantaged communities, as defined.” The bill passed 12 to 5. [AB 1990, [5/25/12](#); California Legislative Information, [5/25/12](#)]

## **Harkey Did Not Respond To A Survey Regarding A Local Utility Company Charging Customers With Solar Power More**

**Harkey Did Not Respond To A Survey Regarding A Local Utility Company Charging Customers With Solar Power More.** “In a North County Times survey, none of North San Diego County's state or federal legislators expressed support for San Diego Gas & Electric Co.'s proposal to increase electricity costs for customers with solar power. Six issued statements declaring opposition, or leaning that way; six felt unprepared to have an opinion; and three declined to comment. [...] Assemblywoman Diane Harkey, R-Oceanside Did not respond.” [North County Times, 12/4/11]

## Fuel Prices

### 2013: Harkey Voted Against Protecting Consumers From Manipulation Of Fuel Prices

**2013: Harkey Voted Against Protecting Consumers From Manipulation Of Fuel Prices.** In September 2013, Harkey voted against a bill that would, “require the State Energy Resources Conservation and Development Commission, or the commission, upon appropriation by the Legislature of moneys generated by the collection of royalty payments from the oil and gas leases, to identify data currently collected or developed by the commission and to establish a methodology to analyze whether fuel price manipulation has occurred or is occurring. The bill would require the commission to establish a Motor Vehicle Fuel Market Advisory Committee, as specified, to review specific data and provide ongoing comments, insight, and recommendations about fuel market behavior and transactions related to potential market manipulation and methods to deter those activities.” The bill passed the Assembly, 41-30-7. [SB 448, [9/11/13](#); California Legislative Information, [9/18/13](#)]

## Environmental Issues

### Significant Findings

- ✓ *Harkey voted at least three times against authorizing a state agency to monitor and regulate greenhouse gases and adopt a gas emissions limit.*
- ✓ *Harkey voted at least twice against using greenhouse gas reduction fund money to provide economic development to disadvantaged communities.*
- ✓ *Harkey voted against a bill that would have improved oversight for California's drinking water program.*
- ✓ *Harkey voted against regulations on fracking.*
- ✓ *Harkey pulled her support for a bill to allow water districts to charge polluters for costs related to investigating water pollution, which would have affected Chevron and ExxonMobil, as they were involved in a lawsuit regarding the issue.*
- ✓ *Harkey voted against increasing regulations on hazardous waste facilities and making the transport of hazardous waste illegal.*

## Climate Change

### **2012: Harkey Voted At Least Three Times Against Authorizing A State Agency To Monitor And Regulate Greenhouse Gases And Adopt A Gas Emissions Limit**

**2012: Harkey Voted Against Authorizing A State Agency To Monitor And Regulate Greenhouse Gases And Adopt A Gas Emissions Limit On Its Final Vote.** In August 2012, Harkey voted against “the California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum, technologically feasible, and cost-effective greenhouse gas emissions reductions. The act authorizes the state board to include use of market-based compliance mechanisms.” The bill passed 51 to 28. [AB 1532, [8/31/12](#); California Legislative Information, [8/31/12](#)]

**2012: Harkey Voted Against Authorizing A State Agency To Monitor And Regulate Greenhouse Gases And Adopt A Gas Emissions Limit On Its First Vote In The Assembly.** In May 2012, Harkey voted against “the California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum, technologically feasible, and cost-effective greenhouse gas emissions reductions. The act authorizes the state board to include use of market-based compliance mechanisms.” The bill passed 49 to 4. [AB 1532, [5/29/12](#); California Legislative Information, [5/29/12](#)]

**2012: Harkey Voted Against Authorizing A State Agency To Monitor And Regulate Greenhouse Gases And Adopt A Gas Emissions Limit In Committee.** In May 2012, Harkey voted against “the California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a

statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum, technologically feasible, and cost-effective greenhouse gas emissions reductions. The act authorizes the state board to include use of market-based compliance mechanisms.” The bill passed 12 to 5. [AB 1532, [5/25/12](#); California Legislative Information, [5/25/12](#)]

### **2012: Harkey Voted At Least Twice Against Using Greenhouse Gas Reduction Fund Money To Provide Economic Development To Disadvantaged Communities**

**2012: Harkey Voted Against Using Greenhouse Gas Reduction Fund Money To Provide Economic Development To Disadvantaged Communities.** In August 2012, Harkey voted against a “bill [that] would require the California Environmental Protection Agency to identify disadvantaged communities for investment opportunities, as specified. The bill would require the Department of Finance, when developing a specified 3-year investment plan, to allocate 25% of the available moneys in the Greenhouse Gas Reduction Fund to projects that provide benefits to disadvantaged communities, as specified, and to allocate a minimum of 10% of the available moneys in the Greenhouse Gas Reduction Fund to projects located within disadvantaged communities, as specified. The bill would require the Department of Finance, when developing funding guidelines, to include guidelines for how administering agencies should maximize benefits for disadvantaged communities. The bill would require administering agencies to report to the Department of Finance, and the Department of Finance to include in a specified report to the Legislature, a description of how administering agencies have fulfilled specified requirements relating to projects providing benefits to, or located in, disadvantaged communities.” The bill passed 43 to 29. [SB 535, [8/31/12](#); California Legislative Information, [8/31/12](#)]

**2012: Harkey Voted Against Using Greenhouse Gas Reduction Fund Money To Provide Economic Development To Disadvantaged Communities In Committee.** In August 2012, Harkey voted against a “bill [that] would require the California Environmental Protection Agency to identify disadvantaged communities for investment opportunities, as specified. The bill would require the Department of Finance, when developing a specified 3-year investment plan, to allocate 25% of the available moneys in the Greenhouse Gas Reduction Fund to projects that provide benefits to disadvantaged communities, as specified, and to allocate a minimum of 10% of the available moneys in the Greenhouse Gas Reduction Fund to projects located within disadvantaged communities, as specified. The bill would require the Department of Finance, when developing funding guidelines, to include guidelines for how administering agencies should maximize benefits for disadvantaged communities. The bill would require administering agencies to report to the Department of Finance, and the Department of Finance to include in a specified report to the Legislature, a description of how administering agencies have fulfilled specified requirements relating to projects providing benefits to, or located in, disadvantaged communities.” The bill passed 12 to 5. [SB 535, [8/16/12](#); California Legislative Information, [8/16/12](#)]

### **Harkey Sought Legal Opinions On Greenhouse Gas Allowance Auction Revenues Spending**

**Harkey Sought Legal Opinions On Greenhouse Gas Allowance Auction Revenues Spending.** “A proposal by California energy regulators to use greenhouse gas (GHG) allowance auction revenue generated by utilities to provide their customers with bill rebates or other rate relief is facing legal questions from state analysts, who say the plan may violate the AB 32 climate change law as well as a legal ‘nexus’ requirement that the revenue be spent to mitigate GHG emissions. [...] During a Feb. 29 hearing of the Assembly budget subcommittee on resources and transportation regarding how the state should spend forthcoming GHG revenue, LAO representative Tiffany Roberts said it remains unclear whether returning revenue from GHG allowance sales to ratepayers ‘is consistent with AB 32.’ In addition, it is questionable whether CPUC's rules will be subject to the ‘Sinclair nexus test,’ Roberts said during the hearing. [...] Assemblywoman Diane Harkey (R-Laguna Niguel) said during the hearing that lawmakers should seek out a number of legal opinions regarding the expenditure of the GHG auction revenues, including whether it meets the Sinclair nexus test, adding that in the end it will be the Legislature's problem and not CPUC's.” [Inside Cal/EPA, 3/2/12]



## Drinking Water

### 2013: Harkey Voted Against A Bill That Would Have Improved Oversight For California's Drinking Water Program

**2013: Harkey Voted Against A Bill That Would Have Improved Oversight For California's Drinking Water Program.** In May 2013, Harkey voted against a bill that would have improved oversight for California's Drinking Water Program. "This bill would transfer to the State Water Resources Control Board the various duties and responsibilities imposed on the department [California's Department of Public Health] by the state act. The bill would require these provisions to be implemented during the 2014–15 fiscal year." The bill passed the Assembly, 45-24-10. [AB 145, [5/28/13](#); California Legislative Information, [6/18/13](#)]

**Many Low Income Californians Were Not Given Access To Clean Drinking Water Due To The Misallocation Of Federal Grant Funds.** "[T]he Department of Public Health was not effectively addressing the safe-drinking-water needs of the state's most at-risk communities. Many Californians (estimates generally range from 200,000 to 2.1 million) lack access to an affordable source of clean drinking water. Those hit hardest reside in small, low-income communities that are solely dependent upon groundwater supplies containing potentially hazardous levels of arsenic, nitrate, or other contaminants. The people least able to absorb extra costs often end up paying twice: once for the questionable water that flows from their faucets and again when they purchase bottled water for drinking and cooking." [LegalPlanet, [1/21/14](#)]

**AB 145 Was Aimed At Revamping The Drinking Water Program That Was Struggling Under The Supervision Of California's Department Of Public Health.** "The California Department of Public Health, which administers the Fund as part of its Drinking Water Program (DWP), had received a Notice of Noncompliance from the U.S. EPA regarding the Department's failure 'to make timely loans or grants using all available drinking water funds to eligible water systems for necessary projects.' The notice identified the lack of 'dedicated accounting and financial staff to track commitments, calculate balances, and plan expenditures' (leading, for example, to failure to take into account 'at least \$260 million in loan capacity' from loan repayment revenues) as one source of problem. Although the DWP submitted, and the EPA accepted, a Corrective Action Plan, many doubt the plan has the power to address ongoing institutional shortcomings. [...] First, in January 2013, California Assembly Members Perea (D-Fresno) and Rendon (D-Lakewood) introduced AB 145. Had the bill become law, it would have transferred implementation of the California Safe Drinking Water Act, enforcement of its federal counterpart, and administration of the SDW SRF from the Department of Public Health to the State Board." [LegalPlanet, [1/21/14](#)]

## Fracking

### 2013: Harkey Voted Against Regulations On Fracking

**2013: Harkey Voted Against Regulations On Fracking.** In September 2013, Harkey voted against a bill that would allow fracking, but, "require oil and gas companies to apply for a permit to conduct fracking, publicly disclose the fracking chemicals they use, notify neighbors before drilling, and monitor ground water and air quality, among other requirement." The bill passed the Assembly, 54-20-4. [SB 4, [9/11/13](#); California Legislative Information, [9/20/13](#); UC Berkeley, Berkeley Blog, [11/18/13](#)]

## Pollution

### Harkey Pulled Her Support For A Bill To Allow Water Districts To Charge Polluters For Costs Related To Investigating Water Pollution, Which Would Have Affected Chevron And ExxonMobil

**2013: SB 658 Was A Bill To Allow Water Districts To Charge Polluters For The Costs Related To Investigating Water Pollution In Response To A Suit Involving Chevron And ExxonMobil.** "The controversy

centers on three huge pending lawsuits filed by the water district to clean up groundwater contamination in Orange County. Each lawsuit has big-name defendants, including Chevron, ExxonMobil, Northrop Grumman, General Electric and BASF. In two of the suits, the district is seeking cleanup costs that exceed \$100 million. [...] That's where SB658 comes in. The bill, which was drafted by the district, would clarify that it was the Legislature's intent all along to authorize the water district to charge polluters for the costs related to investigating water contamination. If approved, the district hopes, the bill would change the outcome of lawsuits, allowing it to collect millions of dollars in investigatory costs and entitle it to collect future cleanup costs based on evidence it presents against polluters." [Orange County Register, [5/23/13](#)]

**Harkey Was A Coauthor For The Bill.** [California Legislative Information, accessed [3/13/18](#)]

**Harkey Later Pulled Her Support.** "All five of the Republicans legislators who initially agreed to co-author SB658 with Correa have subsequently asked to have their names removed from the bill. Legislative aides are clearly upset about the way the district presented the bill, but the district has been around for decades and it's led by several local elected officials, so lawmakers aren't saying much. One legislator, Sen. Mark Wyland, R-Oceanside, whose district includes a piece of Orange County, hasn't officially said why he wants off the bill. Three others - Assembly members Diane Harkey, R-Dana Point; Don Wagner, R-Irvine; and Allan Mansoor, R-Costa Mesa - say the situation is more complicated than it first appeared, or that it requires more research than they have time to devote to the matter." [Orange County Register, [5/23/13](#)]

#### **2014: Harkey Voted Against Reducing Emissions Of "Short-Lived Climate Pollutants"**

**2014: Harkey Voted Against Reducing Emissions Of "Short-Lived Climate Pollutants."** In August 2014, Harkey voted against a bill that, "would require the state board to complete a comprehensive strategy to reduce emissions of short-lived climate pollutants, as defined, in the state." The bill passed the Assembly, 53-24-2. [SB 605, [8/29/14](#); California Legislative Information, [9/21/14](#)]

### **Hazardous Waste**

#### **Harkey Voted Against Increasing Regulations On Hazardous Waste Facilities And Making The Transport Of Hazardous Waste Illegal**

**2014: Harkey Voted Against Increasing Regulations On Hazardous Waste Facilities.** In August 2014, Harkey voted against a bill that would, "set deadlines to shut down hazardous waste facilities that continue to violate health and safety laws while operating on expired permits," and, "strengthen the hazardous waste regulatory system, beginning with addressing when final permit decisions must be made by the Department of Toxic Substances Control (DTSC)." The bill passed the Assembly, 48-23-7. [SB 812, [8/27/14](#); California Legislative Information, [9/3/14](#); Senator Kevin De Leon, press release, [1/28/14](#)]

**2013: Harkey Voted Against A Bill That Would Prioritize "Most Impacted Environmental Justice Communities" And Make The Transport Of Hazardous Waste Illegal.** In September 2013, Harkey voted against a bill that would prioritize "most impacted environmental justice communities" and make the transport of hazardous waste illegal. "This bill would require the department to prioritize an enforcement action affecting communities that have been identified by the California Environmental Protection Agency as being the most impacted environmental justice communities. [...] This bill would instead prohibit a person from transporting hazardous waste, as specified, if the final destination of the transported hazardous waste is a domestic facility outside the jurisdiction of the state unless certain conditions apply to the facility, including whether the facility is subject to a cooperative agreement, as specified. By expanding the scope of a crime, this bill would impose a state-mandated local program." The bill passed Senate concurrence, 53-25. [AB 1329, [9/6/13](#); California Legislative Information, [10/5/13](#)]

## Environmental Prohibitions

### 2010: Harkey Opposed A Ban On Plastic Shopping Bags, Which She Viewed As Being A New Tax And A “Nanny State” Law

#### Harkey Voted Against Banning Plastic Shopping Bags

**Harkey Voted Against Banning Plastic Shopping Bags.** “Trendsetting California is on its way to becoming the first state to ban plastic shopping bags. In a 41-27 vote, the Assembly on Wednesday passed a bill that would prohibit grocery stores from offering plastic bags starting January 2012. Instead, consumers would either have to carry their groceries in reusable bags or pay 5 cents or more for a paper bag made of partially recycled content. [...] The San Diego-area delegation was split on Wednesday’s vote, with Democrats Mary Salas of Chula Vista, and Marty Block and Lori Saldaña of San Diego voting yes. Republicans Martin Garrick of Solana Beach, Joel Anderson of La Mesa, Diane Harkey of Dana Point, and Kevin Jeffries of Lake Elsinore voted against the bill.” [San Diego Union-Tribune, [6/3/10](#)]

#### Harkey Opposed A Dana Point Ordinance To Ban Single-Use Plastic Bags, Which She Viewed As Being A New Tax And A “Nanny State” Law

**Harkey Sent A Letter To The Dana Point City Council Opposing A Plastic Bag Ban.** “City Councilwoman Lisa Bartlett says she has been inundated the past week with phone calls and emails from residents, business owners, plastic-bag manufacturers and environmental activists weighing in on the city's proposals to ban plastic bags and polystyrene containers. Even state Assemblywoman Diane Harkey, a former Dana Point mayor, sent the council a letter opposing the bag ban.” [Orange County Register, [12/13/11](#)]

**HEADLINE: “Diane Harkey: Don’t Ban Plastic Bags In Dana Point”** [Orange County Register, Diane Harkey Op-Ed, [12/9/11](#)]

**HEADLINE: “Assemblywoman Weighs In Against Dana Point Plastic-Bag Ban”** [Orange County Register, [12/12/11](#)]

**Harkey Opposed A Dana Point Ordinance To Ban Single-Use Plastic Bags, Which She Viewed As Being A New Tax And A “Nanny State” Law.** “In the Legislature, I’m forced to fight against proposed new taxes and Nanny State laws every day. While I usually avoid involving myself in city issues, this Monday night [Dec. 12] the Dana Point City Council will consider an ordinance that falls into both categories.” [Orange County Register, Diane Harkey Op-Ed, [12/9/11](#)]

**Harkey: “If Council Members Adopt This, They Will Allow A New Tax On Shoppers, Deprive Consumers Of Bag Choice And Further Bloat Our Local Bureaucracy With Another Far-Reaching Government Mandate.”** “The ordinance would ban retail stores, including grocers, from providing consumers with fully recyclable plastic bags and “strongly encourages” them charge customers a fee for each paper bag – and places no limit on that fee. If council members adopt this they will allow a new tax on shoppers, deprive consumers of bag choice, and further bloat our local bureaucracy with another far-reaching government mandate.” [Orange County Register, Diane Harkey Op-Ed, [12/9/11](#)]

**2011: Harkey Said The Ordinance Would Send The Wrong Message To Citizens “During This Continuing Recession.”** “She also made a direct appeal to the council members in a letter dated Dec. 7. ‘New ordinances, regulations, fees and taxes send the wrong message to our citizens and business community during this continuing recession,’ the letter said. Harkey, whose 73rd Assembly District includes Dana Point, noted that similar proposed bans on plastic bags and plastic-foam containers did not pass the state Legislature. ‘Even the most liberal members of our Legislature understood ... the additional costs of these bans are passed directly to the consumer at a time when many are struggling financially,’ she wrote.” [Orange County Register, [12/12/11](#)]

---

**Harkey Stated That A Plastic Bag Ban In San Francisco Did Not Reduce Plastic Bas As A Portion Of The City's Litter**

---

**Harkey Stated That A Plastic Bag Ban In San Francisco Did Not Reduce Plastic Bas As A Portion Of The City's Litter.** “State Assemblywoman Diane Harkey, a Republican whose district includes Dana Point, wrote that a recent study sponsored by San Francisco assessing the impact of its 2007 bag ban concluded that ‘well after the ban went into effect, plastic bags as a portion of city litter hadn't changed - and was only 0.6 percent of the overall litter composition.’ Ms. Harkey also noted that San Francisco ‘declined to extend the ban to smaller retailers because of the negative economic impact.’ Local retailers in Dana Point and Laguna Beach: beware.” [Orange County Register, Editorial, [2/9/12](#)]

**2012: Harkey Voted At Least Twice Against Prohibiting Food Vendors From Dispensing Prepared Food In Polystyrene Foam Food Containers**

**2012: Harkey Voted Against Prohibiting Food Vendors From Dispensing Prepared Food In Polystyrene Foam Food Containers.** In August 2012, Harkey voted against a “bill [that] would prohibit a food vendor, on and after January 1, 2016, from dispensing prepared food to a customer in a polystyrene foam food container and would define related terms. The bill would provide that a food vendor that is a school district is not required to comply with the bill’s requirements until July 1, 2017, and would allow a food vendor that is a school district to dispense prepared food to a customer in a polystyrene foam food container after that date if the governing board of the school district elects to adopt a policy to implement a verifiable recycling program for polystyrene foam food containers, which would be renewable, as specified. The bill would also allow a food vendor to dispense prepared food to a customer in a polystyrene foam food container after January 1, 2016, in a city or county if the city or county elects to adopt an ordinance establishing a specified recycling program for polystyrene foam food containers, which would be operative, as specified.” The bill failed 26 to 45. [SB 568, [8/31/12](#); California Legislative Information, [8/31/12](#)]

**2011: Harkey Voted Against Prohibiting Food Vendors From Dispensing Prepared Food In Polystyrene Foam Food Containers In Committee.** In August 2011, Harkey voted against a “bill [that] would prohibit a food vendor, on and after January 1, 2016, from dispensing prepared food to a customer in a polystyrene foam food container and would define related terms. The bill would provide that a food vendor that is a school district is not required to comply with the bill’s requirements until July 1, 2017, and would allow a food vendor that is a school district to dispense prepared food to a customer in a polystyrene foam food container after that date if the governing board of the school district elects to adopt a policy to implement a verifiable recycling program for polystyrene foam food containers, which would be renewable, as specified. The bill would also allow a food vendor to dispense prepared food to a customer in a polystyrene foam food container after January 1, 2016, in a city or county if the city or county elects to adopt an ordinance establishing a specified recycling program for polystyrene foam food containers, which would be operative, as specified.” The bill passed 9 to 5. [SB 568, [8/25/11](#); California Legislative Information, [8/25/11](#)]

**Offshore Drilling****Harkey Did Not Vote On Opening Offshore Oil Drilling Off The Santa Barbara Coast**

**Harkey Did Not Vote On Opening Offshore Oil Drilling Off The Santa Barbara Coast.** “Don't bother looking for the California Assembly's roll-call record of one of the most contentious issues of the budget revisions: the plan to open new offshore oil drilling off the Santa Barbara coast for the first time in 40 years. It's not there. The July 24 vote on AB23 28 yes, 43 no, 8 not voting has been officially expunged - erased as if it never happened. [...] NOT VOTING 8 Karen Bass, D-Baldwin Vista Marty Block, D-San Diego Mike Davis, D-Los Angeles Nathan Fletcher, R-San Diego Isadore Hall, D-Compton Diane Harkey, R-Dana Point” [San Francisco Chronicle, [8/3/09](#)]

## Coral Reefs

### **Harkey Sponsored Legislation To Shield Local Governments And The State Lands Commission From Liability Involving Artificial Reefs, Which Reportedly Would Make It Easier To Build Reefs**

**Harkey Sponsored Legislation To Shield Local Governments And The State Lands Commission From Liability Involving Artificial Reefs, Which Reportedly Would Make It Easier To Build Reefs.** “Legislation passed this week should make the process of building artificial reefs and sinking ships for fishing and diving off the coast much smoother. Such a reef is in the works again for just off the North Jetty of Humboldt Bay, a cooperative effort between local anglers and the Humboldt Bay Harbor, Recreation and Conservation District. The bill signed by Gov. Arnold Schwarzenegger essentially shields local governments and the State Lands Commission from liability related to the injury or death of a diver swimming around an artificial reef. [...] The bill was sponsored by Assemblywoman Diane Harkey, R-Dana Point, where a Ships to Reefs Project is in the works. Ships to Reefs Vice President Dean Rewerts said that the bill's passage goes a long way toward helping the fishing economy and ecology on the California coast.” [Eureka Times Standard, 7/24/10]

## Environmental Impact Reports

### **2013: Harkey Voted Against A Bill Requiring An Environmental And Economic Impact Report Before Building A Superstore In A Neighborhood**

**2013: Harkey Voted Against A Bill Requiring An Environmental And Economic Impact Report Before Building A Superstore In A Neighborhood.** In May 2013, Harkey voted against a bill that would, “require a city, county, or city and county, including a charter city, prior to approving or disapproving a proposed development project that would permit the construction of a superstore retailer, or where a superstore would be the recipient of over \$100,000 in financial assistance, to cause an economic impact report to be prepared, as specified, to be paid for by the project applicant, and that includes specified assessments and projections, including, among other things, an assessment of the effect that the proposed superstore will have on designated economic assistance areas, and an assessment of the effect that the proposed superstore will have on retail operations and employment in the same market area.” The bill passed the Assembly, 41-31-6. [AB 667, [5/28/13](#); California Legislative Information, [5/20/13](#)]

## Environmental Warnings

### **2014: Harkey Voted Against A Bill That Would Require The Natural Resources Agency To Translate Their Environmental Warning Notices Into Languages Other Than English**

**2014: Harkey Voted Against A Bill That Would Require The Natural Resources Agency To Translate Their Environmental Warning Notices Into Languages Other Than English.** In May 2013, Harkey voted against a bill that would, “establish criteria for a lead agency to assess the need for translating those notices into non-English languages, as specified.” The bill passed Senate concurrence, 52-24-3. [AB 543, [8/25/14](#); California Legislative Information, [8/27/14](#)]

## Fire Works

### **Harkey Sponsored Legislation To Exempt Pyrotechnic Displays From Coastal Development Permits From The Coastal Commission**

**Harkey Sponsored Legislation To Exempt Pyrotechnic Displays From Coastal Development Permits As She Said “I Really Believe Fireworks Are As American As Apple Pie And The Flag.”** “Assemblywoman Diane Harkey, R-Dana Point, is trying to rescue coastal fireworks from what she sees as over-regulation of a national



tradition. Her newly introduced bill would exempt pyrotechnic displays along the shoreline from coastal development permits, as long as they are done by public agencies. However, a local environmental lawyer said the bill would not exempt the shows from water pollution permits being developed by the San Diego Regional Water Quality Control Board. ‘Up and down the coast, fireworks are being severely restricted or even outlawed,’ said Harkey, whose district includes Oceanside, Camp Pendleton and a slice of southern Orange County. ‘I really believe fireworks are as American as apple pie and the flag.’ Under the Coastal Act of 1976, special development permits are needed for construction, waste discharges, grading and other activities near the coast.” [San Diego Union-Tribune, 2/5/11]

**Harkey Said It Was “Not The Time For A Heavy Bureaucracy To Be Reining” Fourth Of July Celebrations And That She Sought To Fend Off “Progressive Regulatory Creep.”** ““These are Fourth of July, flag-waving, apple pie American activities, and they are free for most of the public,’ Harkey said. ‘Right now, in this economy, is not the time for a heavy bureaucracy to be reining them in.’ Harkey, whose district includes Dana Point, San Clemente and Oceanside, said the bill was designed to fend off ‘progressive regulatory creep’ that she fears would result in more fireworks shows being shut down along the coast. She proposed a similar bill in 2009, but it never made it out of committee.” [Los Angeles Times, [2/7/11](#)]

**The Executive Director Of The California Coastal Commission Said, “Patriotism Has Nothing To Do It” And That The Policy Sought To Move Displays To Less Environmentally Sensitive Areas.** “Peter Douglas, executive director of the Coastal Commission, called the bill an attempt to undermine coastal protections. ‘Patriotism has nothing to do with it,’ Douglas said. ‘It’s the law that protects sensitive coastal resources that’s really at stake.’ Douglas said the commission rarely challenges fireworks displays and does so only when they pose a direct threat to wildlife, water quality or public access to the coast. He said the agency has worked with some communities, including Morro Bay, to move their displays to less environmentally sensitive areas.” [Los Angeles Times, [2/7/11](#)]

**Orange County Register: “Coastal Fireworks Are Not A Crime, Lawmaker says”** [Orange County Register, [2/14/11](#)]

**Harkey: “It Seems Ludicrous To Me That A Municipal Fireworks Show Could Be Considered ‘Development.’”** ““It seems ludicrous to me that a municipal fireworks show could be considered ‘development,’” she said. ‘I do believe the Coastal Commission has plenty of other work to do.’ Harkey’s bill specifically states that municipal fireworks displays are not ‘development,’ and thus are not subject to regulation under the state Coastal Act. That would spare cities from the potentially cumbersome and expensive process of applying for a special permit with the Coastal Commission to mount such shows.” [Orange County Register, [2/14/11](#)]

## Emissions

**Harkey Did Not Vote On Aiming To Put 1 Million Near-Zero Emission Cars On The Road And Voted Against Mandating Landlords To Allow Tenants To Request Electric Car Charging Stations**

**2014: Harkey Did Not Vote On Establishing The Charge Ahead California Initiative, Which Aimed To Put 1 Million Near-Zero Emission Cars On The Road By 2023.** In August 2014, Harkey did not vote on a bill that, “would establish the Charge Ahead California Initiative to be administered by the state board, in consultation with the State Energy Resources Conservation and Development Commission, air pollution control and air quality management districts, and the public. The bill would state that the goals of the initiative are to, among other things, place in service at least 1,000,000 zero-emission and near-zero-emission vehicles by January 1, 2023, and to increase access for disadvantaged, low-income, and moderate-income communities and consumers to zero-emission and near-zero-emission vehicles.” The bill passed the Assembly, 53-24-2. [SB 1275, [8/27/14](#); California Legislative Information, [9/21/14](#)]

**2014: Harkey Voted Against A Bill That Mandated Landlords Allow Tenants To Request Electric Car Charging Stations.** In August 2014, Harkey voted against a bill that would, “require a lessor of a dwelling to

approve a written request of a lessee to install an electric vehicle charging station at a parking space allotted for the lessee in accordance with specified requirements and that complies with the lessor's approval process for modification to the property." The bill passed Senate concurrence, 52-25-2. [AB 2565, [8/25/14](#); California Legislative Information, [9/21/14](#)]

## Green Tariff Shared Renewables Program

### 2013: Harkey Voted Against The Green Tariff Shared Renewables Program

**2013: Harkey Voted Against The Green Tariff Shared Renewables Program.** In September 2013, Harkey voted against a bill that, "would enact the Green Tariff Shared Renewables Program. The program would require a participating utility, defined as being an electrical corporation with 100,000 or more customers in California, to file with the commission an application requesting approval of a green tariff shared renewables program to implement a program enabling ratepayers to participate directly in offsite electrical generation facilities that use eligible renewable energy resources, consistent with certain legislative findings and statements of intent. The bill would require the commission, by July 1, 2014, to issue a decision concerning the participating utility's application, determining whether to approve or disapprove the application, with or without modifications." The bill passed the Assembly, 53-22-3. [SB 43, [9/11/13](#); California Legislative Information, [9/28/13](#)]

## Hunting

### 2012: Harkey Voted At Least Twice Against Banning The Use Of Dogs To Pursue Bears And Bobcats

**2012: Harkey Voted Against Banning The Use Of Dogs To Pursue Bears And Bobcats.** In August 2012, Harkey voted against a "bill [that], except as specified, would generally make it unlawful to permit or allow a dog to pursue a bear, as defined, or bobcat at any time. The bill would exempt from that prohibition the use of dogs by federal, state, or local law enforcement officers, or their agents or employees, when carrying out official duties as required by law." The bill passed 46 to 30. [SB 1221, [8/22/12](#); California Legislative Information, [8/22/12](#)]

**2012: Harkey Voted Against Banning The Use Of Dogs To Pursue Bears And Bobcats In Committee.** In August 2012, Harkey voted against a "bill [that], except as specified, would generally make it unlawful to permit or allow a dog to pursue a bear, as defined, or bobcat at any time. The bill would exempt from that prohibition the use of dogs by federal, state, or local law enforcement officers, or their agents or employees, when carrying out official duties as required by law." The bill passed 12 to 5. [SB 1221, [8/16/12](#); California Legislative Information, [8/16/12](#)]

## FEMA And Disaster Relief Issues

### Significant Findings

- ✓ *Harkey sponsored an amendment to exempt a local medical center from earthquake safety standards as she said its closure would have “devastating impacts.”*

## Earthquake Safety Standards

### **Harkey Sponsored An Amendment To Exempt A Local Medical Center From Earthquake Safety Standards As She Said Its Closure Would Have “Devastating Impacts”**

#### **Harkey Co-Sponsored An Amendment To Exempt A Medical Center From Earthquake Safety Standards If It Attempted To Raise Funds For Improvement Even If It Failed**

**A Local Medical Center Had Towers That Did Not Meet Earthquake-Safety Standards, Which Threatened To Close Significant Portions Of The Center.** “Tri-City Medical Center officials are waging dual battles to prevent the forced closure of major portions of the Oceanside public hospital in just a few years. As things stand, the south and central towers -- which contain about half the hospital's 300 beds and services such as the intensive care unit -- do not meet state earthquake-safety standards and could be shut down in 2013. [...] Now hospital district officials are: \* Asking state officials to re-evaluate the condition of the buildings so they would have until 2030 to make the fixes. \* Getting the support of state legislators for a bill that would give public hospital districts such as Tri-City the same exemption already permitted city and county-owned hospitals. That exemption would give the hospital until 2020 to make its seismic retrofits.” [San Diego Union-Tribune, 4/2/09]

**Harkey Co-Sponsored An Amendment To Exempt The Medical Center From The Standard If It Attempted, Even If It Failed, To Fund The Improvements As She Said Its Closure Would Have “Devastating Impacts.”** “Assemblyman Martin Garrick, R-Solana Beach, has sponsored an amendment to that effect on his Assembly Bill 411, introduced in February. The amendment, also sponsored by Assemblywoman Diane Harkey, R-Dana Point, adds public-hospital districts to the exemption given city and county hospitals if they have made an effort, even if unsuccessful, to fund the necessary improvements. ‘AB 411's change of the seismic-retrofit deadline will help ensure no interruption in critical medical services for northern San Diego County,’ Harkey said. ‘Closing Tri-City Medical Center would have devastating impacts on access to emergency services and other health care needs for Oceanside and the entire region.’” [San Diego Union-Tribune, 4/2/09]

**As Of 2009, Voters Rejected Three Bond Measures To Fund The Improvements To Meet Earthquake Safety Standards.** “Since 2006, voters in the Tri-City Healthcare District have rejected three bond measures that would have paid for construction to meet those standards and to expand the hospital on Vista Way.” [San Diego Union-Tribune, 4/2/09]

**Harkey: “This Will Allow The Hospital The Latitude They Need To Attract And Retain Good Doctors And Staff As Well As Plan For Financing Of The Eventual Seismic Retrofit.”** “Assemblywoman Diane Harkey, R-Dana Point, who co-sponsored the bill, added that ‘this will allow the hospital the latitude they need to attract and retain good doctors and staff as well as plan for financing of the eventual seismic retrofit.’ [...] Zimmerman said Garrick expected to have amendments to his Assembly Bill 411 ready by late yesterday or today. It would grant exemptions to district hospitals that have tried and failed to get financing for seismic upgrades.” [San Diego Union-Tribune, [4/3/09](#)]

#### **The State Assembly Passed Harkey’s Legislation**

**The State Assembly Health Committee Approved Of The Legislation.** “Hospital officials celebrated another incremental victory Tuesday in their fight to buy more time to upgrade Tri-City Medical Center's oldest building. The state Assembly Health Committee approved a bill that would give Tri-City until 2020 to replace its central tower, which opened in 1961, if current efforts to reclassify the building fail. The bill will now move to the Assembly Appropriations Committee for another hearing in the next few weeks, according to a joint statement released Tuesday by Assembly members Martin Garrick, R-Carlsbad, and Diane Harkey, R-Dana Point.” [San Diego Union-Tribune, [4/28/09](#)]

**The State Assembly Passed Harkey’s Legislation.** “A bill designed to give Tri-City Medical Center breathing room under a state-mandated deadline to meet earthquake-safety requirements has passed through the Assembly. Assembly Bill 411, written by Martin Garrick, R-Solana Beach, and Diane Harkey, R-Dana Point, and approved last week, doesn't specifically give Tri-City an extension, but the final version will if necessary, Garrick's spokesman said.” [San Diego Union-Tribune, [6/11/09](#)]

---

### **Harkey Asked If Orange County Could Aid Tri-City Medical Center**

---

**Harkey Asked If Orange County Could Aid Tri-City Medical Center.** “The Tri-City Healthcare District in Oceanside hired Orange County attorney and political broker Phil Greer on Monday to try to get an \$80 million loan from the county. Greer is the personal attorney for Orange County Treasurer-Tax Collector Chriss Street, who would have to recommend the loan. He formerly represented four of the five county supervisors, who ultimately would have to approve it. [...] Street said Assemblywoman Diane Harkey, R-Dana Point, asked a few weeks ago if the county could help Tri-City Medical Center, which is in her district.” [Orange County Register, [8/25/09](#)]

## Gun Issues

### Significant Findings

- ✓ *Harkey supported legislation to allow school districts to spend education funds to train teachers, administrators, and janitors in gun use after the Sandy Hook Elementary School shooting.*
- ✓ *Harkey voted against requiring gun manufacturers to register with the DOJ and complete a firearms eligibility check beforehand.*

## Arming Teachers

### **Harkey Supported Legislation To Allow School Districts To Spend Education Funds To Train Teachers, Administrators, And Janitors In Gun Use After The Sandy Hook Shooting**

**Harkey Supported Legislation To Allow School Districts To Spend Education Funds To Train Teachers, Administrators, And Janitors In Gun Use After The Sandy Hook Elementary Shooting.** “A group of Republican state lawmakers Wednesday proposed allowing school districts to spend education funds to train teachers, administrators and janitors in gun use. Responding to last month's mass shooting at Sandy Hook Elementary School in Newtown, Conn., the lawmakers said arming school personnel would help protect campuses against violent intruders. ‘The idea is to create essentially an invisible line of defense around our kids,’ said Assemblyman and tea party adherent Tim Donnelly of San Bernardino. He and one of his coauthors announced the proposal at a Capitol news conference. [...] Supporters of the bill include Republican Assembly members Shannon Grove of Bakersfield, Curt Hagman of Chino Hills, Diane L. Harkey of Dana Point, Brian Jones of Santee and Donald P. Wagner of Irvine, as well as Republican Sen. Stephen Knight of Palmdale.” [Los Angeles Times, [1/30/13](#)]

## Gun Manufacturers

### **2014: Harkey Voted Against Requiring Gun Manufacturers To Register With The DOJ And Complete A Firearms Eligibility Check Beforehand**

**2014: Harkey Voted Against Requiring Gun Manufacturers To Register With The DOJ And Complete A Firearms Eligibility Check Beforehand.** In August 2014, Harkey voted against a bill that would, “require a person who manufactures or assembles a firearm to first apply to the department for a unique serial number or other identifying mark, as provided. The bill would, by January 1, 2017, require any person who, as of July 1, 2016, owns a firearm that does not bear a serial number to likewise apply to the department for a unique serial number or other mark of identification. The bill would prohibit the sale or transfer of ownership of a firearm manufactured or assembled pursuant to these provisions. The bill would prohibit a person from aiding in the manufacture or Assembly of a firearm by a person who is prohibited from possessing a firearm. The bill would make a violation of these provisions a misdemeanor.” Also, it would, “require a person to complete a firearms eligibility check before the department may grant an application for the assignment of a serial number or mark of identification. The bill would exempt this provision from the above prohibition on requiring or requesting an individual to obtain a firearms eligibility check.” The bill passed the Assembly, 46-30-3. [SB 808, [8/29/14](#); California Legislative Information, [9/3/14](#)]



## Health Care Issues

### Significant Findings

- ✓ *Harkey voted at least five times to allow insurers from denying or discriminating for pre-existing conditions.*
- ✓ *Harkey voted at least six times specifically against requiring health care plans to cover essential health benefits.*
- ✓ *Harkey voted at least three times against streamlining health exchange eligibility and enrollment process on its final vote.*
- ✓ *Harkey voted against California's Medicaid expansion.*

## Affordable Care Act

### **Harkey Voted Repeatedly Against Implementing The Affordable Care Act Including Protections For Pre-Existing Conditions, Essential Health Benefits, And The Health Insurance Exchange**

#### **2012: Harkey Voted At Least Five Times To Allow Insurers To Deny Or Discriminate For Pre-Existing Conditions**

**2012: Harkey Voted Against Preventing Insurers From Denying Or Discriminating For Pre-Existing Conditions On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would require a plan, on and after October 1, 2013, to offer, market, and sell all of the plan’s health benefit plans that are sold in the individual market to all individuals and dependents in each service area in which the plan provides or arranges for the provision of health care services, with coverage effective on or after January 1, 2014, as specified, but would require plans to limit enrollment in individual health benefit plans to specified open enrollment and special enrollment periods. The bill would prohibit these health benefit plans from imposing any preexisting condition upon any individual. Commencing January 1, 2014, the bill would prohibit a plan from conditioning the issuance or offering of individual health benefit plans on any health status-related factor, as specified, and would authorize plans to use only age, geographic region, and whether the plan covers an individual or family for purposes of establishing rates for individual health benefit plans, as specified. The bill would require a health care service plan to issue a specified notice at least 60 days prior to the renewal date of an individual grandfathered health plan to all subscribers of the plan. The bill would make certain of these provisions inoperative if the corresponding provisions of PPACA are repealed and would make other related conforming changes.” The bill passed 51 to 27. [AB 1461, [8/31/12](#); California Legislative Information, [8/31/12](#)]

**2012: Harkey Voted Against Preventing Insurers From Denying Or Discriminating For Pre-Existing Conditions On Its First Vote In The Assembly.** In May 2012, Harkey voted against a “bill [that] would require a plan, on and after October 1, 2013, to offer, market, and sell all of the plan’s health benefit plans that are sold in the individual market to all individuals and dependents in each service area in which the plan provides or arranges for the provision of health care services, with coverage effective on or after January 1, 2014, as specified, but would require plans to limit enrollment in individual health benefit plans to specified open enrollment and special enrollment periods. The bill would prohibit these health benefit plans from imposing any preexisting condition upon any individual. Commencing January 1, 2014, the bill would prohibit a plan from conditioning the issuance or offering of individual health benefit plans on any health status-related factor, as specified, and would authorize plans to use only age, geographic region, and whether the plan covers an individual or family for purposes of establishing rates for individual health benefit plans, as specified. The

bill would require a health care service plan to issue a specified notice at least 60 days prior to the renewal date of an individual grandfathered health plan to all subscribers of the plan. The bill would make certain of these provisions inoperative if the corresponding provisions of PPACA are repealed and would make other related conforming changes.” The bill passed 50 to 27. [AB 1461, [5/29/12](#); California Legislative Information, [5/29/12](#)]

**2012: Harkey Voted Against Preventing Insurers From Denying Or Discriminating For Pre-Existing Conditions In Committee.** In May 2012, Harkey voted against a “bill [that] would require a plan, on and after October 1, 2013, to offer, market, and sell all of the plan’s health benefit plans that are sold in the individual market to all individuals and dependents in each service area in which the plan provides or arranges for the provision of health care services, with coverage effective on or after January 1, 2014, as specified, but would require plans to limit enrollment in individual health benefit plans to specified open enrollment and special enrollment periods. The bill would prohibit these health benefit plans from imposing any preexisting condition upon any individual. Commencing January 1, 2014, the bill would prohibit a plan from conditioning the issuance or offering of individual health benefit plans on any health status-related factor, as specified, and would authorize plans to use only age, geographic region, and whether the plan covers an individual or family for purposes of establishing rates for individual health benefit plans, as specified. The bill would require a health care service plan to issue a specified notice at least 60 days prior to the renewal date of an individual grandfathered health plan to all subscribers of the plan. The bill would make certain of these provisions inoperative if the corresponding provisions of PPACA are repealed and would make other related conforming changes.” The bill passed 12 to 5. [AB 1461, [5/25/12](#); California Legislative Information, [5/25/12](#)]

**2012: Harkey Voted Against The Senate Version Of A Bill Preventing Insurers From Denying Or Discriminating For Pre-Existing Conditions.** In August 2012, Harkey voted against a “bill [that] would require a health insurer, on and after October 1, 2013, to offer, market, and sell all of the insurer’s health benefit plans that are sold in the individual market to all individuals and dependents in each service area in which the insurer provides or arranges for the provision of health care services, with coverage effective on or after January 1, 2014, as specified, but would require insurers to limit enrollment in individual health benefit plans to specified open enrollment and special enrollment periods. The bill would prohibit these health benefit plans from imposing any preexisting condition upon any individual. Commencing January 1, 2014, the bill would prohibit a health insurer from establishing rules of eligibility for individual health benefit plans on any health status-related factor, as specified, and would authorize insurers to use only age, geographic region, and whether the plan covers an individual or family for purposes of establishing rates for individual health benefit plans, as specified. The bill would require a health insurer to issue a specified notice at least 60 days prior to the renewal date of an individual grandfathered health plan to all subscribers and policyholders of the plan. The bill would make certain of these provisions inoperative if the corresponding provisions of PPACA are repealed and would make other conforming changes. The bill would provide that it shall become operative only if AB 1461 is also enacted.” The bill passed 52 to 27. [SB 961, [8/28/12](#); California Legislative Information, [8/28/12](#)]

**2012: Harkey Voted Against The Senate Version Of A Bill Preventing Insurers From Denying Or Discriminating For Pre-Existing Conditions In Committee.** In August 2012, Harkey voted against a “bill [that] would require a health insurer, on and after October 1, 2013, to offer, market, and sell all of the insurer’s health benefit plans that are sold in the individual market to all individuals and dependents in each service area in which the insurer provides or arranges for the provision of health care services, with coverage effective on or after January 1, 2014, as specified, but would require insurers to limit enrollment in individual health benefit plans to specified open enrollment and special enrollment periods. The bill would prohibit these health benefit plans from imposing any preexisting condition upon any individual. Commencing January 1, 2014, the bill would prohibit a health insurer from establishing rules of eligibility for individual health benefit plans on any health status-related factor, as specified, and would authorize insurers to use only age, geographic region, and whether the plan covers an individual or family for purposes of establishing rates for individual health benefit plans, as specified. The bill would require a health insurer to issue a specified notice at least 60 days prior to the renewal date of an individual grandfathered health plan to all subscribers and policyholders of the plan. The bill would make certain of these provisions inoperative if the corresponding provisions of PPACA are repealed and

would make other conforming changes. The bill would provide that it shall become operative only if AB 1461 is also enacted.” The bill passed 12 to 5. [SB 961, [8/16/12](#); California Legislative Information, [8/16/12](#)]

---

## **2012: Harkey Voted At Least Six Times Specifically Against Requiring Health Care Plans To Cover Essential Health Benefits**

---

**2012: Harkey Voted Against Requiring Health Care Plans To Cover Essential Health Benefits On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would require an individual or small group health care service plan contract issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the health benefits covered by particular benchmark plans. The bill would prohibit treatment limits imposed on these benefits from exceeding the corresponding limits imposed by the benchmark plans and would generally prohibit a plan from making substitutions of the benefits required to be covered. The bill would specify that these provisions apply regardless of whether the contract is offered inside or outside the Exchange but would provide that they do not apply to grandfathered plans, specialized plans, or Medicare supplement plans, as specified. The bill would prohibit a health care service plan from issuing, delivering, renewing, offering, selling, or marketing a plan contract as compliant with the federal essential health benefits requirement satisfies the bill’s requirements. The bill would authorize the Department of Managed Health Care to adopt emergency regulations implementing these provisions until March 1, 2016, and would enact other related provisions.” The bill passed 53 to 26. [AB 1453, [8/29/12](#); California Legislative Information, [8/29/12](#)]

**2012: Harkey Voted Against Requiring Health Care Plans To Cover Essential Health Benefits On Its First Vote In The Assembly.** In May 2012, Harkey voted against a “bill [that] would require an individual or small group health care service plan contract issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the health benefits covered by particular benchmark plans. The bill would prohibit treatment limits imposed on these benefits from exceeding the corresponding limits imposed by the benchmark plans and would generally prohibit a plan from making substitutions of the benefits required to be covered. The bill would specify that these provisions apply regardless of whether the contract is offered inside or outside the Exchange but would provide that they do not apply to grandfathered plans, specialized plans, or Medicare supplement plans, as specified. The bill would prohibit a health care service plan from issuing, delivering, renewing, offering, selling, or marketing a plan contract as compliant with the federal essential health benefits requirement satisfies the bill’s requirements. The bill would authorize the Department of Managed Health Care to adopt emergency regulations implementing these provisions until March 1, 2016, and would enact other related provisions.” The bill passed 50 to 25. [AB 1453, [5/14/12](#); California Legislative Information, [5/14/12](#)]

**2012: Harkey Voted Against Requiring Health Care Plans To Cover Essential Health Benefits In Committee.** In May 2012, Harkey voted against a “bill [that] would require an individual or small group health care service plan contract issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the health benefits covered by particular benchmark plans. The bill would prohibit treatment limits imposed on these benefits from exceeding the corresponding limits imposed by the benchmark plans and would generally prohibit a plan from making substitutions of the benefits required to be covered. The bill would specify that these provisions apply regardless of whether the contract is offered inside or outside the Exchange but would provide that they do not apply to grandfathered plans, specialized plans, or Medicare supplement plans, as specified. The bill would prohibit a health care service plan from issuing, delivering, renewing, offering, selling, or marketing a plan contract as compliant with the federal essential health benefits requirement satisfies the bill’s requirements. The bill would authorize the Department of Managed Health Care to adopt emergency regulations implementing these provisions until March 1, 2016, and would enact other related provisions.” The bill passed 12 to 5. [AB 1453, [5/9/12](#); California Legislative Information, [5/9/12](#)]

**2012: Harkey Voted Against The Senate Version Requiring Health Care Plans To Cover Essential Health Benefits On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would require an individual or small group health insurance policy issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the health benefits covered by particular benchmark plans. The

bill would prohibit treatment limits imposed on these benefits from exceeding the corresponding limits imposed by the benchmark plans and would generally prohibit an insurer from making substitutions of the benefits required to be covered. The bill would specify that these provisions apply regardless of whether the policy is offered inside or outside the Exchange but would provide that they do not apply to grandfathered plans or plans that cover excepted benefits, as specified. The bill would prohibit a health insurer, when issuing, delivering, renewing, offering, selling, or marketing a policy, from indicating or implying that the policy covers essential health benefits unless the policy covers essential health benefits as provided in the bill. The bill would authorize the Department of Insurance to adopt emergency regulations implementing these provisions until March 1, 2016, and enact other related provisions.” The bill passed 52 to 27. [SB 951, [8/28/12](#); California Legislative Information, [8/28/12](#)]

**2012: Harkey Voted Against The Senate Version Requiring Health Care Plans To Cover Essential Health Benefits On Its First Vote In The Assembly.** In August 2012, Harkey voted against a “bill [that] would require an individual or small group health insurance policy issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the health benefits covered by particular benchmark plans. The bill would prohibit treatment limits imposed on these benefits from exceeding the corresponding limits imposed by the benchmark plans and would generally prohibit an insurer from making substitutions of the benefits required to be covered. The bill would specify that these provisions apply regardless of whether the policy is offered inside or outside the Exchange but would provide that they do not apply to grandfathered plans or plans that cover excepted benefits, as specified. The bill would prohibit a health insurer, when issuing, delivering, renewing, offering, selling, or marketing a policy, from indicating or implying that the policy covers essential health benefits unless the policy covers essential health benefits as provided in the bill. The bill would authorize the Department of Insurance to adopt emergency regulations implementing these provisions until March 1, 2016, and enact other related provisions.” The bill passed 51 to 25. [SB 951, [8/24/12](#); California Legislative Information, [8/24/12](#)]

**2012: Harkey Voted Against The Senate Version Requiring Health Care Plans To Cover Essential Health Benefits In Committee.** In August 2012, Harkey voted against a “bill [that] would require an individual or small group health insurance policy issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the health benefits covered by particular benchmark plans. The bill would prohibit treatment limits imposed on these benefits from exceeding the corresponding limits imposed by the benchmark plans and would generally prohibit an insurer from making substitutions of the benefits required to be covered. The bill would specify that these provisions apply regardless of whether the policy is offered inside or outside the Exchange but would provide that they do not apply to grandfathered plans or plans that cover excepted benefits, as specified. The bill would prohibit a health insurer, when issuing, delivering, renewing, offering, selling, or marketing a policy, from indicating or implying that the policy covers essential health benefits unless the policy covers essential health benefits as provided in the bill. The bill would authorize the Department of Insurance to adopt emergency regulations implementing these provisions until March 1, 2016, and enact other related provisions.” The bill passed 12 to 5. [SB 951, [8/16/12](#); California Legislative Information, [8/16/12](#)]

---

**2012: Harkey Voted At Least Three Times Against Streamlining Health Exchange Eligibility And Enrollment Process On Its Final Vote**

---

**2012: Harkey Voted Against Streamlining Health Exchange Eligibility And Enrollment Process On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would make technical and clarifying changes” to provisions in existing law as “existing law provides for various programs to provide health care coverage to persons with limited financial resources, including the Medi-Cal program and the Healthy Families Program. Existing law establishes the California Health Benefit Exchange (Exchange), pursuant to the federal Patient Protection and Affordable Care Act (PPACA), and specifies the duties and powers of the board governing the Exchange relative to determining eligibility for enrollment in the Exchange and arranging for coverage under qualified health plans, and facilitating the purchase of qualified health plans through the Exchange. Existing law, the Health Care Reform Eligibility, Enrollment, and Retention Planning Act, operative as provided, requires the State Department of Health Care Services, in consultation with specified entities, to establish standardized single, accessible application forms and related renewal procedures for state health subsidy programs, as defined, in accordance with specified



requirements. Existing law provides that the application or case of an individual screened as not eligible for Medi-Cal on the basis of household income but who may be eligible for Medi-Cal on another basis shall be forwarded to the Medi-Cal program for an eligibility determination.” The bill passed 52 to 26. [AB 1580, [8/22/12](#); California Legislative Information, [8/22/12](#)]

**2012: Harkey Voted Against Streamlining Health Exchange Eligibility And Enrollment Process On Its First Vote In The Assembly.** In April 2012, Harkey voted against a “bill [that] would make technical and clarifying changes” to provisions in existing law as “existing law provides for various programs to provide health care coverage to persons with limited financial resources, including the Medi-Cal program and the Healthy Families Program. Existing law establishes the California Health Benefit Exchange (Exchange), pursuant to the federal Patient Protection and Affordable Care Act (PPACA), and specifies the duties and powers of the board governing the Exchange relative to determining eligibility for enrollment in the Exchange and arranging for coverage under qualified health plans, and facilitating the purchase of qualified health plans through the Exchange. Existing law, the Health Care Reform Eligibility, Enrollment, and Retention Planning Act, operative as provided, requires the State Department of Health Care Services, in consultation with specified entities, to establish standardized single, accessible application forms and related renewal procedures for state health subsidy programs, as defined, in accordance with specified requirements. Existing law provides that the application or case of an individual screened as not eligible for Medi-Cal on the basis of household income but who may be eligible for Medi-Cal on another basis shall be forwarded to the Medi-Cal program for an eligibility determination.” The bill passed 47 to 24. [AB 1580, [4/23/12](#); California Legislative Information, [4/23/12](#)]

**2012: Harkey Voted Against Streamlining Health Exchange Eligibility And Enrollment Process On Its First Vote In Committee.** In April 2012, Harkey voted against a “bill [that] would make technical and clarifying changes” to provisions in existing law as “existing law provides for various programs to provide health care coverage to persons with limited financial resources, including the Medi-Cal program and the Healthy Families Program. Existing law establishes the California Health Benefit Exchange (Exchange), pursuant to the federal Patient Protection and Affordable Care Act (PPACA), and specifies the duties and powers of the board governing the Exchange relative to determining eligibility for enrollment in the Exchange and arranging for coverage under qualified health plans, and facilitating the purchase of qualified health plans through the Exchange. Existing law, the Health Care Reform Eligibility, Enrollment, and Retention Planning Act, operative as provided, requires the State Department of Health Care Services, in consultation with specified entities, to establish standardized single, accessible application forms and related renewal procedures for state health subsidy programs, as defined, in accordance with specified requirements. Existing law provides that the application or case of an individual screened as not eligible for Medi-Cal on the basis of household income but who may be eligible for Medi-Cal on another basis shall be forwarded to the Medi-Cal program for an eligibility determination.” The bill passed 12 to 5. [AB 1580, [4/18/12](#); California Legislative Information, [4/18/12](#)]

---

**2013: Harkey Voted Against Establishing The Health Insurance Market, Which Included Protections For People With Pre-Existing Conditions, To Comply With The Affordable Care Act**

---

**2013: Harkey Voted Against Establishing The Health Insurance Market, Which Included Protections For People With Pre-Existing Conditions, To Comply With The Affordable Care Act.** In April 2013, Harkey voted against a bill that would, “establish health insurance market reforms contained in the ACA specific to individual purchasers, such as prohibiting insurers from denying coverage based on preexisting conditions; and makes conforming changes to small employer health insurance laws resulting from new draft federal regulations.” The bill passed Senate concurrence, 52-25-2. [ABX1 2, [4/29/13](#); California Legislative Information, [5/9/13](#); California State Association of Counties, [4/2/13](#)]

---

**2013: Harkey Voted Against On A To Provide Greater Privacy In Health Care Services**

---

**2013: Harkey Voted Against On A To Provide Greater Privacy In Health Care Services.** In September 2013, Harkey voted against a bill that further implemented parts of the Affordable Care Act. “SB 138 will require health



plans to honor confidential communications requests when individuals covered under another person's policy seek sensitive services like birth control, STD tests, mental health care or any service if they feel that disclosure of information to the policy holder could lead to harm. When a confidential communications request is submitted, the individual will give the health plans a way to communicate with them directly about the sensitive services they received instead of sending information to the main policy holder – often a parent or spouse.” The bill passed the Assembly, 51-25-2. [SB 138, [9/9/13](#); California Legislative Information, [10/1/13](#); CFTC.org, [10/2/13](#)]

### **2013: Harkey Co-Hosted An Affordable Care Act Town-Hall Event**

**2013: Harkey Co-Hosted An Affordable Care Act Town-Hall Event.** ““That said, it's the law of the land. The opportunity to get rid of it passed with the election in November, so we're stuck with trying to make it work as best as we possibly can,’ said Wagner, who earlier this year co-hosted a town-hall event on the Affordable Care Act with Assemblywoman Diane Harkey, R-Dana Point. Wagner said he is responsible for ensuring that his constituents understand their options in order to make a decision that is right for their families. ‘My job as a state representative is not to try to thwart the federal law and throw monkey wrenches into it,’ he said. ‘My job, given the unfortunate federal circumstance, is to make it as good as humanly possible for my constituents. So that’s what we are trying to do.’” [Sacramento Bee, [10/10/13](#)]

## **Medicaid & Medi-Cal**

### **2013: Harkey Voted Against California’s Medicaid Expansion**

**2013: Harkey Voted Against California’s Medicaid Expansion.** In June 2013, Harkey voted against a bill that would expand the parameters that make people eligible for Medi-Cal, California’s Medicaid program. “This bill would, commencing January 1, 2014, implement various provisions of the federal Patient Protection and Affordable Care Act (Affordable Care Act), as amended, by, among other things, modifying provisions relating to determining eligibility for certain groups. The bill would, in this regard, extend Medi-Cal eligibility to specified adults and would require that income eligibility be determined based on modified adjusted gross income (MAGI), as prescribed. The bill would prohibit the use of an asset or resources test for individuals whose financial eligibility for Medi-Cal is determined based on the application of MAGI. The bill would require that individuals who are enrolled in the Low Income Health Program as of December 31, 2013, under a specified waiver who are at or below 133% of the federal poverty level be transitioned directly to the Medi-Cal program, as prescribed. The bill would provide that the implementation of the optional expansion of Medi-Cal benefits to adults who meet specified eligibility requirements shall be contingent on the federal medical assistance percentage (FMAP) payable to the state under the Affordable Care Act is not being reduced below specified percentages, as specified.” The bill passed Senate concurrence, 54-24-1. [ABX1 1, [6/15/13](#); California Legislative Information, [6/27/13](#)]

### **2012: Harkey Voted Against Expanding Duals Demonstration Project For Medi-Cal And Medicare Recipients From Four To Eight Counties**

**2012: Harkey Voted Against Expanding Duals Demonstration Project For Medi-Cal And Medicare Recipients From Four To Eight Counties.** In June 2012, Harkey voted against a “bill [that] would revise terminology used in these provisions and would require the [State Department of Health Care Services] to establish demonstration sites, as defined, in up to 8 counties not sooner than March 1, 2013. This bill would require the department to enter into a memorandum of understanding (MOU), with specified terms and conditions, with the federal Centers for Medicare and Medicaid Services (CMS) in developing the process for selecting, financing, monitoring, and evaluating the health care models for the demonstration project, and would require the department to require a demonstration site, as defined, to comply with specified requirements to the extent that the terms and conditions of the MOU do not address the specific selection, financing, monitoring, and evaluation criteria. This bill would require the department, with exceptions, to enroll dual eligible beneficiaries into a demonstration site unless the dual eligible beneficiary makes an affirmative choice to opt out of enrollment or is already enrolled in specific entities, as specified.” The bill passed 51 to 27. [SB 1008, [6/27/12](#); California Legislative Information, [6/27/12](#)]

**2012: Harkey Voted At Least Twice Against Creating A “No Wrong Door” Application Process Allowing Applicants In Health Benefits Programs To Also Be Enrolled In CalWorks And Cal-Fresh**

**2012: Harkey Voted Against Creating A “No Wrong Door” Application Process Allowing Applicants In Health Benefits Programs To Also Be Enrolled In CalWorks And Cal-Fresh.** In August 2012, Harkey voted against a “bill [that] would provide for the transmittal to a county human services department of information about an applicant initially applying for, or renewing, health care coverage using the single state application developed pursuant to the act, if the applicant consents to have his or her application information used to simultaneously initiate applications for CalWORKs and CalFresh, for initiation of the application. This bill would authorize the Secretary of California Health and Human Services to phase in implementation of these provisions under certain circumstances. The bill would require the California Health and Human Services Agency to convene a workgroup of human services and health care advocates, legislative staff, and other specified representatives, to consider the feasibility, costs, and benefits of integrating application and renewal processes for additional human services and work support programs with the single state application described in the bill, and to provide, by July 1, 2013, specified details regarding the workgroup to the appropriate fiscal and policy committees of the Legislature. This bill would require that the functionality necessary to implement the cross-application process be achieved by the expiration of a specified federal waiver. This bill would provide that those provisions would become inoperative under certain circumstances.” The bill passed 53 to 26. [SB 970, [8/22/12](#); California Legislative Information, [8/22/12](#)]

**2012: Harkey Voted Against Creating A “No Wrong Door” Application Process Allowing Applicants In Health Benefits Programs To Also Be Enrolled In CalWorks And Cal-Fresh In Committee.** In August 2012, Harkey voted against a “bill [that] would provide for the transmittal to a county human services department of information about an applicant initially applying for, or renewing, health care coverage using the single state application developed pursuant to the act, if the applicant consents to have his or her application information used to simultaneously initiate applications for CalWORKs and CalFresh, for initiation of the application. This bill would authorize the Secretary of California Health and Human Services to phase in implementation of these provisions under certain circumstances. The bill would require the California Health and Human Services Agency to convene a workgroup of human services and health care advocates, legislative staff, and other specified representatives, to consider the feasibility, costs, and benefits of integrating application and renewal processes for additional human services and work support programs with the single state application described in the bill, and to provide, by July 1, 2013, specified details regarding the workgroup to the appropriate fiscal and policy committees of the Legislature. This bill would require that the functionality necessary to implement the cross-application process be achieved by the expiration of a specified federal waiver. This bill would provide that those provisions would become inoperative under certain circumstances.” The bill passed 12 to 5. [SB 970, [8/16/12](#); California Legislative Information, [8/16/12](#)]

**Omnibus Budget Bill**

**Harkey Voted At Least Three Times Against The Omnibus Health Care Trailer Bill For The 2013-2014 Budget**

**2013: Harkey Voted Against The Omnibus Health Care Trailer Bill For The 2013-2014 Budget.** In May 2013, Harkey voted against “the Omnibus Health Trailer Bill for 2013-14. It contains necessary changes related to the Budget Act of 2013. This bill makes various statutory changes to implement the 2013-14 Budget.” The bill passed the Assembly, 51-24-4. [AB 82, [5/13/13](#); California Legislative Information, [6/27/13](#)]

**2013: Harkey Changed Her Mind And Voted For The Final Version Of The Omnibus Health Care Trailer Bill For The 2013-2014 Budget.** In June 2013, Harkey voted for the final version of the omnibus health care trailer bill for the 2013-2014 budget. The bill passed Senate concurrence, 72-3-4. [AB 82, [6/15/13](#); California Legislative Information, [6/27/13](#)]

**2014: Harkey Voted Against The Omnibus Health Care Trailer Bill For The 2013-2014 Budget.** In June 2014, Harkey voted against “the Omnibus Health Trailer Bill for 2013-14. It contains necessary changes related to the Budget Act of 2014.” The bill passed the Assembly 55-24. [SB 857, [6/15/14](#); California Legislative Information, [6/20/14](#)]

**2013: Harkey Voted Against The Senate’s Version Of The Omnibus Health Care Trailer Bill For The 2013-14 Budget.** In June 2013, Harkey voted against the Senate’s version of, “the Omnibus Health Trailer Bill for 2013-14. It contains necessary changes related to the Budget Act of 2013. This bill makes various statutory changes to implement the 2013-14 Budget.” The bill passed the Assembly, 53-24-2. [SB 77, [6/14/13](#); California Legislative Information, [6/13/13](#)]

## Community Health

### 2013: Harkey Voted Against A Bill Requiring Private Hospitals To Perform Community Needs Assessments

**2013: Harkey Voted Against A Bill Requiring Private Hospitals To Perform Community Needs Assessments And Solicit Community Input For How To Improve Their Community Benefits Programs.** In May 2013, Harkey voted against a bill that would require hospitals to, “develop, in collaboration with the community, a community benefits statement, as specified, and a description of the process for approval of the community benefits statement by the hospital’s or clinic’s governing board, as specified. This bill would require the hospital or clinic, prior to adopting a community benefits plan, to complete a community needs assessment, as provided. The bill would authorize the hospital or clinic to create a community benefits advisory committee for the purpose of soliciting community input,” and also, “develop a community benefits plan that includes a summary of the needs assessment and a statement of the community health care needs that will be addressed by the plan, and list the services, as provided, that the hospital or clinic intends to provide in the following year to address community health needs identified in the community health needs assessments.” The bill failed the Assembly, 28-38-12. [AB 975, [5/30/13](#); California Legislative Information, [5/24/13](#)]

## Hospitals

### Harkey Said It Was “A Bad Time To Be Setting Policy Like This In The State Of California” When The State Assembly Voted On Legislation To Expand Translation Requirements In Hospitals

**The State Assembly Voted On Legislation To Expand Translation Requirements In Hospitals.** “California hospitals would face additional rules in providing translation for patients who speak a language other than English under a bill sent to the governor on Tuesday. The Assembly voted 48-27 to approve the bill after debate over whether it was an expensive government mandate or a tool for improving care. It passed the Senate in June. Hospitals already must provide translation services to patients. SB442 by Democratic Sen. Ron Calderon of Monterey Park would require an assessment of whether interpreters are proficient in communicating medical information in English and the foreign language. It also would require additional training to ensure that hospital staff understand and consider patients’ cultural, religious and spiritual beliefs that might affect care, and offer appropriate services to patients.” [Associated Press via Localization LLC, [8/30/11](#)]

**Harkey Said It Was “A Bad Time To Be Setting Policy Like This In The State Of California” To Increase Costs Due To Rising Medical Costs And The Economy.** “Assemblywoman Diane Harkey, a Dana Point Republican, argued that rising medical costs and the weak economy made the case against imposing new costs on hospitals. ‘It is a bad time to be setting policy like this in the state of California,’ she said.” [Associated Press via Localization LLC, [8/30/11](#)]

## In Vitro Fertilization And Infertility

## **2013: Harkey Voted Against A Bill Protecting People Receiving Infertility Treatments From Discrimination**

**2013: Harkey Voted Against A Bill Protecting People Receiving Infertility Treatments From Discrimination.** In August 2013, Harkey voted against a “bill [that] would require that the coverage for the treatment of infertility be offered and, if purchased, provided without discrimination on the basis of age, ancestry, color, disability, domestic partner status, gender, gender expression, gender identity, genetic information, marital status, national origin, race, religion, sex, or sexual orientation. Because a willful violation of the bill’s provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program.” The bill passed Senate concurrence, 52-25-1. [AB 460, [8/30/13](#); California Legislative Information, [10/8/13](#)]

## **Pharmaceutical Companies**

### **Harkey Called Biopharmaceutical Company Allergan A “Leading” Company**

**Harkey Called Biopharmaceutical Company Allergan A “Leading” Company.** “California is one of the most vibrant biopharmaceutical innovation ecosystems in our nation. We are home to more than 145,000 people who work for biopharmaceutical companies responsible for delivering medical innovation that can improve lives for people around the world,’ said Diane Harkey, Vice-Chair, California State Board of Equalization. ‘It is important that we support the continued growth and success of this industry, with leading companies like Allergan, by ensuring a positive business landscape that allows them to thrive in discovering, developing and providing valuable, life-enhancing medicines and treatments for millions of Americans.’” [Allergan plc, press release via PR Newswire, [9/27/16](#)]

## **Sober Living Homes**

### **2007: Harkey Voted For Authorizing The City To Spend \$5,000 To Lobby For A State Bill To Increase Regulations On Sober Living Homes In The State**

**Harkey Voted For Authorizing The City To Spent \$5,000 To Lobby For A State Bill To Increase Regulations On Sober Living Homes In The State.** “The City Council voted unanimously to support Senate Bill 1000 as written. The bill, introduced by Sen. Tom Harmon, would increase regulations on sober living homes in the state. The bill is at least partly a result of public outcry about the facilities in Capistrano Beach, Newport Beach and Dana Point. The council authorized the city to spend \$5,000 to lobby for the bill, which would give more authority to local agencies to regulate the homes by conducting site visits and allowing cities to impose license fees on the homes, which they are currently not allowed to do.” [Orange County Register, [3/21/07](#)]

## **Soda Tax**

### **In Response To The Failure Of A Soda Tax Bill, Harkey Said, “I Think We Need To Get Parents Back Involved Rather Than Trying To Limit Consumption Through A Tax”**

**In Response To The Failure Of A Soda Tax Bill, Harkey Said, “I Think We Need To Get Parents Back Involved Rather Than Trying To Limit Consumption Through A Tax.”** “A proposed \$1.7 billion tax on sweetened beverages got a sour reception Monday at a key Sacramento hearing. Amid outcry from business organizations, restaurant and beverage groups, grocers and more, an Assembly taxation committee effectively killed the bill. [...] Opponents questioned whether the bill would alter people's eating habits, and called for parents to be more active in overseeing their children's diets. ‘I think parents need to step up and they're just not,’ said Assemblymember Diane Harkey, R-Dana Point. ‘I think we need to get parents back involved rather than trying to limit consumption through a tax.’” [Mercury News, [4/25/11](#)]

### Harkey Signed Onto A Letter Supporting Caps On Non-Economic Damages In Medical Malpractice Cases

#### **Harkey Signed Onto A Letter Supporting Caps On Non-Economic Damages In Medical Malpractice Cases.**

“Senate and Assembly Republicans today announced that they have sent a letter to Senate President Pro Tem Darrell Steinberg reaffirming their support for California's landmark law that sets caps on non-economic damages in medical malpractice cases, known as MICRA. They vowed to oppose any legislation to undermine these caps, as they argued it would invite more junk lawsuits, hurt the economy and threaten access to affordable health care. [...] Sincerely, [...] Assemblymember Diane Harkey” [California State Assembly, Republican Caucus, press release, [3/18/14](#)]



## Housing Issues

### Significant Findings

- ✓ *Harkey said the average time for a foreclosure, 352 days, was “plenty of time” for homeowners to prepare.*
- ✓ *Harkey said that legislation to stop dual tracking, where lenders pursue foreclosure proceedings while the homeowner sought a modification to the loan, would only make money for attorneys.*
- ✓ *Harkey expressed concern of developing a parkland into an affordable housing development and said, “I think we’d have a war on our hands” from the nearby residents.*
- ✓ *Harkey voted against a bill that would “bar public pension funds from investing in businesses that force residents out of rent-controlled buildings.”*
- ✓ *In 2012, Harkey voted at least three times against allowing the state Department of Housing to lower its interest rates to mobile home park residents.*

## Foreclosure

### **Harkey Said The Average Time For A Foreclosure, 352 Days, Was “Plenty Of Time” For Homeowners And That Legislation To Slow Foreclosure Proceedings Only Helped Attorneys**

**California Lawmakers Considered Legislation To Provide Foreclosure Relief By Ending Dual Tracking, Where Lenders Pursue Foreclosure Proceedings While The Homeowner Sought A Modification To The Loan.** “State lawmakers passed a groundbreaking set of foreclosure relief bills Monday that supporters say will help hundreds of thousands of struggling Californians stay in their homes and might lead to similar laws across the United States. The legislation, the first of its kind in the nation, stops a practice by mortgage lenders that critics have called one of the most egregious: so-called ‘dual tracking’ where a lender pursues foreclosure proceedings on a homeowner even though the homeowner is seeking a modification on the terms of the loan. [...] In addition to ending dual-tracking, the measures would require banks to provide all borrowers with a single point of contact when seeking to discuss their loan. Another element requires lenders to either approve or deny requests for a loan modification, along with requiring lenders to provide a clear explanation for their decision. Banks would also have to verify mortgage documents before a foreclosure and provide copies to borrowers upon request.

**In Response To The Legislation, Harkey Said The Average Time For A Foreclosure, 352 Days, Was “Plenty Of Time” For Homeowners To Prepare.** “But Assemblywoman Diane Harkey and several other Republicans warned that the ‘only people who will make money is attorneys.’ She said the average foreclosure takes 352 days, which is ‘plenty of time,’ for a homeowner to prepare.” [San Francisco Chronicle, [7/2/12](#)]

**Harkey Said The “Only People Who Will Make Money Is Attorneys” From The Legislation.** “But Assemblywoman Diane Harkey, R-Dana Point, told the San Francisco Chronicle the legislation won’t help homeowners, and the ‘only people who will make money is attorneys.’” [Cerritos Patch, [7/12/12](#)]

**Harkey: “California Communities Are Starting To Bounce Back, And The Longer You Delay Recovery From The Housing Market, The Longer Property Tax Revenues Will Continue To Decline.”** “‘California communities are starting to bounce back, and the longer you delay recovery from the housing market, the longer property tax revenues will continue to decline,’ Harkey said.” [Cerritos Patch, [7/12/12](#)]

## Affordable Housing

### **Harkey Expressed Concern Of Developing A Parkland Into An Affordable Housing Development, Said “I Think We’d Have A War On Our Hands” From The Nearby Residents**

**Harkey Expressed Concern Of Developing A Parkland Into An Affordable Housing Development, Said “I Think We’d Have A War On Our Hands” From The Nearby Residents.** “Dana Point will look at four areas in the city where affordable housing might be added -- Town Center, the former Marina Mobile Home Estates, a school-district storage yard and a swath of open space called Via Canon. Councilwoman Diane Harkey said she worries residents near Via Canon would oppose turning city-owned parkland into a development. ‘I think we’d have a war on our hands,’ she said.” [Orange County Register, [5/15/06](#)]

## Rent Control

### **Harkey Voted Against A Bill That Would “Bar Public Pension Funds From Investing In Businesses That Force Residents Out Of Rent-Controlled Buildings”**

**Harkey Voted Against A Bill That Would “Bar Public Pension Funds From Investing In Businesses That Force Residents Out Of Rent-Controlled Buildings.”** “East Palo Alto community organizers and rent board members headed to Sacramento on Wednesday to speak in support of a state Assembly bill that would bar public pension funds from investing in businesses that force residents out of rent-controlled buildings. San Francisco Assemblyman Tom Ammiano's proposed Socially Responsible Investment Act which would govern California Public Employees' Retirement System (CalPERS) and California State Teachers' Retirement System investments in rental housing passed the Committee on Public Employees, Retirement and Social Security on a 4-2 vote at Wednesday's meeting, Ammiano spokesman Quintin Mecke said. The committee's two Republicans Assembly members Diane Harkey, R-Dana Point, and Brian Nestande, R-Palm Desert voted against the proposed bill, Mecke said.” [San Jose Mercury News via Tenants Together, [4/21/10](#)]

## Mobile Homes

### **2012: Harkey Voted At Least Three Times Against Allowing The State Department Of Housing To Lower Its Interest Rates To Mobile Home Park Residents**

**2012: Harkey Voted Against Allowing The State Department Of Housing To Lower Its Interest Rates To Mobile Home Park Residents On Its Final Vote.** In August 2012, Harkey voted against “existing law authorizes the Department of Housing and Community Development to make loans from the Mobilehome Park Purchase Fund to qualified mobilehome park residents, resident organizations, and nonprofit housing sponsors or local public entities to finance conversion of the parks to resident ownership and to make monthly housing costs affordable. Existing law limits the interest rate on loans to a rate of 3% per annum. This bill would authorize the department to lower that interest rate if the department finds that it is necessary and will not jeopardize the financial stability of the fund. This bill would authorize the department to provide technical assistance to loan applicants, or to contract with a qualified nonprofit entity to provide that technical assistance, and to include the reasonable costs of that technical assistance as a part of the loan principal.” The bill passed 52 to 28. [AB 1797, [8/27/12](#); California Legislative Information, [8/27/12](#)]

**2012: Harkey Voted Against Allowing The State Department Of Housing To Lower Its Interest Rates To Mobile Home Park Residents On Its First Vote In The Assembly.** In May 2012, Harkey voted against “existing law authorizes the Department of Housing and Community Development to make loans from the Mobilehome Park Purchase Fund to qualified mobilehome park residents, resident organizations, and nonprofit housing sponsors or local public entities to finance conversion of the parks to resident ownership and to make monthly housing costs affordable. Existing law limits the interest rate on loans to a rate of 3% per annum. This bill would authorize the department to lower that interest rate if the department finds that it is necessary and

will not jeopardize the financial stability of the fund. This bill would authorize the department to provide technical assistance to loan applicants, or to contract with a qualified nonprofit entity to provide that technical assistance, and to include the reasonable costs of that technical assistance as a part of the loan principal.” The bill passed 51 to 26. [AB 1797, [5/29/12](#); California Legislative Information, [5/29/12](#)]

**2012: Harkey Voted Against Allowing The State Department Of Housing To Lower Its Interest Rates To Mobile Home Park Residents In Committee.** In May 2012, Harkey voted against “existing law authorizes the Department of Housing and Community Development to make loans from the Mobilehome Park Purchase Fund to qualified mobilehome park residents, resident organizations, and nonprofit housing sponsors or local public entities to finance conversion of the parks to resident ownership and to make monthly housing costs affordable. Existing law limits the interest rate on loans to a rate of 3% per annum. This bill would authorize the department to lower that interest rate if the department finds that it is necessary and will not jeopardize the financial stability of the fund. This bill would authorize the department to provide technical assistance to loan applicants, or to contract with a qualified nonprofit entity to provide that technical assistance, and to include the reasonable costs of that technical assistance as a part of the loan principal.” The bill passed 12 to 5. [AB 1797, [5/25/12](#); California Legislative Information, [5/25/12](#)]

## Rental Units

### Harkey Supported Legislation To Allow Governments To Convert Ownership Units Into Rental Units

**Harkey Supported Legislation To Allow Governments To Convert Ownership Units Into Rental Units.** “On Tuesday, Council members will also discuss Assembly Bill 1867, a bill San Juan Capistrano has collaboratively supported with Assemblywoman Diane Harkey. AB 1867 was signed into law on August 25, 2010 and provides California governments with the ability to convert market-rate ownership units into rental units with affordable rates.” [City of San Juan Capistrano, press release via Targeted News Service, 3/31/11]

## Immigration & Border Issues

### Significant Findings

- ✓ *Harkey: “We have many people following the rules awaiting citizenship, therefore amnesty should not be considered.”*
- ✓ *Harkey was the co-chair of an initiative to create an official state police force to enforce immigration laws, which failed to get on the ballot, and personally put in \$40,000 into the campaign.*
- ✓ *Harkey attended a rally on the capitol steps calling for a bill similar to Arizona’s SB 1070.*
- ✓ *In 2013, Harkey voted against a bill that prohibited local law enforcement from prolonging an ICE hold.*
- ✓ *Harkey criticized her 2006 state senate primary election opponent for supporting in-state tuition for undocumented students, which she said, rewarded illegal immigration and punished others getting into college.*
- ✓ *Harkey opposed a guest-worker program, driver’s licenses for undocumented immigrants, and nearly all taxpayer funded services for undocumented immigrants.*
- ✓ *Harkey voted against a bill protecting immigrants and those who complain about not receiving fair wages from employer-related retaliation.*

## Amnesty And Citizenship

### **2010: Harkey: “We Have Many People Following The Rules Awaiting Citizenship, Therefore Amnesty Should Not Be Considered”**

**2010: Harkey: “We Have Many People Following The Rules Awaiting Citizenship, Therefore Amnesty Should Not Be Considered.”** “Q. What new or amended laws would you support to address illegal immigrants? Harkey: Enforcing border security with existing laws must be the first priority. Once borders are secure, we could proceed with an orderly process to ascertain what reforms are needed. If more work visas are in order for permanent or seasonal workers, employers ought to be able to sponsor individuals, ensuring that those sponsored will not become dependent on state services. We have many people following the rules awaiting citizenship, therefore amnesty should not be considered.” [Orange County Register, 9/28/10]

## Enforcing Federal Immigration Law

### **2005: Harkey Was The Co-Chair Of An Initiative To Create An Official State Police Force To Enforce Immigration Laws**

**2005: Harkey Was The Co-Chair Of An Initiative To Create An Official State Police Force To Enforce Immigration Laws, Which Failed To Get On The Ballot, And Had Put In \$40,000 Into The Campaign**

**2005: Harkey Was The Co-Chair Of An Initiative To Create An Official State Police Force To Enforce Immigration Laws.** “California borders should be protected by official state police that would enforce existing immigration laws. That’s the idea behind the California Border Police initiative California residents could be voting on next year. The City Council last week unanimously voted to endorse the initiative that could go on the ballot in

June 2006 if it garners enough support. [...] Councilwoman Diane Harkey, who is running for state Senate to replace Campbell, introduced the proposal to the city. She is the co-chair of the initiative.” [Orange County Register, [11/17/05](#)]

**Harkey Introduced A Proposal to The Dana Point City Council To Have the Council Endorse The Initiative.** “California borders should be protected by official state police that would enforce existing immigration laws. That's the idea behind the California Border Police initiative California residents could be voting on next year. The City Council last week unanimously voted to endorse the initiative that could go on the ballot in June 2006 if it garners enough support. [...] Councilwoman Diane Harkey, who is running for state Senate to replace Campbell, introduced the proposal to the city. She is the co-chair of the initiative.” [Orange County Register, [11/17/05](#)]

**Harkey’s Border Police Proposal Failed To Get On The Ballot.** “Harman took a somewhat softer approach when we asked him directly, without referencing the mailer, whether he supported the state border police proposal. ‘I think I would support that in concept, but I'm not sure where the money would come from,’ he said. Harkey's position is clearer, as she was a co-chairwoman of the failed effort to place a border police proposal on the ballot.” [Orange County Register, [2/27/06](#)]

**Harkey Had Put In \$40,000 Into The Ballot Measure.** “Harkey counters that although she's been in the public eye for only two years, she's long felt strongly about the issue. She says that unlike Harman, she stepped up in last year's failed effort to put a state border patrol measure on the ballot, pitching in some \$40,000.” [Orange County Register, [4/4/06](#)]

**Harkey Donated \$10,000 And Spent \$30,000 Of Her Own Money On Mailing In Support Of The Measure.** “California Border Patrol initiative She donated \$10,000 in October in the failed bid to get this on the ballot. She spent about \$30,000 of her own money on a petition mailing. She was named a co-chairwoman of the effort.” [Orange County Register, [4/4/06](#)]

---

**Harkey Said She Encouraged Legal Immigration But “The Current System Is Ignoring The Illegal Immigration Problem” And That The California Border Police Initiative Was “Really Set Up To Work”**

---

**Harkey Said She Encouraged Legal Immigration But “The Current System Is Ignoring The Illegal Immigration Problem” And That The California Border Police Initiative Was “Really Set Up To Work.”** “Harkey said she encourages legal immigration but has been a long-time advocate for resolutions to control illegal immigration. ‘The current system is ignoring the illegal immigrant problem,’ Harkey said. ‘I think this is really set up to work.’” [Orange County Register, [11/17/05](#)]

---

**2006: Harkey Criticized Her State Senate Primary Opponent For Not Participating In The State Border Patrol Measure**

---

**2006: Harkey Criticized Her State Senate Primary Opponent For Not Participating In The State Border Patrol Measure.** “Harkey counters that although she's been in the public eye for only two years, she's long felt strongly about the issue. She says that unlike Harman, she stepped up in last year's failed effort to put a state border patrol measure on the ballot, pitching in some \$40,000.” [Orange County Register, [4/4/06](#)]

**2011: Harkey Attended A Rally On The Capitol Steps Calling For A Bill Similar To Arizona’s SB 1070**

**2011: Harkey Attended A Rally On The Capitol Steps Calling For A Bill Similar To Arizona’s SB 1070.** “Yet some Republican legislators seem to be following the same path of ignoring the big stuff to focus on pointless legislation designed to satisfy some of the worst instincts of political activists. On Monday, several GOP Assembly members - including three from Orange County - held a rally at the Capitol steps calling for the passage of Assembly Bill 26, the Secure Immigration Enforcement Act. The legislation echoes the controversial anti-illegal-immigration law passed in Arizona, although the California version does not include those portions of the Arizona



law now tied up in federal court. The California bill did not make it out of the Democratic-dominated Judiciary Committee on Tuesday, a predictable result that makes us wonder why the GOP chose to champion this proposal in the first place. This was an act of symbolism, and something that will further enhance the image of Republicans as being hostile to Mexican immigration. This won't help the party as it seeks to broaden its diminishing voter base. If anything, the legislation showed the GOP members, including the Orange County Assembly members on hand for the rally, Allan Mansoor, Diane Harkey and Don Wagner, to be politically tone deaf." [Orange County Register, Editorial, [4/6/11](#)]

## Sanctuary Status

### 2013: Harkey Voted To Allow Local Law Enforcement From Prolonging An ICE Hold

**2013: Harkey Voted Against A Bill That Prohibited Local Law Enforcement From Prolonging An ICE Hold.** In September 2013, Harkey voted against a bill that, "would prohibit a law enforcement official, as defined, from detaining an individual on the basis of a United States Immigration and Customs Enforcement hold after that individual becomes eligible for release from custody, unless, at the time that the individual becomes eligible for release from custody, certain conditions are met, including, among other things, that the individual has been convicted of specified crimes." The bill passed Senate concurrence, 48-25-5. [AB 4, [9/10/13](#); California Legislative Information, [10/5/13](#)]

### 2008: Harkey Defended A Republican Mayor Accused Of Turning His City Into A Sanctuary City As She Said She Knew The Allegations Were "Not True" And That The City Cooperated With ICE

**A Primary Challenger To The Mayor Of San Juan Capistrano Accused The Mayor, Who Harkey Endorsed, Of Protecting Undocumented Immigrants, Turning The City Into A Sanctuary City.** "San Juan Capistrano Mayor Joe Soto has won the right to print 'Endorsed by the Republican Party of Orange County' on his re-election campaign mailers -- but it was tougher than he expected. In a two-thirds majority vote, the Republican Party of Orange County Central Committee endorsed Soto's City Council candidacy Monday. Incumbents like Soto are usually endorsed as a matter of routine. But fellow candidate Evangeline Topa tried to take the Republican endorsement last week. Soto was accused of harboring illegal immigrants in San Juan Capistrano, turning the city into what his opponents have deemed a 'sanctuary city.'" [Orange County Register, 9/18/08]

**Harkey In Response To The Accusations: "I Know That's Not True. San Juan Cooperates With ICE."** "Dana Point Councilwoman Diane Harkey, who is running for state Assembly, endorsed Soto. Harkey called Topa's accusations untrue. 'I know that's not true,' Harkey said. 'San Juan cooperates with ICE (Immigration and Customs Enforcement).' Harkey said she spoke to Topa, who 'doesn't really have a chance of winning,' Harkey said, and Topa withdrew her petition for the Central Committee's endorsement. Topa was silent during Monday's meeting." [Orange County Register, 9/18/08]

## DACA, DAPA & The DREAM Act

### 2014: Harkey Voted Against A Bill Establishing A Loan Program Specifically For DREAMers

**2014: Harkey Voted Against A Bill Establishing A Loan Program Specifically For DREAMers.** In August 2014, Harkey voted against a bill that would, "establish the California DREAM Loan Program. The bill would provide that, commencing with the 2015–16 academic year, a student attending a participating campus of the University of California or California State University may receive a loan, referred to as a DREAM loan, through the program if the student satisfies specified requirements, including a requirement that the student be exempt from paying nonresident tuition or meet equivalent requirements adopted by the regents." The bill passed the Assembly, 55-20-4. [SB 1210, [8/25/14](#); California Legislative Information, [9/28/14](#)]

## **Harkey Criticized Her 2006 State Senate Primary Election Opponent For Supporting In-State Tuition For Undocumented Students; Said It Rewarded Illegal Immigration And Punished Others Getting Into College**

**Harkey Criticized Her 2006 State Senate Primary Election Opponent For Supporting In-State Tuition For Undocumented Immigrants.** “Harkey takes Tom Harman to task for supporting in-state tuition for illegal immigrants, but the district's last previous senator -- John Campbell -- made the same vote and successfully defended it in his congressional campaign.” [Orange County Register, [2/25/06](#)]

**Harkey Said The Bill Rewarded Illegal Immigration And Punished Those Trying To Get Into College.** “First on her list is Harman's 2001 vote on a bill that gives in-state tuition to illegal immigrants, saying it rewards illegal immigrants and punishes others trying to get into college. Harman points out that the bill requires that the students spent three years in a California high school, graduated here and are applying for legal residency.” [Orange County Register, 4/4/06]

## **Drivers' Licenses**

### **Harkey Opposed Driver's Licenses For The Undocumented**

#### **2012: Harkey Voted Against Issuing Driver's Licenses To Young, Undocumented Immigrants**

**Harkey Voted Against Issuing Driver's Licenses To Young, Undocumented Immigrants.** “California may start issuing driver's licenses to a limited number of young immigrants here illegally after broader efforts have hit detours and red lights for nearly two decades. The Assembly late Thursday sent the bill to Gov. Jerry Brown after the state Senate passed the measure Wednesday. [...] The Assembly passed the current bill 55-15 on Thursday. Among the San Diego-area delegation, Democrats Toni Atkins, Marty Block and Ben Hueso voted in favor along with independent Nathan Fletcher. Opposed were Republicans Martin Garrick of Solana Beach, Diane Harkey, who represents the Oceanside area, Kevin Jeffries, who represents parts of northeast San Diego County, and Brian Jones of Santee.” [San Diego Union-Tribune, [8/30/12](#)]

#### **Harkey Said A Bill For Undocumented Driver's Licenses Put “A Big Flag On The Card That This Is Not For A Person That Is In This Country Legally. So I Kind Of Question The Purpose Of The Bill”**

**Harkey Said A Bill That Grants Driver's Licenses To Undocumented Immigrants But Indicates It Did Not Provide Eligibility For Employment, Put “A Big Flag On The Card That This Is Not For A Person That Is In This Country Legally. So I Kind Of Question The Purpose Of The Bill.”** “California would become the latest state to grant immigrants who are in the country illegally the right to a driver's license under a bill that passed the Legislature late Thursday and that Gov. Jerry Brown supports. [...] The bill could allow some 2 million people in California to drive legally by allowing immigrants with proper identification to apply for a license. In the Assembly, Republican lawmakers who opposed the bill said granting a license with special markings to Californians illegally in the state would put employers and landlords in a conflict between complying with state and federal laws. Assemblywoman Diane Harkey, R-Dana Point, pointed to the card's notice, which will state that it is only an ID for driving and that it does not establish eligibility for employment, voting or seeking public benefits. ‘In essence, it puts a big flag on the card that this is not for a person that is in this country legally,’ Harkey said. ‘So I kind of question the purpose of the bill.’” [Associated Press via CBS News, [9/13/13](#)]

### **Harkey Opposed Driver's Licenses For Undocumented Immigrations And Nearly All Taxpayer Funded Services For Undocumented Immigrants**

**Harkey Opposed A Guest-Worker Program, Driver's Licenses For Undocumented Immigrations, And “Virtually All” Tax-Payer Funded Services For Undocumented Immigrants.** “Harkey has been the more aggressive on the measure, in part because the \$500,000 she has poured into her campaign has funded nearly two

dozen mailers to date. Many of those mailers reflect polling that puts illegal immigration as the district's No. 1 issue. A position-by-position analysis shows similar views held by the two. Both oppose a guest-worker program, driver's licenses for illegal immigrants, and virtually all tax-funded services for illegal immigrants. Both support establishment of state border police and the Minuteman citizen border patrol. And both say the border must be secured before any steps are taken to legitimize more immigrant labor." [Orange County Register, 4/4/06]

## Immigration Rhetoric

### Harkey Said She Joined The California Republican Assembly Because Of Its Ardent Anti-Illegal Immigration Positions

**Harkey Said She Joined The California Republican Assembly Because Of Its Ardent Anti-Illegal Immigration Positions.** "California Republican Assembly She says she joined the group three years ago because of its adamant anti-illegal immigration positions." [Orange County Register, 4/4/06]

### Harkey Said That Illegal Immigration Was "A Cost Issue" And "A National Security Issue"

**Harkey Said That Illegal Immigration Was "A Cost Issue" And "A National Security Issue."** "That's reflected in the two Republicans' campaigns to fill the seat vacated when John Campbell was elected to Congress in December. In the heavily GOP district, one of the two is expected to win -- although there will be a runoff between the April 11 top GOP vote-getter and Democrat Larry Caballero if nobody gets more than 50 percent of the first vote. '(Illegal immigration) is a cost issue,' Harkey said, citing the \$10.2 billion state officials say the problem costs in justice, medical, education and other services. 'And it's a national security issue.'" [Orange County Register, 4/4/06]

**Harkey: "People Understand That Illegal Immigration Has A Cost To The State. We've Seen An Increase Of Illegal Immigration In Trades, But We're Not Getting Those Jobs For Cheap."** "Californians' views on illegal immigration have softened during the past two decades, with an increasing number seeing it as beneficial to the state's economy, according to a statewide poll released Thursday. [...] 'People understand that illegal immigration has a cost to the state,' said Diane Harkey, a GOP candidate in the April 11 special state Senate election. 'We've seen an increase of illegal immigration in trades, but we're not getting those jobs for cheap.'" [Orange County Register, 3/10/06]

### In Harkey's 2006 Bid For State Senate, Harkey Said Illegal Immigration Outpolled Other Issues And As A Result, Sent Two Mailers On Illegal Immigration

**In Harkey's 2006 Bid For State Senate, Harkey Said Illegal Immigration Outpolled Other Issues And As A Result, Sent Two Mailers On Illegal Immigration.** "McGill's hardly alone. Traffic, education and the state deficit are taking a back seat in most campaigns as illegal immigration has surged to the forefront for many voters -- particularly Republicans. Diane Harkey, a GOP candidate in the April 11 special state Senate seat election, says it outpolls the next-highest issue by 5-1. She's sent out two mailers on illegal immigration. Republican opponent Tom Harman also mailed an anti-illegal-immigration piece this month." [Orange County Register, [2/25/06](#)]

**Harkey Said The Issue Was Top Issue For Voters.** "In terms of gaining a campaign advantage, most Republican candidates are taking similar positions on illegal immigration. The differences are nuanced. For instance, Harkey lists it as far and away the top issue, while Tom Harman puts it alongside the state budget deficit and Gov. Arnold Schwarzenegger's infrastructure plan as the key issues." [Orange County Register, [2/25/06](#)]

## Legal Immigration

### Harkey Said She Encouraged Legal Immigration

## **Harkey Said She Encouraged Legal Immigration But “The Current System Is Ignoring The Illegal Immigration Problem” And That The California Border Police Initiative Was “Really Set Up To Work.”**

“Harkey said she encourages legal immigration but has been a long-time advocate for resolutions to control illegal immigration. ‘The current system is ignoring the illegal immigrant problem,’ Harkey said. ‘I think this is really set up to work.’” [Orange County Register, [11/17/05](#)]

## **Day Laborers**

### **2006: Harkey’s State Senate Primary Opponent Claimed Harkey Portrayed City-Run Day-Labor Centers As A Magnet For Undocumented Immigrants**

**2006: Harkey’s State Senate Primary Opponent Claimed Harkey Portrayed City-Run Day-Labor Centers As A Magnet For Undocumented Immigrants.** “Tom Harman has drawn a line. It could cost him the crown in the fever-pitch battle over who’s the most hardcore anti-illegal immigration candidate in the 35th State Senate race, for which there’s an April 11 special election. Diane Harkey, opponent and fellow Republican, presses relentlessly on the issue. With Harman largely matching her position for position, there remain two issues where they part ways. And Harman is sticking to his guns. City-run day-labor centers are not the illegal-immigrant magnets that Harkey portrays them as, he says. And illegal immigrants seeking legal status should get in-state tuition rates if they’ve graduated from high school here.” [Orange County Register via Capitol Basement, [4/4/06](#)]

**The Centers Were Meant To Get Day Laborers Off The Street But Harkey Questioned Its Legality.** “Second on Harkey’s list are day-laborer centers. At the recommendation of city police, Harman, as a Huntington Beach councilman, approved a center for that city in an effort to get day laborers soliciting work off the street. Harman said that all are checked to ensure they are legal residents. But Harkey says such centers attract illegal immigrants -- and if they were really legal, a private group could run such an operation.” [Orange County Register, 4/4/06]

**Harkey Said That If The Centers Were Legal, They Should Be Run By Private Groups.** “She also points to Harman’s vote while on the Huntington Beach City Council supporting a day labor center in an attempt to reduce the number of people soliciting work on the streets. Harkey said giving in-state tuition to illegal immigrants rewards them at the expense of legal residents trying to get into college and day labor centers attract illegal immigrants. If they are legal, they should be run by private groups, she has said.” [City News Service, 4/10/06]

### **Harkey Said An Ordinance To Prohibit Day-Laborers From Congregating On Private Property Would “Keep Our Population Comfortable And Safe” And That “Enforcing Immigration Law is Not A City Job”**

**Harkey Said An Ordinance To Prohibit Day-Laborers From Congregating On Private Property Would “Keep Our Population Comfortable And Safe” And That “Enforcing Immigration Law is Not A City Job.”** “Tonight, Dana Point could become the third city in south Orange County to pass a no-trespassing ordinance that would prohibit groups -- such as day laborers, the homeless and teenagers -- from congregating on private property. The ordinance is similar to ones passed by Lake Forest and Mission Viejo in the past year. City officials said local businesses have suffered from the presence of loiterers on their property. [...] If passed, the ordinance would allow property owners to contact police and make a citizen’s arrest if someone refused to leave the property; signs would also be posted in the area advising people of the ordinance. Levy said the property owners seemed ‘more than willing’ to cooperate. Dana Point Mayor Diane Harkey said the city was trying to protect its residents. ‘We are trying to ... keep our population comfortable and safe,’ she said. ‘Enforcing immigration law is not a city job.’” [Orange County Register, 4/3/07]

## **Guest Worker Programs**

### **Harkey Expressed Skepticism Of President Bush’s Guest-Worker Program**

**Harkey Expressed Skepticism Of President Bush's Guest-Worker Program.** "Most candidates agree that the work force is needed. 'They are an important part of our economy,' Tom Harman said. 'We need to let them come into the country with legal documents.' Harkey says virtually the same thing -- the borders must be secured and then a system worked out to allow documented workers into the country. There's plenty of skepticism by Harkey and others over President Bush's proposed guest-worker program, which would legalize more immigrants almost immediately. Silva, for example, would prefer a guest-worker program to allow immigrant workers into the United States on a seasonal basis." [Orange County Register, [2/25/06](#)]

## Jury Duty

### **Harkey In Response To A Bill To Allow Non-Citizens To Serve On Jury Duty: "Let's Not Whittle Away At What Is Reserved For U.S. Citizens. There's A Reason For It"**

**Harkey In Response To A Bill To Allow Non-Citizens To Serve On Jury Duty: "Let's Not Whittle Away At What Is Reserved For U.S. Citizens. There's A Reason For It."** "The California Assembly passed a bill on Thursday that would make the state the first in the nation to allow non-citizens who are in the country legally to serve on jury duty. Assemblyman Bob Wieckowski said his bill would help California widen the pool of prospective jurors and help integrate immigrants into the community. It does not change other criteria for being eligible to serve on a jury, such as being at least 18, living in the county that is making the summons, and being proficient in English. [...] Assemblywoman Diane Harkey said there is no shortage of jurors. 'Jury selection is not the problem. The problem is trial court funding,' Harkey said before the vote. 'I hope we can focus on that. Let's not break something; it's not broken now. Let's not whittle away at what is reserved for U.S. citizens. There's a reason for it.'" [Associated Press via Fox News, [4/26/13](#)]

## Poll Workers

### **Harkey Said She Was "A Bit Confused" Regarding A Bill To Allow Noncitizens To Serve As Poll Workers To Provide Multilingual Poll Workers And Said, "Something Doesn't Smell Right To Me"**

**Harkey Said She Was "A Bit Confused" Regarding A Bill To Allow Noncitizens To Serve As Poll Workers To Provide Multilingual Poll Workers And Asked "Why Would They Even Want To Sit At The Poll?"** "AB 817 would allow an election official to appoint up to five people who are not U.S. citizens to serve as poll workers at each precinct. The non-citizens would have to be lawful permanent residents who meet all the other requirements for being eligible to vote except for citizenship. Bonta said the measure would increase language access for voters. 'There are nearly 3 million citizens who are fully eligible to vote and not English proficient,' Bonta said. 'We have a shortage of multilingual poll workers in the state of California,' he added. 'There has to be language access at the polls.' [...] Republicans have opposed the bill since it was first introduced. The bill originally passed the Assembly in May on a 49-23 vote. Last month, the Senate passed it 22-10. The bill returned to the Assembly on Thursday for concurrence on minor changes made in the Senate. 'If somebody is not registered to vote and they aren't a citizen and they can't vote, then why would they even want to sit at the poll?' asked Assemblywoman Diane Harkey, R-Dana Point. 'What could possibly entice them? Is this just another career path? I'm a bit confused.'"

**Harkey: "Something Doesn't Smell Right To Me."** "Legal immigrants who are not American citizens would be able to serve on juries in California under a bill that lawmakers sent to Gov. Jerry Brown on Thursday. [...] Republicans said the bill could affect the integrity of the election process. 'Allowing people who are not actually eligible to vote to work in the polling places, I believe, would be a grave mistake,' said Assemblyman Tom Donnelly (R-Twin Peaks). 'The net effect is going to be to undermine the confidence that the citizens of California have in their election process.' Added Assemblywoman Diane Harkey (R-Dana Point): 'Something doesn't smell right to me.'" [Los Angeles Times, [8/22/13](#)]



## Taxes

### **Harkey Said A Bill To Incentivize Undocumented Immigrants To Pay State Income Tax Only Worked To “Provide For Safe Harbor”**

**Harkey Said A Bill To Incentivize Undocumented Immigrants To Pay State Income Tax Only Worked To “Provide For Safe Harbor.”** “California lawmakers approved legislation Friday that would allow illegal immigrants to voluntarily join a program and pay state income taxes in exchange for leniency in their immigration status. The state Assembly approved SB901 by Senate President Pro Tem Darrell Steinberg, D-Sacramento, on a 42-30 vote, sending it to the state Senate. [...] Opponents called the plan a form of amnesty and noted that illegal immigrants are already required by law to pay state income taxes. About 1 million of California's estimated 1.8 million illegal immigrants already do. ‘So I would say that this is not about even helping illegal immigrants in any way shape or form from doing things that they're not already doing. What it does is provide for safe harbor,’ said Assemblywoman Diane Harkey, R-Dana Point.” [Associated Press via CBS Los Angeles, [8/31/12](#)]

## Workplace Retaliation

### **2013: Harkey Voted Against A Bill Protecting Immigrants And Those Who Complain About Not Receiving Fair Wages From Employer-Related Retaliation**

**2013: Harkey Voted Against A Bill Protecting Immigrants And Those Who Complain About Not Receiving Fair Wages From Employer-Related Retaliation.** In September 2013, Harkey voted against a bill that would, “prohibit an employer from retaliating or taking adverse action against any employee or applicant for employment because the employee or applicant has engaged in protected conduct. The bill would expand the protected conduct to include a written or oral complaint by an employee that he or she is owed unpaid wages. [...] This bill would make it unlawful for an employer or any other person to engage in, or direct another person to engage in, an unfair immigration-related practice, as defined, against a person for the purpose of, or with the intent of, retaliating against any person for exercising a right protected under state labor and employment laws or under a local ordinance applicable to employees, as specified.” The bill passed Senate concurrence, 54-19-5. [AB 263, [9/10/13](#); California Legislative Information, [10/11/13](#)]

### **2013: Harkey Did Not Vote On A Bill Protecting Undocumented Immigrants From Retaliation In The Workplace**

**2013: Harkey Did Not Vote On A Bill Protecting Undocumented Immigrants From Retaliation In The Workplace.** In September 2013, Harkey did not vote on a bill that, “strengthen[s] the California Labor Code’s protections for all workers, by expanding the grounds for a finding of retaliation, increasing penalties for retaliation, and broadening protections for whistleblowers.” The bill passed the Assembly, 52-17-9. [SB 666, [9/9/13](#); California Legislative Information, [10/5/13](#); National Employment Law Project, [10/13](#)]

## Labor

### Significant Findings

- ✓ *Harkey voted against protecting public workers from non-union contractors.*
- ✓ *Harkey said a bill that made it harder to fire state employees “creates ire in our districts against state employees” but that “many of them are good, hardworking people.”*
- ✓ *Harkey wished that a bill to freeze the pay of non-union state employees earning more than \$100,000 a year would extend to all state workers.*
- ✓ *Harkey voted against a bill that would require employers to stop work if found in serious violation of OSHA guidelines and against a bill that cracked down on OSHA violators.*
- ✓ *Harkey voted against a bill that would allow employees to place liens on their employers for unpaid wages.*
- ✓ *Harkey called a bill that withheld state construction money from cities that banned labor-friendly building contracts “out of line” and that the state “ought to pull back from being the nanny state.”*

## Public Employees And State Labor Unions

### Harkey Did Not Vote To Protect Public Employees From Contractors

#### 2013: Harkey Voted Against Protecting Public Workers From Non-Union Contractors

**2013: Harkey Voted Against Protecting Public Workers From Non-Union Contractors.** In August 2013, Harkey voted against a bill that protected public works workers from non-union contractors. “Under the law, employer payments are a credit against the obligation to pay the general prevailing rate of per diem wages, except credit is not granted for benefits required under state or federal law. Employer payments include the rate of contribution made by the employer to a trustee or 3rd person pursuant to a plan, fund, or program, the rate of actual costs to the employer anticipated in providing benefits to workers pursuant to a specified enforceable commitment, and payments to the California Apprenticeship Council. [...] This bill would prohibit credit from being granted for employer payments made to monitor and enforce laws related to public works if those payments are not required by a collective bargaining agreement.” The bill passed the Assembly, 52-23-3. [SB 776, [8/8/13](#); California Legislative Information, [8/27/13](#)]

#### Harkey Was Absent For A Committee Vote To State A Preference For State Workers Over Outside Contractors For State Work

**Harkey Was Absent For A Committee Vote To State A Preference For State Workers Over Outside Contractors For State Work.** “It looks like the so-called ‘Public Employees Bill of Rights’ is on the way to clearing its first legislative hurdle after the Assembly Committee on Public Employees, Retirement and Social Security listened to brief arguments for and against the measure and then voted 3-1 in favor of the measure. Because it needs one more ‘aye’ from the six-member panel to pass, the bill was placed ‘on call’ until the two absent members could vote. Democratic Assemblymembers Warren Furutani, Michael Allen and Fiona Ma supported the bill. Republican Allan Mansoor opposed. Assemblyman Bob Wieckowski, D-Fremont and Assemblywoman Diane Harkey, R-Dana Point, were not present. Assembly Bill 1655, written by Democratic Assemblyman Roger Dickinson of Sacramento, which would give rank-and-file state workers explicit preference

over outside contractors for state work, shorten the period employers would have to discipline employees and guarantee protections against increased workloads brought on by furloughs or layoffs.” [Sacramento Bee, 3/28/12]

### **Harkey Said A Protection Against Dismissal For Public Workers Created “Ire In Our Districts Against State Employees”**

### **Harkey Said A Bill That Made It Harder To Fire State Employees “Creates Ire In Our Districts Against State Employees” But That “Many Of Them Are Good, Hardworking People”**

**Harkey Said That A Bill That Toughened Firing State Employees Was An Example That “Creates Ire In Our Districts Against State Employees” But That “Many Of Them Are Good, Hardworking People.”** “A union-backed bill to give state employees a little more protection if they’re fired for going AWOL turned into a gut check for some majority Assembly Democrats last week. Republicans tried to turn debate over Assembly Bill 855 into criticism of existing law that allows state workers to miss five days without explanation before they can be dismissed. ‘It’s this kind of (law that) creates ire in our districts against state employees, and many of them are good, hardworking people,’ said Assemblywoman Diane Harkey, R-Dana Point.” [Sacramento Bee, 9/12/13]

**Harkey: “AWOL Isn’t Accepted In The Private Sector, Or Anywhere. Why Would Anyone In This Union Want To Be Gone For Five Days Without Letting Anyone Know? This Would Never Be Allowed In The Private Sector.”** “A flummoxed Assemblywoman Diane Harkey, R-Dana Point, said only state employees could ever imagine getting away with this. ‘AWOL isn’t accepted in the private sector, or anywhere. Why would anyone in this union want to be gone for five days without letting anyone know? This would never be allowed in the private sector.’” [Orange County Register, John Phillips Column, [10/7/13](#)]

### **Harkey Supported Freezing The Pay Of All State Workers Earning More Than \$100,000 A year**

### **Harkey Said She Wished That A Bill To Freeze The Pay Of Non-Union State Employees Earning More Than \$100,000 A Year Would Extend To All State Workers**

**Harkey Said She Wished That A Bill To Freeze The Pay Of Non-Union State Employees Earning More Than \$100,000 A Year Would Extend To All State Workers.** “The Assembly Appropriations Committee stalled a bill that would freeze the pay of non-union state employees earning more than \$100,000 per year. By putting the bill on the committee’s suspense file, Democrats who run the committee can say it’s still technically alive. But It’s at least the seventh time such a measure has been bottled up. [...] Assemblywoman Diane Harkey, R-Dana Point, said she wished that the measure extended to all state workers, but recognized that legal barriers prevent it. She also disagreed with the public pension fund’s criticism and referenced their investment losses. ‘I understand the competitiveness argument,’ she said, ‘but clearly some of the investment officers have been less than adequate.’” [Sacramento Bee, 4/13/11]

### **2010: Harkey Claimed That The Savings From Union Pension Deals Would Be Eliminated In A Few Years And Said Of The Deal, “Do Not Do This Thinking We Have Any Pension Reform Here”**

**2010: The California State Assembly Approved Of Three Contracts With Three Unions To Rein In Pension Costs.** “Contracts with three state labor unions that were approved Thursday by the California Assembly prompted a spirited debate about pension reform, at a time when state and local governments are searching for ways to rein in pension costs. Several Republican lawmakers said the contracts’ pension changes, which were negotiated with Gov. Arnold Schwarzenegger’s administration, did not go far enough in overhauling a system they say is overtaxing the state’s budget. [...] The changes were in a bill that includes agreements with the California Association of Highway Patrolmen, the International Union of Operating Engineers, and the California Association of Psychiatric Technicians.” [Associated Press, 8/12/10]

**Harkey Claimed That The Savings From The Deals Would Be Eliminated In A Few Years And Said Of The Deal, “Do Not Do This Thinking We Have Any Pension Reform Here.”** “Assemblywoman Diane Harkey, R-

Dana Point, said short-term savings the state would achieve from the new contracts would be eradicated in a few years, a claim disputed by other Assembly members. ‘We are in a financial crisis, and I appreciate the effort of certain groups coming forward,’ Harkey said. ‘But if this is the sort of process that goes through all of our unions we will be spending billions of dollars in years to come. ...Do not do this thinking we have any pension reform here.’” [Associated Press, 8/12/10]

## Worker Protections

### **Harkey Voted Against A Bill That Would Require Employers To Stop Work If Found In Serious Violation Of OSHA Guidelines And Against A Bill That Cracked Down On OSHA Violators**

#### **2013: Harkey Voted At Least Twice Against A Bill That Would Require Employers To Stop Work If Found In Serious Violation Of OSHA Guidelines, Even In Cases Of Appeal**

**2013: Harkey Voted Against A Bill That Would Require Employers To Stop Work If Found In Serious Violation Of OSHA Guidelines, Even In Cases Of Appeal On Its Final Vote.** In May 2013, Harkey voted against a bill that would require employers to stop work if found in serious violation of OSHA guidelines, even in cases of appeal. “This bill would provide that an appeal of a citation or notice, as specified, that is classified and cited as a serious violation, repeat serious violation, willful serious violation, or failure to abate shall not stay abatement dates and requirements.” The bill passed the Assembly, 47-19-13. [AB 1165, [5/16/13](#); California Legislative Information, [9/18/13](#)]

**2013: Harkey Voted Against The Final Version Of The Bill That Would Require Employers To Stop Work If Found In Serious Violation Of OSHA Guidelines, Even In Cases Of Appeal On Its First Vote In The Assembly.** In September 2013, Harkey voted against the final version of the bill that would require employers to stop work if found in serious violation of OSHA guidelines, even in cases of appeal. The bill passed Senate concurrence, 47-27-4. [AB 1165, [9/11/13](#); California Legislative Information, [9/18/13](#)]

#### **2014: Harkey Voted Against A Bill That Cracked Down On Employers Found In Violation Of OSHA Regulations**

**2014: Harkey Voted Against A Bill That Cracked Down On Employers Found In Violation Of OSHA Regulations.** In August 2014, Harkey voted against a bill that would make OSHA tougher on employers who violate regulations. “This bill would prohibit the division from granting, for serious violations, a proposed modification to civil penalties for abatement or credit for abatement unless the employer has abated the violation, as specified, or has submitted a statement to the division in accordance with existing law, and would additionally require supporting evidence with the statement where necessary. The bill would authorize the division to grant such a modification only if the violation has been abated, as specified, or the signed statement and supporting evidence is received within 10 working days after the end of the period fixed for abatement. The bill would generally prohibit the stay or suspension of a requirement to abate the hazards affirmed by the decision or order during the pendency before the appeals board of a petition for reconsideration of a citation for a violation that is classified as a serious violation, repeat serious violation, or willful serious violation.” The bill passed Senate concurrence, 54-25. [AB 1634, [8/28/14](#); California Legislative Information, [9/20/14](#)]

### **Harkey Voted Against Protections For Health Care Professional Including The Number Of Hours They Are Allowed To Work And Against Workplace Violence**

#### **2014: Harkey Voted To Allow State Facilities To Force Nurses To Work More Than 40 Hours A Week**

**2014: Harkey Did Not Vote On A Bill That Prohibited State Facilities From Forcing Nurses To Work More Than 40 Hours A Week On Its Final Vote.** In August 2014, Harkey did not vote on a bill that, “would, commencing January 1, 2016, prohibit a nurse, defined as a registered nurse or a licensed vocational nurse, or a

certified nursing assistant (CNA), employed by the State of California in a state facility, as defined, from being compelled to work in excess of the regularly scheduled workweek or work shift, except under certain circumstances, including the occurrence of a catastrophic event in a state facility. This bill would prohibit a state facility from discriminating, dismissing, discharging, or making an employment decision adverse to the nurse or CNA for his or her refusal to accept those additional hours, and would specify that a refusal to accept those additional hours does not constitute patient abandonment or neglect, as specified. The bill would require management and supervisors to consider employees in a specified order of priority in order to fulfill the additional staffing needs of a facility.” The bill passed Senate concurrence, 56-22-1. [AB 2155, [8/27/14](#); California Legislative Information, [9/3/14](#)]

**2014: Harkey Voted Against A Bill That Prohibited State Facilities From Forcing Nurses To Work More Than 40 Hours A Week On Its First Vote In The Assembly.** In August 2014, Harkey voted against a bill that, “would, commencing January 1, 2016, prohibit a nurse, defined as a registered nurse or a licensed vocational nurse, or a certified nursing assistant (CNA), employed by the State of California in a state facility, as defined, from being compelled to work in excess of the regularly scheduled workweek or work shift, except under certain circumstances, including the occurrence of a catastrophic event in a state facility. This bill would prohibit a state facility from discriminating, dismissing, discharging, or making an employment decision adverse to the nurse or CNA for his or her refusal to accept those additional hours, and would specify that a refusal to accept those additional hours does not constitute patient abandonment or neglect, as specified. The bill would require management and supervisors to consider employees in a specified order of priority in order to fulfill the additional staffing needs of a facility.” The bill passed Senate concurrence, 56-22-1. [AB 2155, [5/28/14](#); California Legislative Information, [9/3/14](#)]

**2014: Harkey Did Not Vote On A Bill That Prohibited State Facilities From Forcing Nurses To Work More Than 40 Hours A Week In Committee.** In April 2014, Harkey did not vote on a bill that, “would, commencing January 1, 2016, prohibit a nurse, defined as a registered nurse or a licensed vocational nurse, or a certified nursing assistant (CNA), employed by the State of California in a state facility, as defined, from being compelled to work in excess of the regularly scheduled workweek or work shift, except under certain circumstances, including the occurrence of a catastrophic event in a state facility. This bill would prohibit a state facility from discriminating, dismissing, discharging, or making an employment decision adverse to the nurse or CNA for his or her refusal to accept those additional hours, and would specify that a refusal to accept those additional hours does not constitute patient abandonment or neglect, as specified. The bill would require management and supervisors to consider employees in a specified order of priority in order to fulfill the additional staffing needs of a facility.” The bill passed 5 to 1. [AB 2155, [4/23/14](#); California Legislative Information, [9/3/14](#)]

---

**2014: Harkey Voted Against Protecting Mental Health Workers From Workplace Violence**

---

**2014: Harkey Voted Against Protecting Mental Health Workers From Workplace Violence.** In August 2014, Harkey voted against a bill that would require OSHA to adopt standards that required, “specified types of hospitals, including a general acute care hospital or an acute psychiatric hospital, to adopt a workplace violence prevention plan as a part of the hospital’s injury and illness prevention plan to protect health care workers and other facility personnel from aggressive and violent behavior. The bill would require the standards to include prescribed requirements for a plan.” The bill passed the Assembly, 54-21-4. [SB 1299, [8/20/14](#); California Legislative Information, [9/29/14](#)]

---

**2014: Harkey Voted Against A Bill That Would Allow Hospital Workers To Receive Worker’s Compensation If They Caught MRSA While On The Job**

---

**2014: Harkey Voted Against A Bill That Would Allow Hospital Workers To Receive Worker’s Compensation If They Caught MRSA While On The Job.** In August 2014, Harkey voted against a bill that “would provide, with respect to hospital employees who provide direct patient care in an acute care hospital that the term ‘injury’ includes a methicillin-resistant *Staphylococcus aureus* skin infection (MRSA skin infection) that



develops or manifests itself during the period of the person's employment with the hospital." The bill passed Senate concurrence, 47-24-8. [AB 2616, [8/22/14](#); California Legislative Information, [8/26/14](#)]

### **2014: Harkey Voted Against A Bill That Would Allow Employers And Labor Contractors To Share Legal Responsibility For Contracted Workers**

**2014: Harkey Voted Against A Bill That Would Allow Employers And Labor Contractors To Share Legal Responsibility For Contracted Workers.** In August 2014, Harkey voted against a bill that would allow employers and labor contractors to share legal responsibility for the contracted workers. "This bill would require a client employer to share with a labor contractor all civil legal responsibility and civil liability for all workers supplied by that labor contractor for the payment of wages and the failure to obtain valid workers' compensation coverage. The bill would prohibit a client employer from shifting to the labor contractor legal duties or liabilities under workplace safety provisions with respect to workers provided by the labor contractor." The bill passed Senate concurrence, 47-24-8. [AB 1897, [8/28/14](#); California Legislative Information, [9/28/14](#)]

### **2013: Harkey Voted Against Regulating The Hours Of And Granting Overtime Pay To Domestic Workers**

**2013: Harkey Voted Against Regulating The Hours Of And Granting Overtime Pay To Domestic Workers.** In September 2013, Harkey voted against a bill that would more stringently regulate domestic workers and mandate that they receive overtime pay. "This bill would enact the Domestic Worker Bill of Rights to, until January 1, 2017, regulate the hours of work of certain domestic work employees and provide an overtime compensation rate for those employees. The bill would define various terms for the purposes of the act, including defining domestic work to mean services related to the care of persons in private households or maintenance of private households or their premises, which would include childcare providers, caregivers of people with disabilities, sick, convalescing, or elderly persons, house cleaners, housekeepers, maids, and other household occupations. The bill would, until January 1, 2017, require the Governor to convene a committee to study and report to the Governor on the effects of this act." The bill passed Senate concurrence, 52-25-1. [AB 241, [9/12/13](#); California Legislative Information, [9/26/13](#)]

### **2014: Harkey Voted Against Amending California's Franchise Relations Act To Give More Protection To The Franchisors**

**2014: Harkey Voted Against Amending California's Franchise Relations Act To Give More Protection To The Franchisors.** In August 2014, Harkey against a bill that would, "would require the state board to complete a comprehensive strategy to reduce emissions of short-lived climate pollutants, as defined, in the state, " and, "require a franchisor that terminates or fails to allow the sale, transfer, or assignment of a franchise, other than in accordance with specified provisions of law, to, at the election of the franchisee, either reinstate the franchisee and pay specified damages or pay to the franchisee the fair market value of the franchise and franchise assets, as provided." The bill passed, 41-28-10. [SB 610, [8/14/14](#); California Legislative Information, [8/25/14](#)]

### **2013: Harkey Voted Against A Bill That Protected Non-Unionized Car Wash Workers**

**2013: Harkey Voted Against A Bill That Protected Non-Unionized Car Wash Workers.** In May 2013, Harkey voted against a bill that protected non-unionized car wash workers. "Existing law also requires employers of car washes to post a \$15,000 bond for the benefit of the state to compensate employees damaged by the employer's nonpayment of wages. Existing law repeals these provisions on January 1, 2014. This bill would increase the employer's bond requirement amount to \$150,000, but would exempt an employer from that requirement if the employer has a collective bargaining agreement in place that meets specified criteria. This bill would also delete the repeal date of the provisions described above, thus extending those provisions indefinitely." The bill passed the Assembly, 54-23-2. [AB 1387, [5/29/13](#); California Legislative Information, [10/11/13](#)]

## **Harkey Voted Against A Bill That Would Require Adult Film Stars To Use Condoms**

**Harkey Voted Against A Bill That Would Require Adult Film Stars To Use Condoms.** In May 2014, Harkey voted against a bill that would require adult film stars to use protection when having sex at work. “This bill would require an adult film employer’s exposure control plan to include information that each time an employee performing in an adult film engaged in vaginal or anal intercourse, personal protective equipment was used to protect the employee from exposure to bloodborne pathogens and each employee performing in an adult film was tested for sexually transmitted infections according to specified recommendations not more than 14 days prior to filming any scene in which the employee engaged in vaginal or anal intercourse, that the employee consented to disclosing to the Division of Occupational Safety and Health that the employee was the subject of an HIV test, and that the employer paid for the test.” The bill passed the Assembly, 48-13-18. [AB 1576, [5/27/14](#); California Legislative Information, [6/18/14](#)]

## **Wage Protection**

### **2014: Harkey Voted Against A Bill That Would Allow Employees To Place Liens On Their Employers For Unpaid Wages**

**2014: Harkey Voted Against A Bill That Would Allow Employees To Place Liens On Their Employers For Unpaid Wages.** In May 2014, Harkey voted against a bill that would “authorize an employee, with certain exceptions, to record and enforce specified employees to request that the Labor Commissioner record, on his or her behalf, a wage lien upon real and personal property of an employer, or a property owner, as specified, for unpaid wages and other compensation owed the employee, and certain other penalties, interest, and costs. The bill would prescribe requirements relating to the recording and enforcement of the wage lien and for its extinguishment and removal. The bill would require a notice of lien on real property to be executed under penalty of perjury.” The bill passed, 43-27-8. [AB 2416, [5/28/14](#); California Legislative Information, [8/30/14](#)]

### **2014: Harkey Voted Against A Bill That Further Protected The Wages Of Workers At Construction Sites**

**2014: Harkey Voted Against A Bill That Further Protected The Wages Of Workers At Construction Sites.** In August 2014, Harkey voted against a bill that would, “revise the definition of ‘construction’ to also include work performed during the post construction phases of construction, including, but not limited to, all cleanup work at the jobsite. [...] Existing law makes a willful violation of laws relating to payment of prevailing wages on public works a misdemeanor.” The bill passed the Assembly, 55-22-2. [AB 26, [8/28/14](#); California Legislative Information, [9/30/14](#)]

### **2013: Harkey Voted Against A Bill That Would Allow Public Service Contractors To Receive Per Diem Wage Increases After The Contract Has Been Awarded**

**2013: Harkey Voted Against A Bill That Would Allow Public Service Contractors To Receive Per Diem Wage Increases After The Contract Has Been Awarded.** In May 2013, Harkey voted against a bill that would allow public service contractors to receive per diem wage increases after the contract has been awarded. “This bill would instead state that if the director determines, within a semiannual period, that there is a change in any prevailing rate of per diem wages in a locality that determination applies to any public works contract that is awarded or for which notice to bidders is published on or after January 1, 2014. The bill would authorize any contractor, awarding body, or specified representative affected by a change in rates on a particular contract to, within 20 days, file with the director a verified petition to review the determination of that rate, as specified.” The bill passed the Assembly, 54-24-1. [AB 1140, [5/30/13](#); California Legislative Information, [8/28/13](#)]

### **2013: Harkey Voted Against Cutting Off State Funding To Cities That Do Not Abide By Prevailing Wage Provisions**

**2013: Harkey Voted Against Cutting Off State Funding To Cities That Do Not Abide By Prevailing Wage Provisions.** In September 2013, Harkey voted against a bill that would rescind state funding from charter city projects, “if the city has a charter provision or ordinance that authorizes a contractor to not comply with prevailing wage provisions on any public works contract.” The bill passed the Assembly, 52-22-4. [SB 7, [9/4/13](#); California Legislative Information, [10/13/13](#)]

### **2013: Harkey Voted Against A Bill That Would Extend The Labor Commissioner’s Deadlines In Prevailing Wage Disputes**

**2013: Harkey Voted Against A Bill That Would Extend The Labor Commissioner’s Deadlines In Prevailing Wage Disputes.** In September 2013, Harkey voted against a bill that would extend the Labor Commissioner’s Deadlines in prevailing wage disputes. “Existing law requires the Labor Commissioner, if the commissioner or his or her designee determines after an investigation that there has been a violation of the public works provisions, to issue a civil wage and penalty assessment to the contractor or subcontractor, or both. [...] This bill would change the deadline for service of the assessment to not later than 18 months after the filing of a valid notice of completion in the office of the county recorder in each county in which the public work or some part thereof was performed, or not later than 18 months after acceptance of the public work, whichever occurs last.” The bill passed Senate concurrence, 53-23-2. [AB 1336, [9/6/13](#); California Legislative Information, [10/13/13](#)]

### **2013: Harkey Voted Against A Bill That Would Expedite Wage Negotiations**

**2013: Harkey Voted Against A Bill That Would Expedite Wage Negotiations.** In September 2013, Harkey voted against a bill that, “would require that, if a tentative agreement is reached by the parties, the governing body vote to accept or reject that agreement within 30 days of the date it is first considered, as specified.” The bill passed Senate concurrence, 53-24-1. [AB 537, [9/12/13](#); California Legislative Information, [10/13/13](#)]

## **Labor Unions**

### **Harkey Called A Bill That Withheld State Construction Money From Cities That Banned Labor-Friendly Building Contracts “Out Of Line” And That The State “Ought To Pull Back From Being The Nanny State”**

**Harkey Called A Bill That Withheld State Construction Money From Cities That Banned Labor-Friendly Building Contracts “Out Of Line” And That The State “Ought To Pull Back From Being The Nanny State.”** “San Diego mayoral candidate Nathan Fletcher has drawn fire from opponent Carl DeMaio for missing an Assembly floor vote on legislation to withhold state construction money from cities that ban labor-friendly building contracts. [...] Assemblywoman Diane Harkey, R-Dana Point, called it ‘out of line’ for a Legislature that can’t balance its own budget to be telling San Diego what to do. ‘We ought to pull back from being the nanny state,’ she said.” [San Diego Union-Tribune, [4/27/12](#)]

### **Harkey Voted Against A Bill Preventing Public Agencies From Using “Union Avoidance” Consultants**

**Harkey Voted Against A Bill Preventing Public Agencies From Using “Union Avoidance” Consultants.** “Across California, schools and cities routinely hire outside specialists to help with contentious and complex union negotiations over wages, benefits and working conditions. But state Sen. Juan Vargas contends that too frequently these consultants overstep and at times advise borderline strategies to intimidate workers and weaken their unions. The San Diego Democrat is carrying legislation that would prevent public agencies from spending tax dollars on ‘union avoidance’ consultants and attorneys whose mission is to ‘minimize’ worker rights. [...] During a

recent legislative committee hearing, Assemblywoman Diane Harkey, R-Dana Point, asked how much public employee labor unions spend to advise their members. Vargas said he didn't have an answer. "That would be very pertinent because you have to have a level playing field. ... Who is actually having the hardship here?" said Harkey, who voted against the bill that passed out of the committee. The measure has worked its way through the process mostly along party-line votes." [San Diego Union-Tribune, 8/8/11]

### **2013: Harkey Voted Against A Bill That Established Union Agent-Represented Worker Privilege**

**2013: Harkey Voted Against A Bill That Established Union Agent-Represented Worker Privilege.** In September 2013, Harkey voted against a bill that established, similar to doctor-patient privilege and attorney-client privilege, that a union agent, as defined, and a represented employee or represented former employee have a privilege to refuse to disclose any confidential communication between the employee or former employee and the union agent while the union agent was acting in his or her representative capacity, except as specified." The bill passed Senate concurrence, 51-27. [AB 729, [9/6/13](#); California Legislative Information, [9/12/13](#)]

### **2014: Harkey Did Not Vote Twice On A Bill That Allowed Either Party To Call For Mandatory Mediation In Union Negotiations**

**2014: Harkey Did Not Vote On A Bill That Allowed Either Party To Call For Mandatory Mediation In Union Negotiations.** In May 2014, Harkey did not vote on a bill that allowed either party to call for mandatory mediation in union negotiations. "This bill instead would permit either party to request mediation and would require the parties to agree upon a mediator, if either party has provided the other with a written notice of declaration of impasse. If the parties cannot agree upon a mediator, the bill would authorize either party to request the board to appoint a mediator. The bill would require the board to appoint a mediator within 5 days after receipt of the party's request, as prescribed." The bill passed the Assembly, 54-22-3. [AB 2126, [5/29/14](#); California Legislative Information, [9/4/14](#)]

**2014: Harkey Did Not Vote On A Bill That Allowed Either Party To Call For Mandatory Mediation In Union Negotiations In Committee.** In April 2014, Harkey did not vote on a bill that allowed either party to call for mandatory mediation in union negotiations. "This bill instead would permit either party to request mediation and would require the parties to agree upon a mediator, if either party has provided the other with a written notice of declaration of impasse. If the parties cannot agree upon a mediator, the bill would authorize either party to request the board to appoint a mediator. The bill would require the board to appoint a mediator within 5 days after receipt of the party's request, as prescribed." The bill passed 5 to 1. [AB 2126, [4/2/14](#); California Legislative Information, [9/4/14](#)]

## **Childcare**

### **2013: Harkey Voted Against A Bill That Allowed Childcare Businesses To Form Provider Organizations**

**2013: Harkey Voted Against A Bill That Allowed Childcare Businesses To Form Provider Organizations.** In May 2013, Harkey voted against "This bill establishes the Quality Family Child Care Act, which authorizes family child care providers to form, join, and participate in 'provider organizations' for the purpose of negotiating with state agencies on reimbursements and other matters." The bill passed the Assembly, 51-25-3. [AB 641, [5/30/13](#); California Legislative Information, [7/10/13](#); [5/1/13](#)]

## LGBT Issues

### Significant Findings

- ✓ *Harkey did not vote three times to proclaim the state would reinstate veteran's benefits to those discharged under Don't Ask, Don't Tell because of their sexual orientation.*
- ✓ *In 2012, Harkey voted at least three times to allow gay conversion therapy on minors.*
- ✓ *Harkey voted against affirming that clergy would not be required to perform a marriage they had "religious" objections to.*
- ✓ *Harkey twice did not vote on repealing language in the state constitution that marriage could only be between a man and a woman on its final vote.*
- ✓ *In 2012, Harkey voted at least twice against establishing cultural competency standards for foster homes housing LGBT youth.*

## Don't Ask, Don't Tell

### **Harkey Did Not Vote Three Times To Proclaim The State Would Reinstate Veterans Benefits To Those Discharged Under Don't Ask, Don't Tell Because Of Their Sexual Orientation**

**Harkey Did Not Vote Three Times To Proclaim The State Would Reinstate Veteran's Benefits To Those Discharged Under Don't Ask, Don't Tell Because Of Their Sexual Orientation On Its Final Vote.** In August 2012, Harkey did not vote on a "bill [that] would provide that if the federal government acts to reinstate benefits to discharged veterans, as specified, who were denied those benefits solely on the basis of sexual orientation pursuant to any federal policy prohibiting homosexual personnel from serving in the Armed Forces of the United States, the state shall reinstate to those veterans any state-offered benefits, as provided." The bill passed 60 to 13. [AB 1505, [8/27/12](#); California Legislative Information, [8/27/12](#)]

**Harkey Did Not Vote Three Times To Proclaim The State Would Reinstate Veteran's Benefits To Those Discharged Under Don't Ask, Don't Tell Because Of Their Sexual Orientation On Its First Vote In The Assembly.** In May 2012, Harkey did not vote on a "bill [that] would provide that if the federal government acts to reinstate benefits to discharged veterans, as specified, who were denied those benefits solely on the basis of sexual orientation pursuant to any federal policy prohibiting homosexual personnel from serving in the Armed Forces of the United States, the state shall reinstate to those veterans any state-offered benefits, as provided." The bill passed 54 to 6. [AB 1505, [5/21/12](#); California Legislative Information, [5/21/12](#)]

**Harkey Did Not Vote Three Times To Proclaim The State Would Reinstate Veteran's Benefits To Those Discharged Under Don't Ask, Don't Tell Because Of Their Sexual Orientation In Committee.** In May 2012, Harkey did not vote on a "bill [that] would provide that if the federal government acts to reinstate benefits to discharged veterans, as specified, who were denied those benefits solely on the basis of sexual orientation pursuant to any federal policy prohibiting homosexual personnel from serving in the Armed Forces of the United States, the state shall reinstate to those veterans any state-offered benefits, as provided." The bill passed 12 to 5. [AB 1505, [5/2/12](#); California Legislative Information, [5/2/12](#)]

## Gay Conversion Therapy



## 2012: Harkey Voted At Least Three Times To Allow Gay Conversion Therapy On Minors

**2012: Harkey Voted Against Banning Gay Conversion Therapy On Minors On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would prohibit a mental health provider, as defined, from engaging in sexual orientation change efforts, as defined, with a patient under 18 years of age. The bill would provide that any sexual orientation change efforts attempted on a patient under 18 years of age by a mental health provider shall be considered unprofessional conduct and shall subject the provider to discipline by the provider’s licensing entity.” The bill passed 52 to 22. [SB 1172, [8/28/12](#); California Legislative Information, [8/28/12](#)]

**2012: Harkey Voted Against Banning Gay Conversion Therapy On Minors On Its First Vote In The Assembly.** In July 2012, Harkey voted against a “bill [that] would prohibit a mental health provider, as defined, from engaging in sexual orientation change efforts, as defined, with a patient under 18 years of age. The bill would provide that any sexual orientation change efforts attempted on a patient under 18 years of age by a mental health provider shall be considered unprofessional conduct and shall subject the provider to discipline by the provider’s licensing entity.” The bill passed 53 to 25. [SB 1172, [7/5/12](#); California Legislative Information, [8/28/12](#)]

**2012: Harkey Voted Against Banning Gay Conversion Therapy On Minors In Committee.** In August 2012, Harkey voted against a “bill [that] would prohibit a mental health provider, as defined, from engaging in sexual orientation change efforts, as defined, with a patient under 18 years of age. The bill would provide that any sexual orientation change efforts attempted on a patient under 18 years of age by a mental health provider shall be considered unprofessional conduct and shall subject the provider to discipline by the provider’s licensing entity.” The bill passed 12 to 5. [SB 1172, [8/8/12](#); California Legislative Information, [8/8/12](#)]

## Freedom To Discriminate

### 2012: Harkey Voted Against Affirming That Clergy Would Not Be Required To Perform A Marriage They Had “Religious” Objections To

**2012: Harkey Voted Against Affirming That Religious Clergy Would Not Be Required To Perform A Marriage They Had Religious Objections To.** In August 2012, Harkey voted against a “bill [that] would provide that marriage is a personal relation arising out of a civil, and not religious, contract. The bill would also specify that a priest, minister, rabbi, or authorized person of any religious denomination shall not be required to solemnize a marriage that is contrary to the tenets of his or her faith. The bill would state that any refusal to solemnize a marriage by an individual or by a religious denomination under this provision shall not affect the tax exempt status of any entity.” The bill passed 52 to 26. [SB 1140, [8/28/12](#); California Legislative Information, [8/28/12](#)]

**Equality California Claimed SB 1140 Would Affirm That Religious Clergy Would Not Be Forced To Marry Same-Sex Couples.** “As we continue our efforts to achieve full equality, we must remove every possible barrier to securing the freedom to marry, including the false claim made by anti-equality advocates in California and elsewhere that allowing loving same-sex couples to marry will force clergy or places of worship to compromise their religious beliefs. As we anticipate the restoration of the freedom to marry in our state, SB 1140 reaffirms the principles of the U.S. and California Constitutions with respect to the freedom of clergy to make faith-based decisions regarding which marriages they solemnize.” [Equality California via Wayback Machine, accessed [3/2/18](#)]

## Marriage Equality

### Constitutional Ban

---

**2014: Harkey Twice Did Not Vote On Repealing Language In The State Constitution That Marriage Could Only Be Between A Man And A Woman On Its Final Vote**

---

**2014: Harkey Did Not Vote On Repealing Language In The State Constitution That Marriage Could Only Be Between A Man And A Woman On Its Final Vote.** In June 2014, Harkey did not vote on repealing “an existing provision of the California Constitution, which has been held unenforceable, states that only marriage between a man and a woman is valid or recognized in this state. An existing statutory provision likewise provides that only marriage between a man and a woman is valid or recognized in this state.” The bill passed 54 to 16. [SB 1306, [6/30/14](#); California Legislative Information, [6/30/14](#)]

**2014: Harkey Did Not Vote On Repealing Language In The State Constitution That Marriage Could Only Be Between A Man And A Woman On Its First Vote In The Assembly.** In June 2014, Harkey did not vote on repealing “an existing provision of the California Constitution, which has been held unenforceable, states that only marriage between a man and a woman is valid or recognized in this state. An existing statutory provision likewise provides that only marriage between a man and a woman is valid or recognized in this state.” The bill passed 54 to 16. [SB 1306, [6/30/14](#); California Legislative Information, [6/30/14](#)]

## LGBT Youth

**2012: Harkey Voted At Least Twice Against Establishing Cultural Competency Standards For Foster Homes Housing LGBT Youth**

**2012: Harkey Voted Against Establishing Cultural Competency Standards For Foster Homes Housing LGBT Youth On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would require the training for an administrator of a group home facility, licensed foster parent, and relative or nonrelative extended family member caregiver to also include instruction on cultural competency and sensitivity relating to, and best practices for, providing adequate care to lesbian, gay, bisexual, and transgender (LGBT) youth in out-of-home care.” The bill passed 54 to 26. [AB 1856, [8/28/12](#); California Legislative Information, [8/28/12](#)]

**2012: Harkey Voted Against Establishing Cultural Competency Standards For Foster Homes Housing LGBT Youth On Its First Vote In The Assembly.** In May 2012, Harkey voted against a “bill [that] would require the training for an administrator of a group home facility, licensed foster parent, and relative or nonrelative extended family member caregiver to also include instruction on cultural competency and sensitivity relating to, and best practices for, providing adequate care to lesbian, gay, bisexual, and transgender (LGBT) youth in out-of-home care.” The bill passed 49 to 25. [AB 1856, [5/3/12](#); California Legislative Information, [5/3/12](#)]

**2012: Harkey Did Not Vote On Establishing Cultural Competency Standards For Foster Homes Housing LGBT Youth In Committee.** In April 2012, Harkey did not vote on a “bill [that] would require the training for an administrator of a group home facility, licensed foster parent, and relative or nonrelative extended family member caregiver to also include instruction on cultural competency and sensitivity relating to, and best practices for, providing adequate care to lesbian, gay, bisexual, and transgender (LGBT) youth in out-of-home care.” The bill passed 12 to 4. [AB 1856, [4/25/12](#); California Legislative Information, [4/25/12](#)]

## Hate Crimes

**2014: Harkey Did Not Vote On A Bill That Imposed Harsher Penalties On People Who Kill Upon Finding Out Someone Was LGBT**

**2014: Harkey Did Not Vote On A Bill That Imposed Harsher Penalties On People Who Kill Upon Finding Out Someone Was LGBT.** In May 2014, Harkey did not vote on a bill that , “would state that for purposes of determining sudden quarrel or heat of passion, the provocation was not objectively reasonable if it resulted from the

discovery of, knowledge about, or potential disclosure of the victim's actual or perceived gender, gender identity, gender expression, or sexual orientation, including under circumstances in which the victim made an unwanted nonforcible romantic or sexual advance towards the defendant, or if the defendant and victim dated or had a romantic or sexual relationship." The bill passed Senate concurrence, 50-18-11. [AB 2501, [8/27/14](#); California Legislative Information, [9/27/14](#)]

## Boy And Girl Scouts

### **Harkey Abstained On Recognizing The Girl Scout's Anniversary With Language Commending Its Inclusion Of LGBT Youth Because She Did Not Want "To Sexualize Children"**

**Republicans In The State Assembly Expressed Opposition To A Bill Honoring The Girl Scouts With Language Noting The Organization's Inclusion Of LGBT Youth.** "Minority Republican lawmakers sponsored a resolution this week honoring the 100-year anniversary of the Boy Scouts. This being California, the political equivalent of a school-yard brawl broke out. Democrats ultimately killed the resolution after criticizing the Boy Scouts for excluding homosexuals. Predictably, Republicans became indignant and accused Democrats of defaming a cherished American institution. It didn't end there. Democrats had introduced a resolution of their own honoring the Girl Scouts and included language that noted the organization does not discriminate on the basis of sexual orientation. That drew yet more indignation from Republicans, with one GOP lawmaker accusing Democrats of improperly introducing sexuality into what should have been innocent proclamations of support for the two iconic youth groups." [Associated Press via the Santa Bernardino Sun, [4/16/10](#)]

**Harkey Abstained On Recognizing The Girl Scout's Anniversary With Language Commending Its Inclusion Of LGBT Youth.** In April 2010, Harkey abstain on a bill that "honor[ed] the Girl Scouts and included language that noted the organization does not discriminate on the basis of sexual orientation." The bill passed 48 to 47. [ACR-46, [4/15/10](#); Associated Press via the Santa Bernardino Sun, [4/16/10](#)]

**A Republican Assemblymember Said That His Fellow Assemblymember Did Not Want To Be On Record Condoning Their Position On Sexual Orientation.** "The Republicans say they were further incensed when they asked the Democrats to remove the line in the Girl Scouts resolution that honored the organization's acceptance of any girl regardless of her sexual orientation. But the Girl Scouts resolution passed out of the committee unchanged. 'Equality for gays and lesbians shouldn't have to be an issue that's brought down to our children's level,' said Assemblyman Curt Hagman, R-Diamond Bar, an Eagle Scout and author of the Boy Scouts resolution. 'Political agendas at the Capitol got in the way of this.' [...] Republicans, of course, objected. Hagman said GOP lawmakers wanted to commend the Girl Scouts but did not want be on the record condoning their stance on sexual orientation. The resolution passed the 80-member house 48-4, with most Republicans abstaining." [Associated Press via the Santa Bernardino Sun, [4/16/10](#)]

**Harkey: "I Would Love To Honor The Girl Scouts. I Just Don't Understand Why This Chamber Wants To Sexualize Children."** "'I would love to honor the Girl Scouts,' said Assemblywoman Diane Harkey, R-Laguna Niguel. 'I just don't understand why this chamber wants to sexualize children.'" [Associated Press via the Santa Bernardino Sun, [4/16/10](#)]

## Cultural Competency

### **2014: Harkey Initially Voted Against A Bill That Updated Medical Cultural Competency To Include The LGBT Community Before Voting For The Final Version**

**2014: Harkey Voted Against A Bill That Updated Medical Cultural Competency To Include The LGBT Community.** In May 2013, Harkey voted against a bill that recommended cultural competency classes for medical professionals, "include, as appropriate, information pertinent to the appropriate treatment of, and provision of care

to, the lesbian, gay, bisexual, transgender, and intersex communities.” The bill passed the Assembly, 54-20-5. [AB 496, [5/28/13](#); California Legislative Information, [9/26/14](#)]

**2014: Harkey Voted For The Final Version Of The Bill That Updated Medical Cultural Competency To Include The LGBT Community.** In August 2014, Harkey voted for the final version of the bill that updated medical cultural competency to include the LGBT community. The bill passed Senate concurrence, 60-12-7. [AB 496, [8/21/14](#); California Legislative Information, [9/26/14](#)]

### **2013: Harkey Voted Against A Bill That Mandated Adult Residential Care Facilities Included The LGBT Community In Their Cultural Competency Trainings**

**2013: Harkey Voted Against A Bill That Mandated Adult Residential Care Facilities Included The LGBT Community In Their Cultural Competency Trainings.** In May 2013, Harkey voted against a bill that, “would require the administrator and ombudsman training to include training in cultural competency and sensitivity in issues relating to the underserved aging lesbian, gay, bisexual, and transgender community.” The bill passed the Assembly, 52-21-5. [AB 663, [5/23/13](#); California Legislative Information, [10/9/13](#)]

### **2013: Harkey Voted Against A Bill Requiring The LGBT Community Be Included In Cultural Competency Trainings In The Judicial System**

**2013: Harkey Voted Against A Bill Requiring The LGBT Community Be Included In Cultural Competency Trainings In The Judicial System.** In August 2013, Harkey voted against a bill that would require juvenile court, judicial council and family court, “include instruction on cultural competency and sensitivity relating to, and best practices for, providing adequate care to lesbian, gay, bisexual, and transgender youth.” The bill passed Senate concurrence, 54-23-1. [AB 868, [8/22/13](#); California Legislative Information, [9/9/13](#)]

## **LGBT Endorsements**

### **Harkey Appealed To Log Cabin Republican Delegates For Their Endorsement In Her 2014 Race For Board Of Equalization**

**Harkey Appealed To Log Cabin Republican Delegates For Their Endorsement In Her 2014 Race For Board Of Equalization.** “California's Log Cabin Republicans group - long kept at arm's length by party leaders - is growing in numbers, attracting attention from GOP candidates and trying to dispel the notion that gays can't wield power in a party dominated by social conservatives. But the nation's most vocal lesbian, gay, bisexual and transgender Republican organization has one big hurdle it hasn't cleared in its own party: official recognition. More than a quarter-century after the group was founded, the Log Cabin Republicans are barred from gaining inner-circle status in the state GOP, in part because of a party bylaw excluding groups advocating ‘certain lifestyle preferences or orientations.’ [...] Some Republican candidates - including Diane Harkey, who is running for the state Board of Equalization, and Elizabeth Emken, trying to wrest a House seat in the Sacramento area from Democratic Rep. Ami Bera - came to the Log Cabin caucus in Anaheim to appeal to gay delegates for endorsements.” [San Francisco Chronicle, [10/14/13](#)]

## **LGBT Identification**

### **2013: Harkey Voted Against A Bill That Would Include Sexual Orientation And Gender Identity On Health Insurance Forms**

**2013: Harkey Voted Against A Bill That Would Include Sexual Orientation And Gender Identity On Health Insurance Forms.** In September 2013, Harkey voted against a bill that would include sexual orientation and gender identity on health insurance forms. “This bill would authorize the form to also include questions that are voluntary for applicants to answer regarding sexual orientation and gender identity or expression. The bill would, effective

January 1, 2015, require the form to include questions that are voluntary for applicants to answer regarding the demographic data categories specified.” The bill passed Senate concurrence, 51-26-1. [AB 1208, [9/12/13](#); California Legislative Information, [9/18/13](#)]

## LGBT-Owned Businesses

### **2014: Harkey Voted Against A Bill That Would Require Public Utilities Companies To Make Efforts To Increase Their LGBT-Owned Business Procurement On Its First Vote In The Assembly**

**2014: Harkey Did Not Vote On A Bill That Would Require Public Utilities Companies To Make Efforts To Increase Their LGBT-Owned Business Procurement On Its Final Vote.** In August 2014, Harkey did not vote on a bill that would require public utilities companies to seek out LGBT-owned businesses as potential contractors. “Existing law directs the commission to require every electrical, gas, water, wireless telecommunications service provider, and telephone corporation with annual gross revenues exceeding \$25,000,000, and their regulated subsidiaries and affiliates, to implement a program developed by the commission to encourage, recruit, and utilize minority-, women-, and disabled veteran-owned business enterprises, as defined, in the procurement of contracts from those corporations or from their regulated subsidiaries and affiliates, and to require the reporting of certain information. [...] This bill would extend these provisions to LGBT business enterprises, as defined.” The bill passed Senate concurrence, 54-22-3. [AB 1678, [8/27/14](#); California Legislative Information, [9/26/14](#)]

**2014: Harkey Voted Against A Bill That Would Require Public Utilities Companies To Make Efforts To Increase Their LGBT-Owned Business Procurement On Its First Vote In The Assembly.** In August 2014, Harkey did not vote on a bill that would require public utilities companies to seek out LGBT-owned businesses as potential contractors. “Existing law directs the commission to require every electrical, gas, water, wireless telecommunications service provider, and telephone corporation with annual gross revenues exceeding \$25,000,000, and their regulated subsidiaries and affiliates, to implement a program developed by the commission to encourage, recruit, and utilize minority-, women-, and disabled veteran-owned business enterprises, as defined, in the procurement of contracts from those corporations or from their regulated subsidiaries and affiliates, and to require the reporting of certain information. [...] This bill would extend these provisions to LGBT business enterprises, as defined.” The bill passed Senate concurrence, 54-22-3. [AB 1678, [5/15/14](#); California Legislative Information, [9/26/14](#)]

## Parental Rights

### **2013: Harkey Voted Against A Bill That Allowed Children To Have More Than Two Legal Parents**

**2013: Harkey Voted Against A Bill That Allowed Children To Have More Than Two Legal Parents.** In September 2013, Harkey voted against a bill that allowed children to have more than two legal parents, “if the court finds that recognizing only 2 parents would be detrimental to the child.” This is most relevant to children with gay or lesbian parents and another biological parent. The bill passed the Assembly, 48-27-3. [SB 274, [9/3/13](#); California Legislative Information, [10/4/13](#)]

## Pride

### **2013: Harkey Did Not Vote On A Resolution Establishing June As LGBT Pride Month**

**2013: Harkey Did Not Vote On A Resolution Establishing June As LGBT Pride Month.** In June 2013, Harkey did not vote on a resolution establishing June as LGBT Pride Month. “[T]he Assembly proclaims June 2013 as Lesbian, Gay, Bisexual, and Transgender (LGBT) Pride Month, urges all residents to join in celebrating the culture, accomplishments, and contributions of lesbian, gay, bisexual, and transgender people, and encourages the people of California to work to help advance the cause of equality for lesbian, gay, bisexual, and transgender people and their families.” The bill passed the Assembly, 55-0-24. [HR 20, [6/24/13](#); California Legislative Information, [6/24/13](#)]



## State Issues

### Significant Findings

- ✓ *Harkey voted for an \$11 billion bond measure to address the state's water crisis but said it was important to not allow the bureaucracy to grow or increase in power.*
- ✓ *Harkey voted against a bill requiring local agencies to create groundwater management plans and a bill to give funds to the groundwater sustainability agency.*
- ✓ *Harkey co-authored legislation to raise revenue for parks to prevent state park closures but voted against a bill to manage the state park system's finances.*

## Water Crisis

### **Harkey Voted For Increased Funding To Address The State's Water Crisis**

#### **2009: Harkey Voted For A \$11 Billion Bond Measure To Address The State's Water Crisis But Said It Was Important To Not Allow The Bureaucracy To Grow Or Increase In Power**

**Harkey Voted For A \$11 Billion Bond Measure To Address The State's Water Crisis But Said It Was Important To Not Allow The Bureaucracy To Grow Or Increase In Power.** "Now the legislature has passed a sweeping package of policies and along with Governor Schwarzenegger will ask voters to approve \$11.14 billion in bonds to pay for a range of projects, including reservoirs, desalinization, and environmental protection programs. I'm glad the State is finally taking action, however, the water problem remains political and finding balance with the Delta Smelt could save taxpayers untold millions in the long run, while helping to solve our water crisis. Diane voted in favor of the bond measure, however, she has reservations about many of the policy provisions. She was pleased that existing water rights laws remain intact; however, she says it is vital to make sure bureaucracy does not grow and increase in power." [Supervisor Bill Horn, press release, [11/5/09](#)]

#### **2014: Harkey Voted For A Bill That Would Repurpose Old Unissued Bonds To Create, "A Water Quality, Supply, And Infrastructure Improvement Program"**

**2014: Harkey Did Not Vote On A Bill That Would Repurpose Old Unissued Bonds To Create, "A Water Quality, Supply, And Infrastructure Improvement Program."** In May 2014, Harkey did not vote on a bill that would repurpose old unissued bonds to create, "a water quality, supply and infrastructure improvement program." "This bill would enact the Water Quality, Supply, and Infrastructure Improvement Act of 2014, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$7,120,000,000 pursuant to the State General Obligation Bond Law to finance a water quality, supply, and infrastructure improvement program. This bill, upon voter approval, would reallocate \$425,000,000 of the unissued bonds authorized for the purposes of Propositions 1E, 13, 44, 50, 84, and 204 to finance the purposes of a water quality, supply, and infrastructure improvement program." The bill passed the Assembly, 53-21-5. [AB 1471, [5/23/14](#); California Legislative Information, [8/13/14](#)]

**2014: Harkey Later Voted For The Final Version Of The Bill.** In August 2014, Harkey voted for the final version of the Water Quality, Supply, and Infrastructure Improvement Act of 2014. The bill passed Senate concurrence, 77-2. [AB 1471, [8/13/14](#); California Legislative Information, [8/13/14](#)]

### **Harkey Voted Against Programs To Manage The State's Water Supply**

---

**2014: Harkey Voted Against A Bill Requiring Local Agencies To Create Groundwater Management Plans And A Bill To Give Funds To The Groundwater Sustainability Agency**

---

**2014: Harkey Voted Against A Bill Requiring Local Agencies To Create Groundwater Management Plans.** In August 2014, Harkey voted against a bill that would require local agencies to create groundwater management plans. “This bill would state the policy of the state that groundwater resources be managed sustainably for long-term reliability and multiple economic, social, and environmental benefits for current and future beneficial uses. This bill would state that sustainable groundwater management is best achieved locally through the development, implementation, and updating of plans and programs based on the best available science. [...] This bill would authorize any local agency, as defined, or combination of local agencies to elect to be a groundwater sustainability agency and would require, within 30 days of electing to be or forming a groundwater sustainability agency, the groundwater sustainability agency to inform the department of its election or formation and its intent to undertake sustainable groundwater management.” The bill passed the Assembly, 47-27-5. [SB 1168, [8/29/14](#); California Legislative Information, [9/16/14](#)]

**2014: Harkey Voted Against A Bill That Gave Authority And Funds To The Groundwater Sustainability Agency, Whose Goal Was To Promote Water Conservation And Protect Groundwater.** In August 2014, Harkey voted against a bill that gave authority and funds to the groundwater sustainability agency, whose goal was to promote water conservation and protect groundwater. “This bill would provide specific authority to a groundwater sustainability agency, as defined in SB 1168 of the 2013–14 Regular Session, to impose certain fees. The bill would authorize the department or a groundwater sustainability agency to provide technical assistance to entities that extract or use groundwater to promote water conservation and protect groundwater resources. [...] This bill would provide that the moneys in the Water Rights Fund are available for expenditure, upon appropriation by the Legislature, for the purpose of state board enforcement of the provisions of this bill. This bill would require the board to adopt a schedule of fees in an amount sufficient to recover all costs incurred and expended from the Water Rights Fund by the board for this bill.” The bill passed Senate concurrence, 47-28-4. [AB 1739, [8/29/14](#); California Legislative Information, [9/16/14](#)]

---

**2014: Harkey Voted Against A Project Aimed At Improving California’s Water Storage Supply**

---

**2014: Harkey Voted Against A Project Aimed At Improving California’s Water Storage Supply.** In August 2014, Harkey voted against a project, aimed at improving California’s water storage supply, which would connect two lakes in the area. “This bill would authorize the agency to award a design-build contract for the combined design and construction of a project to connect Lake San Antonio, located in the County of Monterey, and Lake Nacimiento, located in the County of San Luis Obispo, with an underground tunnel or pipeline for the purpose of maximizing water storage, supply, and groundwater recharge.” The bill passed the Assembly, 55-23-1. [AB 155, [8/28/14](#); California Legislative Information, [9/30/14](#)]

---

**2014: Harkey Did Not Vote On A Bill That Allowed State Employees To Clean Up Or Investigate Water Waste On Private Property**

---

**2014: Harkey Did Not Vote On A Bill That Allowed State Employees To Clean Up Or Investigate Water Waste On Private Property.** In August 2014, Harkey did not vote on a bill that would, “prohibit the state board, regional board, or an employee of the state board or regional board from being held liable in a civil proceeding for trespass or any other act that is necessary to carry out an investigation, cleanup, abatement, or other remedial work. This bill would also prohibit the state board, regional board, or any authorized person from incurring any obligation to undertake additional investigation, cleanup, abatement, or other remedial work solely because of its decision to undertake that work.” The bill passed Senate concurrence, 54-24-1. [AB 2442, [8/27/14](#); California Legislative Information, [9/28/14](#)]

|   |
|---|
| <b>Harkey Supported Legislation Improving Water Treatment</b> |
|---|

---

## **2009: Harkey Supported Automatically Extending Permits For A Local Desalination Plant For A Year**

---

**Harkey Supported Automatically Extending Permits For A Local Desalination Plant For A Year.** “Something rare is happening in Sacramento: The entire San Diego County delegation has identified a problem and is working together to resolve it. Poseidon Corp.'s effort, 11 years in the making, to build a desalination plant in Carlsbad to provide 8 percent of the county's water supply has won all regulatory approvals. All legal challenges have been defeated at least once. Still, myriad pre-construction conditions must be met and boxes of paperwork processed before permits expire Nov. 15. Poseidon plans to have everything in order by Sept. 15. But what if...? No public purpose would be served by going through years of wrangling again. Hence a bill, co-authored by every member of our delegation, to automatically extend the permits for a year if necessary. That would remove the temptation for any bureaucratic mischief. The Coastal Commission staff already has let it be known that with furlough days and all it just might not ... Praise is due state Sens. Christine Kehoe, Denise Moreno Ducheny, Dennis Hollingsworth and Mark Wyland, all of San Diego County, and John Benoit of Riverside, and local Assembly members Mary Salas, Joel Anderson, Nathan Fletcher, Martin Garrick, Diane Harkey, Kevin Jeffries and Lori Saldana.” [San Diego Union-Tribune, Op-Ed, 9/3/09]

---

## **2011: Harkey Sponsored Legislation To Require A Statewide Policy On Standard Levels Of Fluoride In Recycled Water And Wastewater**

---

**2011: Harkey Sponsored Legislation To Require A Statewide Policy On Standard Levels Of Fluoride In Recycled Water And Wastewater.** “AB 1048 -- Assemblywoman Diane Harkey (R-Laguna Niguel). Requires the Water Resources Control Board by July 1, 2012, to adopt a statewide policy setting standards for levels of fluoride in recycled water and wastewater. Also requires the board to provide direction to the regional water boards to revise their respective regional water quality plans to ensure consistency with that statewide policy.” [Inside Cal/EPA, 3/4/11]

|  |
|--|
| <b>Harkey Voted Against Declaring Water As A Right</b> |
|--|

---

## **Harkey Voted At Least Three Times Against Establishing Water As A Human Right In California**

---

**2012: Harkey Voted Against Establishing Water As A Human Right In California On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would declare that it is the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. The bill would require all relevant state agencies, including the Department of Water Resources, the State Water Resources Control Board, and the State Department of Public Health, to consider this state policy when revising, adopting, or establishing policies, regulations, and grant criteria when those policies, regulations, and grant criteria are pertinent to the uses of water described above.” The bill passed 51 to 28. [AB 685, [8/29/12](#); California Legislative Information, [8/29/12](#)]

**2011: Harkey Voted Against Establishing Water As A Human Right In California On Its First Vote In The Assembly.** In June 2011, Harkey voted against a “bill [that] would declare that it is the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. The bill would require all relevant state agencies, including the Department of Water Resources, the State Water Resources Control Board, and the State Department of Public Health, to consider this state policy when revising, adopting, or establishing policies, regulations, and grant criteria when those policies, regulations, and grant criteria are pertinent to the uses of water described above.” The bill passed 52 to 24. [AB 685, [6/1/11](#); California Legislative Information, [6/1/11](#)]

**2011: Harkey Voted Against Establishing Water As A Human Right In California In Committee.** In May 2011, Harkey voted against a “bill [that] would declare that it is the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. The bill would require all relevant state agencies, including the Department of Water Resources, the State Water Resources Control Board, and the State Department of Public Health, to

consider this state policy when revising, adopting, or establishing policies, regulations, and grant criteria when those policies, regulations, and grant criteria are pertinent to the uses of water described above.” The bill passed 12 to 5. [AB 685, [5/27/11](#); California Legislative Information, [5/27/11](#)]

## **Harkey Sponsored Legislation To Revise The Boundary For The San Diego Regional Water Board**

### **Harkey Twice Sponsored Legislation To Revise The Description Of The Boundaries Between The Santa Ana And San Diego Regional Water Boards**

**2011: Harkey Sponsored Legislation To Revise The Description Of The Boundaries Between The Santa Ana And San Diego Regional Water Boards.** “AB 262 -- Assemblywoman Diane Harkey (R-Laguna Niguel). Revises the description of the boundaries of the Santa Ana and San Diego regional water boards. Harkey authored a nearly identical bill last year that would have moved a portion of the San Diego regional board area in Orange County into the Santa Ana board's jurisdiction.” [Inside Cal/EPA, 3/4/11]

**2010: Harkey Sponsored Legislation To Revise The Description Of The Boundaries Between The Santa Ana And San Diego Regional Water Boards.** “Southern California Regional Board Boundaries AB 2407 - Assemblywoman Diane Harkey (R-Laguna Niguel). Would revise the description of the boundaries of the Santa Ana and San Diego regional water boards. Status: Awaits referral to an Assembly policy committee.” [Inside Cal/EPA, 2/26/10]

## **State Parks**

### **Harkey Co-Authored Legislation To Raise Revenue For Parks To Prevent State Park Closures But Voted Against A Bill To Manage The State Park System's Finances**

#### **Harkey Co-Authored Legislation To Raise Revenue For Parks Amid Scheduled State Park Closures**

**Harkey Co-Authored Legislation To Raise Revenue For Parks Amid Scheduled Park Closures.** “There is no better example of such a cause than state parks, 70 of which were scheduled for closure to the public on July 1 under last year's budget (two actually did shut down, and that was before the \$54 million turned up, but many more reduced services and hours of operation). [...] Picking up on that idea has created a rare opportunity for bipartisanship. Now making its way through the Legislature, a proposed law would allow taxpayers to deduct amounts paid for state park passes from their state income taxes and for the first time would offer state park commemorative license plates for sale. All funds raised via these innovations would have to be used for park maintenance and operation — everything from clearing trails to cleaning out pit toilets. There's no reason why the hidden surplus should stop this. The bill was originally the idea of Democratic Assemblyman Jared Huffman of Marin County, now a congressional candidate. It was quickly co-authored by Republican Assembly members Dan Logue of Chico and Diane Harkey, who represents much of south Orange County and a bit of north San Diego County.” [Daily Republic, Thomas Elias Op-Ed, [7/31/12](#)]

**Harkey's Support Was Significant To Meet A Two-Thirds Threshold As The Bill Allowed Individuals To Contribute Their Income Tax-Refunds In Exchange For Park Annual Passes.** “Two North San Diego County Republican lawmakers have joined forces with Democrats to push legislation that would allow Californians to voluntarily contribute part of their income-tax refund to parks in return for an annual admission pass. The measure also would direct the Department of Motor Vehicles to launch a special license-plate program for parks, similar to the one now used to raise money for Yosemite, veterans and other charitable causes. [...] He was joined by Assemblywoman Diane Harkey, a Republican who represents parts of north coastal San Diego County. Their support is significant because the bill needs a two-thirds vote before going to Gov. Jerry Brown. He has not taken a position.” [San Diego Union Tribune, 5/23/12]

---

## **Harkey Voted For Requiring The Development Of A Plan To Increase Revenue For State Parks**

---

**Harkey Voted For Requiring The Development Of A Plan To Increase Revenues For State Parks.** In August 2012, Harkey voted for a “bill [that] would enact the California State Park Stewardship Act of 2012, which would require the department to develop a prioritized action plan to increase revenues and the collection of user fees at state parks. The bill would require the department to report to the Legislature and the Governor on the prioritized action plan by July 1, 2013.” The bill passed 80 to 0. [AB 1589, [8/30/12](#); California Legislative Information, [8/30/12](#)]

---

## **Harkey Voted Against A Bill To Manage The State Park Systems ’s Finances**

---

**2012: Harkey Voted Against A Bill To Manage The State Park System’s Finance On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would establish qualification criteria for the members of the commission, including requiring one member to have demonstrated expertise in cultural or historical resources management. The bill would require the Speaker of the Assembly and the Senate Committee on Rules to each appoint one ex officio legislative member. The bill would require the commission to evaluate and assess the department’s deferred obligations. The bill would also authorize the commission to, among other things, conduct an annual workshop to review the department’s annual operating budget and proposed capital improvement projects. The bill would appropriate \$120,000 annually in the 2012–13 and 2013–14 fiscal years from the State Parks and Recreation Fund to the commission to perform these activities. The bill would appropriate \$20,500,000 from the State Parks and Recreation Fund to the department for expenditure as specified. The bill would prohibit the department from closing or proposing the closure of a state park in the 2012–13 and 2013–14 fiscal years. The bill would also appropriate \$10,000,000 from the Safe Drinking Water, Water Quality and Water Supply, Flood Control, River and Coastal Protection Bond Act of 2006, to be expended as specified, including for purposes of capital outlay and support for capital outlay projects of a state park.” The bill passed 55 to 20. [AB 1478, [8/30/12](#); California Legislative Information, [8/30/12](#)]

### **2012: Harkey Did Not Vote On A Bill To The State Park System’s Finance On Its First Assembly Vote.**

In March 2012, Harkey did not vote on a “bill [that] would establish qualification criteria for the members of the commission, including requiring one member to have demonstrated expertise in cultural or historical resources management. The bill would require the Speaker of the Assembly and the Senate Committee on Rules to each appoint one ex officio legislative member. The bill would require the commission to evaluate and assess the department’s deferred obligations. The bill would also authorize the commission to, among other things, conduct an annual workshop to review the department’s annual operating budget and proposed capital improvement projects. The bill would appropriate \$120,000 annually in the 2012–13 and 2013–14 fiscal years from the State Parks and Recreation Fund to the commission to perform these activities. The bill would appropriate \$20,500,000 from the State Parks and Recreation Fund to the department for expenditure as specified. The bill would prohibit the department from closing or proposing the closure of a state park in the 2012–13 and 2013–14 fiscal years. The bill would also appropriate \$10,000,000 from the Safe Drinking Water, Water Quality and Water Supply, Flood Control, River and Coastal Protection Bond Act of 2006, to be expended as specified, including for purposes of capital outlay and support for capital outlay projects of a state park.” The bill passed 47 to 23. [AB 1478, [8/30/12](#); California Legislative Information, [8/30/12](#)]

## **Board Of Equalization**

### **Harkey Advocated For The End To Unannounced Visits, Shortened Audit Times, And Not Pursuing Audits If The Cost Is Greater Than The Return**

**Harkey: “The Board Of Equalization Is The Only Advocate On The Side Of Taxpayers. They Are Directly Accountable To The Taxpayers And The People In The District.”** “Harkey’s legal travails aside, the three leading contenders are all pretty uniform in pledging to be on the side of taxpayers and working to make the process less burdensome. ‘The Board of Equalization (member) is the only advocate on the side of taxpayers,’ said Harkey. ‘They are directly accountable to the taxpayers and the people in the district.’ Harkey said the bureaucracy



of the tax collection system can be overwhelming to individuals and businesses. Improving that, she said, could encourage job creation. She worked in corporate finance and graduated from the University of California Irvine with a degree in economics.” [San Diego Union-Tribune, [5/27/14](#)]

**Harkey Advocated For The End To Unannounced Visits, Shorted Audit Times, And Not Pursuing Audits If The Cost Is Greater Than The Return.** “Among the changes Harkey advocates: an end to unannounced visits by auditors, shortened audit times, and not pursuing audits when the return will be less than the cost of the audit.” [Orange County Register, [5/8/14](#)]

**Harkey: “Let's Not Spend More State Money Auditing Than We'd Actually Collect.”** “Harkey, elected to the Assembly in 2008, is concerned the state is wasting too much money going after small businesses for small amounts of unpaid taxes. ‘Let's not spend more state money auditing than we'd actually collect,’ she said.” [Los Angeles Times, [5/25/14](#)]

## Improvements For Dana Point

**In Her Bid For City Council, Harkey Said Her Four Long-Term Goals Were: Increased Transparency, Lowered Beach Pollution, Economic Development, And Burying Utilities**

**Harkey Said Her Four Long-Term Goals Were: Increased Transparency, Lowered Beach Pollution, Economic Development, And Burying Utilities**

**Harkey Said One Her Goals Was To Tackle Affordable Housing To Have “A Five-Star Ambiance With Small-Town Flair.”** “Looking forward, Harkey said she wanted to see the harbor revitalization move forward and have the city tackle affordable housing. Her goal: ‘a five-star ambiance with small-town flair.’ Chamber of Commerce Board President David DuRee said the high turnout was a good sign for the chamber. ‘I'm very energized by the attendance today,’ he said.” [Orange County Register, 5/3/07]

**Harkey Said Her Short-Term Goals For The City Council Was To Establish Citizen Commissions And Have Beach And Harbor Clean-Ups.** “What is your main short-term goal as a new council member? Establish citizen commissions, and pursue immediate beach and Harbor clean-up remedies, such that we exhaust every ‘simple’ avenue, and then pursue longer-range goals with other agencies.” [Orange County Register, 12/9/04]

**Harkey Said Her Four Long-Term Goals Were: Increased Transparency, Lowered Beach Pollution, Economic Development, And Burying Utilities.** “What is your main long-term goal as a new council member? They are fourfold: First, and most importantly, I want to increase the transparency in city operations so as to renew trust in our city government. Second, I want to see the beach pollution posting signs become a rarity rather than a constant notification process. I want to work actively with the County, State and Federal Government to return wave circulation to the Harbor and Doheny Beach. Third, I want to see what remains to be developed in Dana Point, such as a revamping of the Town Center, to retain a unique Dana Point style. Fourth work with benefiting neighborhoods to underground utilities in a timely fashion.” [Orange County Register, 12/9/04]

**Harkey Wanted To Re-Establish A Citizen Commission On Beaches, Economic Development, And Parks.** “Are there any city commissions or committees that you would like to see re-established? Yes, as stated above I would like to see citizen commissions established, specifically: Beaches, Economic Development, Parks, and perhaps a few more as needed. Also an ad-hoc committee to work with our State officials to address (sober living homes).” [Orange County Register, 12/9/04]

**Harkey Said There Were Not Any Commissions She Wanted To Shut Down.** “Are there any city commissions or committees that you would like to see shut down? No I do not want to shut down any commissions. We now only have the Planning Commission as mandated by law.” [Orange County Register, 12/9/04]

**Harkey Said The Dana Point Library Should Be Revisited.** “Which city public project do you think should be revisited and possibly changed? A major city project that should be revisited is, of course, the Library, since we no longer are in the running for a grant. The Town Center is a work in progress and we will hopefully have some direction through public input and our consultants before the end of 2005.” [Orange County Register, 12/9/04]

---

### **Harkey Suggested The City Create Reserves For Capital Improvement Projects**

---

**Harkey Suggested The City Create Reserves For Capital Improvement Projects.** “I think it would be wonderful to have Dana Point represented in the state Senate. I think that would be good for our city and a lot of the things we're trying to do,’ Mayor Wayne Rayfield said. Rayfield, who also serves with Harkey on the Investment Review Committee, said she is thoughtful and ‘brings an interesting perspective to things’ by thinking outside the box. One of those ideas, Rayfield said, was suggesting that the city start creating reserves for capital improvement projects planned several years into the future.” [Orange County Register, [10/27/05](#)]

## **Incorporation Of Dana Point**

### **Harkey Opposed Placing The City Of Dana Point’s General Plan To The Ballot After The City Became Incorporated**

---

#### **1991: Harkey Opposed Putting The City’s General Plan To A Referendum Which She Claimed Was A Move Made By “Vocal Group Of Rabble-Rousers” After The City Became Incorporated**

---

**1989: The City Of Dana Point Became Incorporated.** “Incorporated in 1989, the City of Dana Point is named after Richard Henry Dana Jr. (1815-1882), a Harvard-trained lawyer, seaman, and author of the classic sea journal, *Two Years Before the Mast* (1840). In his journal, Dana documents his voyage from Boston around Cape Horn to California on the merchant ship, *Pilgrim*. Therein, Dana describes the area once known as Capistrano Bay, as ‘the most romantic spot in California.’ Today, Capistrano Bay is known as Dana Point.” [City of Dana Point, accessed 1/25/18]

**1991: Harkey Opposed Putting The City’s General Plan To A Referendum Which She Claimed Was A Move Made By “Vocal Group Of Rabble-Rousers.”** “The city of Dana Point is at a crossroads. The determination will soon be made as to whether we are to be managed by our elected officials or respond to the push-pull of a small but vocal group of rabble-rousers. The most recent ‘to-do’ has been a meager attempt to subject the city's General Plan to a referendum, to appear on the ballot next June. For the city to continue as a functioning entity, we need to uphold the ratification of the General Plan. We cannot afford to operate for a year without a General Plan; to do so is to cease to function.” [Los Angeles Times, [8/25/91](#)]

**Harkey Wrote That Citizens Could Have Input Through Amendments And Raise Objections Without “Paralyzing The Entire City.”** “We opted for cityhood to allow us to have more local input into our government, not to be paralyzed by it. We elected an intelligent, hard-working council. We need them to be able to make decisions and lead our city. Citizens may continue to have input into the plan via amendments ratified at a later date. Specific needs may be addressed in the specific plan, yet to unfold. Objections may be raised at public hearings for any proposed development. These are avenues which address localized or specific neighborhood concerns without paralyzing the entire city. The petitioners had their chance, luckily they botched it. Now let's get on with life in a functioning city.” [Los Angeles Times, [8/25/91](#)]

**Harkey: “We Don't Want To See Our City Turned Into A Political Science Class Or An Experiment. Approve The Plan And Take The Hits.”** “But supporters urged the council members to stand behind the plan as is and to avoid ‘ballot-box planning.’ ‘We don't want to see our city turned into a political science class or an experiment,’ Diane Harkey of Capistrano Beach said. ‘Approve the plan and take the hits.’” [Los Angeles Time, [9/26/91](#)]

## Laguna Niguel

### **Harkey On The City Of Laguna Niguel: “I Think It Is One Of The Most Civilized Cities In The County. There Is So Much Good Will And Cooperation”**

**Harkey On The City Of Laguna Niguel: “I Think It Is One Of The Most Civilized Cities In The County. There Is So Much Good Will And Cooperation.”** “A moist yellow cake with pineapple filling was at the center of a celebration to mark the 20th anniversary of the city on Tuesday night. [...] Assemblywoman Diane Harkey attended the City Council meeting following the celebration to present a plaque with Supervisor Pat Bates. ‘I think it is one of the most civilized cities in the county,’ said Harkey during the presentation. ‘There is so much good will and cooperation.’” [Orange County Register, [12/4/09](#)]

## State Liability

### **Harkey Authored Legislation, Which Passed The State Assembly, To Immunize State Government Entities From Most Lawsuits Over Scuba Diving Accidents**

**Harkey Authored Legislation, Which Passed The State Assembly, To Immunize State Government Entities From Most Lawsuits Over Scuba Diving Accidents.** “Government entities in California would be immune from most lawsuits over scuba diving accidents, under a bill working its way through the state's Legislature. Assembly Bill 634 would add scuba diving to the long list of ‘hazardous recreational activities’ for which government employees and government entities have qualified immunity under Section 831.7 of the state Government Code. Activities on the list already include: pistol and rifle shooting, animal riding, bike racing, kayaking, surfing, waterskiing, whitewater rafting, rock climbing and hang gliding. The bill cleared the state Assembly Tuesday and is headed now for the state Senate, where its passage is expected. Authored by Republican state Assemblywoman Diane Harkey of Dana Point, the bill would not provide immunity in cases where the government agency or public employee was negligent or in cases where officials failed to guard or warn of a known dangerous condition.” [Legal Newslines, 1/22/10]

## Orange County Airport

### **Harkey Criticized The Airport Site Coalition For Attempting To Move Air Traffic To Another Airport Away From John Wayne Airport In Newport Beach**

**Harkey Criticized The Airport Site Coalition, A Group She Claimed To Be Made Of Newport Beach Residents, For Attempting To Move Air Traffic To Another Airport Away From John Wayne Airport.** “It is to be expected that the Airport Site Coalition, a group of predominantly Newport Beach citizens, would oppose the congressman's actions. The coalition has been attempting to shove an airport into someone else's back yard to alleviate the air traffic and congestion at John Wayne. Now with El Toro all but eliminated, the focus will be on San Clemente and the surrounding areas. No one wants an airport in their neighborhood. No one should be subjected to the possibility of an airport being built in an already populous area. I am in sympathy with the Newport residents. I can appreciate their plight trying to remove or down-scale an airport that preceded their arrival. However, the attempt to shove the airport into someone else's neighborhood is pitting neighbor against neighbor and should not be tolerated.” [Los Angeles Times, Letter to the Editor, [7/16/89](#)]

**Harkey Said The Need For An Airport Was A Local Issue.** “The need for an airport is not an Orange County problem. It is a Southern California issue. Let us work together through our elected officials to devise a solution. To quote Cox: ‘That's what elected officials are for.’ Have our other south county officials forgotten that?” [Los Angeles Times, Letter to the Editor, [7/16/89](#)]

**Harkey Suggested Building An Airport 15 To 20 Miles From Existing Neighborhoods.** “I suggest that Rep. Ron Packard (R-Carlsbad) convene with other surrounding area congressmen to select a site at least 15 to 20 miles

from existing neighborhoods. If necessary, build freeway access to said location. That is the procedure with other airports such as Dulles, Dallas, Kansas City and Phoenix. Let's begin while we still have available, undeveloped space. Then if people choose to live next door, that's their option." [Los Angeles Times, Letter to the Editor, [7/16/89](#)]

## Representation In The Federal Government

### **Harkey Pointed Out California's Equal Representation In The Senate With Much Smaller States And Noted How California's ROI In Federal Taxes Were Less Than 39 Other States"**

**Harkey Pointed Out California's Equal Representation In The Senate With Much Smaller States And Noted How California's ROI In Federal Taxes Were Less Than 39 Other States.** "We are a state of 39 million people with the largest congressional delegation. But, unfortunately, only two senators. Hence we have no more representation than those states with 1 million residents. But let me offer a few facts that are frequently overlooked in Washington. California is number one in GDP for the nation, providing in 2016 \$2.6 trillion of the U.S. economy, far outpacing any other state, and we also remit by far the largest percentage of the IRS gross collections. For every dollar collected by the federal government, the state's ROI remitted back in government services or contracts per capita is less than 39 other states. So while I may not agree with the way in which our state taxes and spends, we do contribute much more to the federal coffers than we take." [Orange County Register, [11/14/17](#)]

## State-County Tax Dispute

### **Harkey Called A Bill To Settle A Tax Dispute Between Orange County And The State "A Relief" As It Allowed The County To Avoid Deep Cuts**

**Harkey Called A Bill To Settle A Tax Dispute Between Orange County And The State "A Relief" As It Allowed The County To Avoid Deep Cuts.** "A bill that would settle a tax dispute between Orange County and the state that has cost the county about \$148 million was headed to Gov. Jerry Brown's desk today following final approval in the Assembly. The bill was approved in the Assembly by a 77-0 vote, one day after the Senate voted 38-0 to approve it, said Assemblywoman Sharon Quirk-Silva, D- Fullerton, who sponsored the legislation. The bill would help the county avoid deep cuts in services and layoffs this year, Quirk-Silva said. [...] The bill 'will address this inequity (in funding) that currently exists, which will help protect middle class jobs and preserve critical county services,' said Correa, who co-authored the bill. 'It will be a relief to put this much-misunderstood issue behind us with the cooperation of the governor, (Assembly) Speaker (John Perez), (Senate) President pro Tempore (Darrell Steinberg), and the entire Orange County delegation and members on both sides of the aisle,' said Assemblywoman Diane Harkey, R-Dana Point." [City News Service, 9/12/13]

## Seniors' Issues

### Significant Findings

- ✓ *Harkey voted at least three times against restricting a gag order in settlements involving elder and dependent adult abuse.*
- ✓ *Harkey voted at least three times against creating a state-administered pension plan for private sector workers without pension plans.*
- ✓ *Harkey voted against increasing oversight on placement agents in the state's pension system and requiring them to register as lobbyists which she said handicapped placement agents.*
- ✓ *Harkey voted at least three times against simplifying long-term care insurance.*
- ✓ *Harkey voted at least twice against placing licensing requirements and other regulations on home care organizations.*
- ✓ *Harkey voted at least twice against increasing funding to the skilled nursing facility quality and accountability special fund.*

## Elder Abuse

### Elder Abuse Settlements

---

#### **2012: Harkey Voted At Least Three Times To Protect Gag Orders In Settlements Involving Elder And Dependent Adult Abuse**

---

**2012: Harkey Voted Against Restricting A Gag Order In Settlements Involving Elder And Dependent Adult Abuse On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would provide that an agreement, entered on or after January 1, 2013, to settle a civil action for physical abuse, neglect, or financial abuse of an elder or dependent adult shall not include any provision that, among other things, prohibits contact or cooperation with the county adult protective services agency, the local law enforcement agency, the long-term care ombudsman, the California Department of Aging, the Department of Justice, or the Licensing and Certification Division of the State Department of Public Health, the State Department of Developmental Services, the State Department of State Hospitals, a licensing or regulatory agency that has jurisdiction over the license or certification of the defendant, any other governmental entity, a protection and advocacy agency, as defined, or the defendant’s current employer if the defendant’s job responsibilities include contact with elders, dependent adults, or children, as specified. The bill would provide that any such provision is void as against public policy.” The bill passed 51 to 28. [AB 2149, [8/27/12](#); California Legislative Information, [8/27/12](#)]

**2012: Harkey Voted Against Restricting A Gag Order In Settlements Involving Elder And Dependent Adult Abuse.** In May 2012, Harkey voted against a “bill [that] would provide that an agreement, entered on or after January 1, 2013, to settle a civil action for physical abuse, neglect, or financial abuse of an elder or dependent adult shall not include any provision that, among other things, prohibits contact or cooperation with the county adult protective services agency, the local law enforcement agency, the long-term care ombudsman, the California Department of Aging, the Department of Justice, or the Licensing and Certification Division of the State Department of Public Health, the State Department of Developmental Services, the State Department of State Hospitals, a licensing or regulatory agency that has jurisdiction over the license or certification of the defendant, any other governmental entity, a protection and advocacy agency, as defined, or the defendant’s



current employer if the defendant's job responsibilities include contact with elders, dependent adults, or children, as specified. The bill would provide that any such provision is void as against public policy." The bill passed 43 to 24. [AB 2149, [5/25/12](#); California Legislative Information, [5/25/12](#)]

**2012: Harkey Voted Against Restricting A Gag Order In Settlements Involving Elder And Dependent Adult Abuse.** In May 2012, Harkey voted against a "bill [that] would provide that an agreement, entered on or after January 1, 2013, to settle a civil action for physical abuse, neglect, or financial abuse of an elder or dependent adult shall not include any provision that, among other things, prohibits contact or cooperation with the county adult protective services agency, the local law enforcement agency, the long-term care ombudsman, the California Department of Aging, the Department of Justice, or the Licensing and Certification Division of the State Department of Public Health, the State Department of Developmental Services, the State Department of State Hospitals, a licensing or regulatory agency that has jurisdiction over the license or certification of the defendant, any other governmental entity, a protection and advocacy agency, as defined, or the defendant's current employer if the defendant's job responsibilities include contact with elders, dependent adults, or children, as specified. The bill would provide that any such provision is void as against public policy." The bill passed 47 to 28. [AB 2149, [5/21/12](#); California Legislative Information, [5/21/12](#)]

## Reporting Elder Abuse

### 2012: Harkey Voted For Increasing Efforts To Report Elder Abuse

**2012: Harkey Voted For Increasing Efforts To Report Elder Abuse.** In August 2012, Harkey voted for a "bill [that] would require that, if the suspected abuse results in serious bodily injury, as defined, a mandated reporter make a telephone report to report suspected or alleged physical abuse, as defined, that occurs in a long-term care facility, to the local law enforcement agency, immediately, and no later than within 2 hours of the reporter observing, obtaining knowledge of, or suspecting the physical abuse. The bill would require that a written report be made to the local ombudsman, the corresponding licensing agency, and the local law enforcement agency within 2 hours of the reporter observing, obtaining knowledge of, or suspecting the physical abuse. The bill would require that, if the suspected abuse does not result in serious bodily injury, a mandated reporter make a report by telephone and in writing within 24 hours of the reporter observing, obtaining knowledge of, or suspecting the physical abuse, as specified." The bill passed 74 to 4. [AB 40, [8/29/12](#); California Legislative Information, [8/29/12](#)]

## Pensions

### Private Pension Issues

#### 2012: Harkey Voted At Least Three Times Against Creating A State-Administered Pension Plan For Private Sector Workers Without Pension Plans

**2012: Harkey Voted Against Creating A State-Administered Pension Plan For Private Sector Workers Without Pension Plans.** In August 2012, Harkey voted against a "bill [that] would enact the California Secure Choice Retirement Savings Trust Act, which would create the California Secure Choice Retirement Savings Trust to be administered by the California Secure Choice Retirement Savings Investment Board, which would also be established by the bill. The bill would require eligible employers, as defined, to offer a payroll deposit retirement savings arrangement so that eligible employees, as defined, could contribute a portion of their salary or wages to a retirement savings program account in the California Secure Choice Retirement Savings Program, as specified. The bill would require eligible employees to participate in the program, unless the employee opts out of the program, as specified. The bill would specify risk management and investment policies that the board would be subject to regarding administration of the program. The bill would require a specified percentage of the annual salary or wages of an eligible employee participating in the program to be deposited in the California Secure Choice Retirement Savings Trust, which would be segregated into a program fund and an administrative fund, both of which would be continuously appropriated to the board for purposes of the act. The bill would limit expenditures from the administrative fund, as specified. The bill would also authorize the board to establish a Gain and Loss

Reserve Account within the program fund.” The bill passed 48 to 29. [SB 1234, [8/31/12](#); California Legislative Information, [8/31/12](#)]

**2012: Harkey Voted Against Creating A State-Administered Pension Plan For Private Sector Workers Without Pension Plans In The Assembly Appropriations Committee.** In August 2012, Harkey voted against a “bill [that] would enact the California Secure Choice Retirement Savings Trust Act, which would create the California Secure Choice Retirement Savings Trust to be administered by the California Secure Choice Retirement Savings Investment Board, which would also be established by the bill. The bill would require eligible employers, as defined, to offer a payroll deposit retirement savings arrangement so that eligible employees, as defined, could contribute a portion of their salary or wages to a retirement savings program account in the California Secure Choice Retirement Savings Program, as specified. The bill would require eligible employees to participate in the program, unless the employee opts out of the program, as specified. The bill would specify risk management and investment policies that the board would be subject to regarding administration of the program. The bill would require a specified percentage of the annual salary or wages of an eligible employee participating in the program to be deposited in the California Secure Choice Retirement Savings Trust, which would be segregated into a program fund and an administrative fund, both of which would be continuously appropriated to the board for purposes of the act. The bill would limit expenditures from the administrative fund, as specified. The bill would also authorize the board to establish a Gain and Loss Reserve Account within the program fund.” The bill passed 12 to 5. [SB 1234, [8/16/12](#); California Legislative Information, [8/16/12](#)]

**2012: Harkey Voted Against Creating A State-Administered Pension Plan For Private Sector Workers Without Pension Plans In The Assembly Public Employees, Retirement, And Social Security Committee.** In July 2012, Harkey voted against a “bill [that] would enact the California Secure Choice Retirement Savings Trust Act, which would create the California Secure Choice Retirement Savings Trust to be administered by the California Secure Choice Retirement Savings Investment Board, which would also be established by the bill. The bill would require eligible employers, as defined, to offer a payroll deposit retirement savings arrangement so that eligible employees, as defined, could contribute a portion of their salary or wages to a retirement savings program account in the California Secure Choice Retirement Savings Program, as specified. The bill would require eligible employees to participate in the program, unless the employee opts out of the program, as specified. The bill would specify risk management and investment policies that the board would be subject to regarding administration of the program. The bill would require a specified percentage of the annual salary or wages of an eligible employee participating in the program to be deposited in the California Secure Choice Retirement Savings Trust, which would be segregated into a program fund and an administrative fund, both of which would be continuously appropriated to the board for purposes of the act. The bill would limit expenditures from the administrative fund, as specified. The bill would also authorize the board to establish a Gain and Loss Reserve Account within the program fund.” The bill passed 4 to 2. [SB 1234, [7/3/12](#); California Legislative Information, [7/3/12](#)]

## California Public Employee Pension Issues

---

### 2013: Harkey Voted At Least Twice Against A Bill Requiring More Transparency When Changing Public Employee Retirement Plans

---

**2013: Harkey Voted Against A Bill Requiring More Transparency When Changing Public Employee Retirement Plans.** In May 2013, Harkey voted against a bill that, “would require, whenever a local ordinance or measure qualifies for the ballot that proposes to alter, replace, or eliminate the retirement benefit plan of employees of a local government entity, whether by initiative or legislative action, the governing body of the local government entity to secure the services of an independent actuary to provide a statement, or a summary of the statement, not to exceed 500 words in length, of the actuarial impact of the proposed measure upon future annual costs of the retirement benefit plan, and to have this statement printed in the voter information portion of the sample ballot.” The bill passed the Assembly, 52-19-7. [AB 822, [5/23/13](#); California Legislative Information, [9/16/13](#)]

**2013: Harkey Voted Against The Final Version Of The Bill Requiring More Transparency When Changing Public Employee Retirement Plans.** In September 2013, Harkey voted against the final version of the bill requiring more transparency when changing public employee retirement plans. The bill passed Senate concurrence, 57-19-2 [AB 822, [9/10/13](#); California Legislative Information, [9/16/13](#)]

---

**Harkey Voted Against Increasing Oversight On Placement Agents In The State's Pension System And Requiring Them To Register As Lobbyists Which She Said Handicapped Placement Agents**

---

**The State Assembly Public Employees, Retirement, And Social Security Committee, Voted To Increase Oversight On Placement Agents In The State's Pension System And Requiring They Register As Lobbyists.**

“California lawmakers took a step Wednesday toward cracking down on the middlemen that help private investment firms land lucrative contracts with the state's giant pension funds. The use of so-called ‘placement agents’ has erupted into a scandal in California and New York, where allegations of cronyism and exorbitant fees have prompted investigations. On Wednesday, the state Assembly's Public Employees, Retirement and Social Security Committee voted 4-1, with one member abstaining, to improve oversight of the way California public pension funds invest money. The California Public Employees Retirement System is the nation's largest pension fund, with about \$210 billion in assets under management. The California bill would require placement agents to register as lobbyists and file quarterly reports stating any gifts or fees they received.” [Associated Press via Newsmax, [4/8/10](#)]

**Harkey Voted Against The Measure In Committee And Said It Would Limit Competition And “I Think We're Trying To Solve A Problem That May Not Be At The Crux Of It.”** “Not everyone on the committee was convinced that ramping up controls on placement agents would solve the problems that may be facing them. ‘I think we're trying to solve a problem that may not be at the crux of it,’ said Assemblywoman Diane Harkey, who voted against the measure. [...] Harkey said constraints on placement agents would limit competition for investments and give an advantage to larger firms, a concern echoed by the investment community.” [Associated Press via Newsmax, [4/8/10](#)]

**Harkey Said The Bill Handicapped Placement Agents By Preventing Them From Collecting Contingency Fees.**

“The state Assembly passed a bill Wednesday that would limit the influence of people hired by money management firms to win business from the state's public pension funds. The bill, passed 56-9 with bipartisan support, would require so-called ‘placement agents’ to register as lobbyists and report gifts. It would also ban outside investment managers from paying them contingency fees. [...] But Republican Assemblywoman Diane Harkey, of Laguna Niguel, said rather than addressing the problem of former CalPERS board members who influence pension investments, the bill handicaps all placement agents by preventing them from collecting contingency fees.” [Associated Press via San Diego Union-Tribune, [6/2/10](#)]

**Harkey: “The Problem With This Bill Is It Seeks To Divert Attention From The Real Issue At Hand, And To Place It With A Legitimate SEC-Registered Group Of Individuals That Compete For Investment Options With The Wall Street Banks.”**

“The state Assembly passed a bill Wednesday that would limit the influence of people hired by money management firms to win business from the state's public pension funds. The bill, passed 56-9 with bipartisan support, would require so-called ‘placement agents’ to register as lobbyists and report gifts. It would also ban outside investment managers from paying them contingency fees. [...] But Republican Assemblywoman Diane Harkey, of Laguna Niguel, said rather than addressing the problem of former CalPERS board members who influence pension investments, the bill handicaps all placement agents by preventing them from collecting contingency fees. ‘The problem with this bill is it seeks to divert attention from the real issue at hand, and to place it with a legitimate SEC-registered group of individuals that compete for investment options with the Wall Street banks,’ Harkey said.” [Associated Press via San Diego Union-Tribune, [6/2/10](#)]

---

**Harkey Called Legislation To Cut Costs For Public Pensions As “A Very Insincere Ploy To Go Out Before The Voters And Say We Did Some Pension Reform”**

---

**Harkey Called Legislation To Cut Costs For Public Pensions As “A Very Insincere Ploy To Go Out Before The Voters And Say We Did Some Pension Reform.”** “California lawmakers approved a package of changes

Friday aimed at cutting costs for public pensions, sending legislation to Gov. Jerry Brown despite objections from both organized labor and Republicans unhappy with its scope. Last-minute legislation to overhaul California's workers' compensation system also was headed to the governor as the final day of the legislative session drew to a close. Senate President Darrell Steinberg said the pension deal cut a fine path between preserving traditional state and local pensions while making them affordable for government employers. [...] Assembly Republicans complained they were pressured to take a position on a flawed bill that didn't surface until the final week of the session. Others complained the measure was political pandering to cost-conscious voters ahead of November elections. 'This, to me, is a very insincere ploy to go out before the voters and say we did some pension reform,' said Diane Harkey, R-Dana Point, 'because you know how well that polls.'" [Sacramento Bee via California State Retirees, [9/1/12](#)]

---

### **Harkey Withdrew Her Support For A Bill That Meant To Prevent A Spike In Pensions As She Questioned "Whether It Was Really Going To Accomplish The Purpose Intended"**

---

**Harkey Withdrew Her Support For A Bill That Meant To Prevent A Spike In Pensions As Amendments To The Bill Made Her "Question Whether It Was Really Going To Accomplish The Purpose Intended."** "Assemblywoman Fiona Ma, D-San Francisco, said her AB 1987 targets pension spikes like that of Craig Bowen, a former San Ramon fire chief, whose pay jumped from \$221,000 in active service to \$284,000 in retirement because he cashed out unused vacation, sick leave and other leave. Ma said her bill would prevent such spiking. 'We're actually closing the loophole so these employees can no longer do that,' she said. 'That's why this bill is important.' [...] Republican Assemblywoman Diane Harkey, vice chairwoman of the Assembly Public Employees, Retirement and Social Security Committee, said she has withdrawn her support for Ma's AB 1987. 'There were amendments taken to the bill that caused me to question whether it was really going to accomplish the purpose intended,' she said." [Sacramento Bee, 8/20/10]

**Harkey Was Originally An Author Or Co-Author.** "Finally, we can support Assembly Bill 1987 with reservations. Finally, it would do what its authors claim, stopping some of the most abusive practices in 20 county-level pension systems across the state. To be sure, it's still ugly, poorly written legislation that, if passed, will spark lawsuits by disgruntled employees who feel they are entitled to pad their retirement pay. And it locks in, at least for now, some sweeteners we oppose. [...] State Sens. Mark DeSaulnier, D-Concord, Joe Simitian, D-Palo Alto, and Lou Correa, D-Santa Ana, and Assembly members Joan Buchanan, D-Alamo, Ed Hernandez, D-West Covina, and Diane Harkey, R-San Juan Capistrano, who were all authors or co-authors of the legislation, took their names off the bill." [East Bay Times, Editorial, [8/26/10](#)]

---

### **Harkey On The State Pension Fund's Losses: "I Understand The Competitiveness Argument But Clearly Some Of The Investment Officers Have Been Less Than Adequate"**

---

**Harkey On The State Pension Fund's Losses: "I Understand The Competitiveness Argument But Clearly Some Of The Investment Officers Have Been Less Than Adequate."** "The Assembly Appropriations Committee stalled a bill that would freeze the pay of non-union state employees earning more than \$100,000 per year. [...] CalPERS and CalSTRS oppose the bill. CalSTRS says it would hurt fund investments by discouraging recruiting and retention. Investment managers generally make much more money in the private sector than working for public pension funds. [...] Assemblywoman Diane Harkey, R-Dana Point, said she wished that the measure extended to all state workers, but recognized that legal barriers prevent it. She also disagreed with the public pension fund's criticism and referenced their investment losses. 'I understand the competitiveness argument,' she said, 'but clearly some of the investment officers have been less than adequate.'" [Sacramento Bee, 4/13/11]

## **Health & End Of Life Care**

### **Long-Term Care Insurance**

---

**2012: Harkey Voted At Least Three Times Against Simplifying Long-Term Care Insurance**

---



**2012: Harkey Voted Against Simplifying Long-Term Care Insurance On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would require an insurer of long-term care insurance to clearly post on its Internet Web site and provide written notice at the time of solicitation that a specimen individual policy form or group master policy and certificate form for each policy form offered by the insurer is available upon request and to provide that form within 15 calendar days upon request. This bill would require the annual consumer rate guide to include a specimen outline of coverage for each product currently marketed by each insurer listed in the rate guide.” The bill passed 52 to 27. [AB 999, [8/30/12](#); California Legislative Information, [8/30/12](#)]

**2011: Harkey Voted Against Simplifying Long-Term Care Insurance On Its First Vote In The Assembly.** In June 2011, Harkey voted against a “bill [that] would require an insurer of long-term care insurance to clearly post on its Internet Web site and provide written notice at the time of solicitation that a specimen individual policy form or group master policy and certificate form for each policy form offered by the insurer is available upon request and to provide that form within 15 calendar days upon request. This bill would require the annual consumer rate guide to include a specimen outline of coverage for each product currently marketed by each insurer listed in the rate guide.” The bill passed 42 to 33. [AB 999, [6/1/11](#); California Legislative Information, [6/1/11](#)]

**2011: Harkey Voted Against Simplifying Long-Term Care Insurance In Committee.** In May 2011, Harkey voted against a “bill [that] would require an insurer of long-term care insurance to clearly post on its Internet Web site and provide written notice at the time of solicitation that a specimen individual policy form or group master policy and certificate form for each policy form offered by the insurer is available upon request and to provide that form within 15 calendar days upon request. This bill would require the annual consumer rate guide to include a specimen outline of coverage for each product currently marketed by each insurer listed in the rate guide.” The bill passed 11 to 6. [AB 999, [5/27/11](#); California Legislative Information, [5/27/11](#)]

## Home Care

### Harkey Voted At Least Twice Against Placing Licensing Requirements And Other Regulations On Home Care Organizations

**2012: Harkey Voted Against Placing Licensing Requirements And Other Regulations On Home Care Organizations.** In August 2012, Harkey voted against a “bill [that] would enact the Home Care Services Act of 2012, which would provide, on and after July 1, 2013, for the licensure and regulation of home care organizations, as defined, by the State Department of Social Services, and the certification of home care aides. The bill would exclude specified entities from the definition of a home care organization. The bill would impose various licensure requirements on a home care organization. The bill would also impose a civil penalty on an individual or entity that operates a home care organization without a license, except as specified. The bill would require a home care organization to provide a client with specified information before arranging for the provision of home care services, as defined, to that client, including, but not limited to, the types and hours of available home care services, and the extent to which payment may be expected from specified sources. In addition, this bill would require a home care organization, among other things, to distribute to the client its advance directive policy and provide a written notice to the client of certain rights. The bill would also prohibit a home care organization from hiring an individual as a home care aide unless that individual meets certain requirements, including, but not limited to, demonstrating that he or she has specified language skills and providing proof of certification as a home care aide as specified.” The bill passed 48 to 25. [SB 411, [8/16/12](#); California Legislative Information, [8/16/12](#)]

**2011: Harkey Voted Against Placing Licensing Requirements And Other Regulations On Home Care Organizations In Committee.** In August 2011, Harkey voted against a “bill [that] would enact the Home Care Services Act of 2012, which would provide, on and after July 1, 2013, for the licensure and regulation of home care organizations, as defined, by the State Department of Social Services, and the certification of home care aides. The bill would exclude specified entities from the definition of a home care organization. The bill would impose various licensure requirements on a home care organization. The bill would also impose a civil penalty on an individual or entity that operates a home care organization without a license, except as specified. The bill would require a home care organization to provide a client with specified information before arranging for the



provision of home care services, as defined, to that client, including, but not limited to, the types and hours of available home care services, and the extent to which payment may be expected from specified sources. In addition, this bill would require a home care organization, among other things, to distribute to the client its advance directive policy and provide a written notice to the client of certain rights. The bill would also prohibit a home care organization from hiring an individual as a home care aide unless that individual meets certain requirements, including, but not limited to, demonstrating that he or she has specified language skills and providing proof of certification as a home care aide as specified.” The bill passed 12 to 5. [SB 411, [8/25/11](#); California Legislative Information, [8/25/11](#)]

## **Nursing Facilities**

### **2012: Harkey Voted At Least Twice Against Increasing Funding To The Skilled Nursing Facility Quality And Accountability Special Fund**

**2012: Harkey Voted Against Increasing Funding To The Skilled Nursing Facility Quality And Accountability Special Fund On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would modify the calculation of rates under the above-referenced rate methodology, and would extend the assessment of the charge, implementation of the rate methodology, and implementation of related provisions until July 31, 2015. By extending the period of time during which transfers are made to the Skilled Nursing Facility Quality and Accountability Special Fund, this bill would make an appropriation. This bill would also modify the amount of moneys to be deposited into the Skilled Nursing Facility Quality and Accountability Special Fund, by, among other things, requiring that specified set-asides under the rate methodology remain in the General Fund instead of transferring to the Skilled Nursing Facility Quality and Accountability Special Fund and increasing the amount of certain set-asides to be transferred to the fund. This bill would instead require that the quality and accountability payments be made beginning with the 2013–14 rate year.” The bill passed 65 to 7. [AB 1489, [8/31/12](#); California Legislative Information, [8/31/12](#)]

**2012: Harkey Did Not Vote On Increasing Funding To The Skilled Nursing Facility Quality And Accountability Special Fund On Its First Vote In The Assembly.** In March 2012, Harkey did not vote on a “bill [that] would modify the calculation of rates under the above-referenced rate methodology, and would extend the assessment of the charge, implementation of the rate methodology, and implementation of related provisions until July 31, 2015. By extending the period of time during which transfers are made to the Skilled Nursing Facility Quality and Accountability Special Fund, this bill would make an appropriation. This bill would also modify the amount of moneys to be deposited into the Skilled Nursing Facility Quality and Accountability Special Fund, by, among other things, requiring that specified set-asides under the rate methodology remain in the General Fund instead of transferring to the Skilled Nursing Facility Quality and Accountability Special Fund and increasing the amount of certain set-asides to be transferred to the fund. This bill would instead require that the quality and accountability payments be made beginning with the 2013–14 rate year.” The bill passed 47 to 23. [AB 1489, [3/22/12](#); California Legislative Information, [3/22/12](#)]

## **Medicare**

### **2017: 48,650 Residents Of The California’s 49<sup>th</sup> Congressional District Received Medicare Benefits**

**2017: 48,650 Residents Of Harkey’s District Received Medicare Benefits.** [Centers for Medicare & Medicaid Services, [2017 Congressional District Report](#)]

## **Social Security**

### **2016: 113,035 Residents Of The California’s 49<sup>th</sup> Congressional District Received Social Security Benefits**

**2016: 113,035 Residents Of Harkey's District Received Social Security Benefits Worth Nearly \$155,040.**  
[Social Security Administration, Congressional Statistics, [December 2016](#)]

**In Harkey's District, Social Security Beneficiaries Include 93,438 Seniors; 85,393 Were Retirees.** Of the 113,035 social security beneficiaries in Harkey's district, 93,438 were aged 65 or older; 85,393 were retirees.  
[Social Security Administration, Congressional Statistics, [December 2016](#)]

## Tax Issues

### Significant Findings

- ✓ *Harkey supported the Tax Cuts and Jobs Act's lowering of the corporate tax rate, repatriation of offshore money, and expensing of equipment for business and said it had "worthy goals."*
- ✓ *Harkey said that the elimination of the state and local tax deduction would hurt California's middle class, which she said was critical for California.*
- ✓ *Harkey said the Tax Cuts and Jobs Act "passes the burden of the 'cuts' to... people in California" and that "transferring benefits to beleaguered states" to "rekindle manufacturing" was "not tax reform."*
- ✓ *When Governor Jerry Brown asked Harkey if she would support his ballot measure to extend a tax increase if he supported a ballot measure on pension reform to which she said, "no."*
- ✓ *In 2015, Harkey voted against lowering the gas tax by six cents as she supported to lower the gas tax by 7.5 cents instead.*
- ✓ *Harkey on closing a foreign tax haven loophole: "You're killing companies, you're discouraging everybody from coming to California, you're hurting the future of our children that we're trying to educate."*
- ✓ *Harkey abstained on a bipartisan tax agreement, which she said she liked but had a problem requiring out of state companies to pay sales taxes rather than choosing themselves.*
- ✓ *Harkey voted against legislation to eliminate a tax loophole in Proposition 13 used by businesses to avoid higher property taxes; she said it was "the camel's nose under the tent."*

## Tax Cuts and Jobs Act Of 2017

### Harkey Supported Aspects Of The Tax Cuts And Jobs Act But Criticized Its Impact On California Taxpayers And Called On California Republicans To Consider Their "No Tax Pledge" For The Bill

#### Harkey Supported The Tax Cuts And Jobs Act's Lowering Of The Corporate Tax Rate, Repatriation Of Offshore Money, And Expensing Of Equipment For Business And Said It Had "Worthy Goals"

**HEADLINE: "The Problem With California Going Rogue"** [Orange County Register, Diane Harkey Op-Ed, [10/12/17](#)]

**Harkey Supported The Tax Cuts And Jobs Act's Lowering Of The Corporate Tax Rate, Repatriation Of Off-Shore Money, And Expensing Of Equipment For Businesses.** "Having dodged the elephant in the room, Obamacare repeal, replace or reform, the Republican-controlled Congress believes they have to do something, and tax reform is it. Federal outlay for this program and potential expansion of services will heavily influence current and future spending priorities and hence, tax reform and budget negotiations. We met with congressional leaders and administration officials and found much to be liked on the stimulus side of the package. Lowering the corporate tax rate, allowing for repatriation of off-shore dollars, and immediate expensing of equipment will have a positive effect on business planning and stimulate job creation to business-friendly states." [Orange County Register, Diane Harkey Op-Ed, [10/12/17](#)]

**Harkey Said That Eliminating The Alternative Minimum Tax, Reducing Taxes On The Middle Class, And Streamlining The Tax Code “Are Worthy Goals.”** “Eliminating the Alternative Minimum Tax, middle-class tax reductions, streamlining the tax code and simplifying reporting are worthy goals. But due to static analysis, and congressional and Senate rules, attempts to encourage business development and investment, and to allow taxpayers to keep more of their hard-earned dollars must be ‘paid for.’” [Orange County Register, Diane Harkey Op-Ed, [10/12/17](#)]

---

**Harkey Said That The Elimination Of The State And Local Tax Deduction Would Hurt California’s Middle Class, Which She Said Was Critical For California**

---

**Harkey Said That The Elimination Of The State And Local Tax Deduction Would Hurt California’s Middle Class.** “And that’s where ‘California Dreaming’ D.C. style comes in to play. Elimination of the State and Local Tax Deduction that is envisioned to ‘pay for’ the reforms will hit wage earners in our state hard. Deductibility of state income tax and property taxes (the local tax) prevents double taxation. But in the Washington view, it also allows high tax states such as California to mitigate their own putative, highest-in-the-nation, state income tax rate. As we know, in many parts of our state, the middle class means those with a household income of \$50,000 to \$250,000. This is the exact group that could be hardest hit with higher taxes and/or loss of deductibility, in spite of the increase in the standard deduction being discussed.” [Orange County Register, Diane Harkey Op-Ed, [10/12/17](#)]

**Harkey Wrote That Deducting Local Property Taxes Was Critical For California.** “Specifically, the ability to deduct local property taxes as well as mortgage interest provides a strong incentive for first-time and move-up home buyers by reducing the overall tax burden and cost of owning a home. This is critically important in California, which boasts some of the most expensive housing in the nation. However, many low-tax states view these exemptions as a subsidy for our lunacy and/or liberal spending policies.” [Orange County Register, Diane Harkey Op-Ed, [10/12/17](#)]

**Harkey On The Tax Cuts And Jobs Act: “The Plan Reduces Tax Rates By Eliminating Worthy Incentives To Homeownership, Which Is For Most Americans Their Largest Investment And Pathway To Financial Security.”** “Unfortunately, the Republican plan in D.C. is mimicking the California model by penalizing professionals, businesses and homeownership for those of us in states with an already high cost of living. It encourages retooling of industries and skewing tax refunds toward less-populated, smaller states with a lower cost of living. The plan reduces tax rates by eliminating worthy incentives to homeownership, which is for most Americans their largest investment and pathway to financial security.” [Orange County Register, [11/14/17](#)]

**Harkey Said That The “Elimination Of The State And Local Tax Deduction Will Harm The People Of California” And That Property Values Would Drop, Which May Prop Higher Property Taxes.** “Elimination of the State and Local Tax deduction will harm the people of California who have worked hard to save and build equity in their homes and communities. Estimates are that property values will drop precipitously, affecting all as the market readjusts. While our state income tax is the highest in the nation, we do, thanks to Proposition 13, have the benefit of relatively low property taxes. If property values and assessments drop, communities will be impacted, prodding our Legislature to fill the gap by demanding higher property taxes, or local debt to fill the voids. I can envision a spiral effect and blame that will be laid on the doorstep of Republicans in D.C. and those who support them.” [Orange County Register, [11/14/17](#)]

---

**Harkey: “Maybe Redistribution From A State Of 39 Million To A State Of 1 To 5 Million In Population Is Not A New Tax, But It Will Feel That Way To My 9.5 Million Constituents, And To Many Across The Nation.**

---

**Harkey: “Maybe Redistribution From A State Of 39 Million To A State Of 1 To 5 Million In Population Is Not A New Tax, But It Will Feel That Way To My 9.5 Million Constituents, And To Many Across The Nation.”** “Worrying about the federal debt after the Obama administration that added more than all administrations combined is fatally flawed for a Republican tax reform discussion. Debt reduction is merely a battle, and to win the war we need more than ever to stimulate job growth, creating more taxpayers. Redistribution will not decrease the debt nor will it get Republicans elected. California Democrats have taunted and rejected the administration and

federal laws, but they will not pay the price about to be levied by Republicans in D.C. Many hard-working Californians and small business owners will. I would hope that our California Republican congressional delegation and those out of state that raise dollars here will remember our support and efforts to ensure their success. Maybe redistribution from a state of 39 million to a state of 1 to 5 million in population is not a new tax, but it will feel that way to my 9.5 million constituents, and to many across the nation.” [Orange County Register, [11/14/17](#)]

---

**Harkey Called On California’s Republican Congressional Delegation To Revisit The “No New Tax” Pledge As She Said The Tax Cuts And Jobs Act “Passes The Burden Of The ‘Cuts’ To... People In California.”**

---

**HEADLINE: “California Republicans In Congress Should Remember The ‘No New Tax’ Pledge”** [Orange County Register, [11/14/17](#)]

**Harkey Called On California’s Republican Congressional Delegation To Revisit The “No New Tax” Pledge As She Said The Tax Cuts And Jobs Act “Passes The Burden Of The ‘Cuts’ To... People In California.”** “It may be time for California Republicans to revisit the ‘no new tax’ pledge if the tax reform plan out of D.C. makes the grade. While it may numerically cut U.S. revenues by \$1.7 trillion, it definitely passes the burden of the ‘cuts’ on to hardworking people in California. As a lifelong Republican and an elected official, I do believe that taxes are too high, people will spend their money more wisely than a government bureaucracy, and market principles of supply and demand really work when not crippled by government interventions distorting market forces.” [Orange County Register, [11/14/17](#)]

**Harkey Said D.C. Politicians Could Not “Prove That they Are Not Robbing The Poor” And That “Transferring Benefits To Beleaguered States” To “Rekindle Manufacturing” Was “Not Tax Reform”**

**Harkey Said That Republicans Were Too Lost “To Prove That They Are Not Robbing The Poor” And That “Transferring Benefits To Beleaguered States” To “Rekindle Manufacturing” Was “Not Tax Reform.”** “Reductions in corporate tax rates and repatriation of offshore dollars are worthy goals that will stimulate job growth, but our politicians in D.C. seem to be getting lost in ideological warfare to prove that they are not robbing the poor. Transferring benefits to beleaguered states attempting to rekindle manufacturing jobs and allowing ‘refunds’ for taxes that many did not pay is not tax reform.” [Orange County Register, [11/14/17](#)]

**Harkey Said California’s Liberal Policies And Anti-Trump Stance Hurt The State’s Influence In The Tax Deal And That It Would Be Beneficial For “The State To Rejoin The United States”**

**Harkey Said California’s Supported For “Federally Subsidized Health Care,” Legalized Marijuana, Status As A Sanctuary State, And Anti-Trump Stance Was Diminishing The State’s Influence In The Tax Deal.** “Meeting with congressional, Senate and administration officials and understanding the strong influence of many smaller states working with the present administration, California’s concerns could be ignored or marginalized. Our aggressive promotion of heavily federally subsidized health care, legalizing recreational marijuana while simultaneously declaring a sanctuary state, and exhibiting a general failure to cooperate with the Trump administration or the Republican-controlled Congress is diminishing our state’s influence. While both parties in our Congressional delegation are pressing for changes to the initial ‘road map’ or plan, a bit more cooperation at this time from our Legislature would be helpful.” [Orange County Register, Diane Harkey Op-Ed, [10/12/17](#)]

**Harkey Said California’s Republican Congressional Delegation Had A Strengthened Hand As Their Votes Were Necessary For The Bills Passage.** “While the administration is not inclined to do our rogue state any favors, it may be that with negotiations under way the ‘high-tax states’ could get a break on the property tax deduction and a negotiated maximum deduction on the state income tax. After all, our democratic system requires a majority of votes in each house, and Democrats are not seen as potential votes unless the Republicans hit the magic number without them. All of which helps to strengthen the negotiating hand of our 14 congressional Republicans and representatives from other large states.” [Orange County Register, Diane Harkey Op-Ed, [10/12/17](#)]



**Harkey Said That California Was Viewed As A “Problem Rogue Nation” In Which “Our State’s Politicized Tantrums Appear Ridiculous” And That It Would Be Beneficial For The State To “Rejoin The United States.”** “To summarize, in Washington, D.C., California is viewed as just another less critical, problem rogue nation. In light of the hurricane devastation, tragedy in Las Vegas, nuclear saber-rattling of North Korea and Iran, and monitoring hot spots for terrorism in our nation and around the world, our state’s politicized tantrums appear ridiculous. It would be beneficial if our own state legislators and governor vowed to rejoin the United States at this turbulent time and save the partisan posturing for another day. If not, our rogue nation may be cut adrift with tax reform.” [Orange County Register, Diane Harkey Op-Ed, [10/12/17](#)]

## State Tax Issues

**2011: When Governor Jerry Brown Asked Harkey If She Would Support His Ballot Measure To Extend A Tax Increase In Exchange For His Support On A Ballot Measure On Pension Reform, She Said, “No”**

---

**Harkey To Governor Brown: “I Have No Problem Saying I Won’t Raise Taxes. My People Have Told Me Time And Time Again That’s What They Want To Hear”**

---

**2011: Governor Jerry Brown Appeared Before The Legislative Committee To Advocate For A Public Vote On Extending Tax Increases And Challenged Republicans To Present Solutions.** “In an unprecedented public give-and-take, Gov. Jerry Brown appeared before a legislative committee Thursday and engaged rank-and-file lawmakers in a discussion about how to address California’s \$26.6 billion budget deficit. The Democratic governor is trying to sell lawmakers on his proposal for a June special election that would allow voters to decide on a five-year extension of increases to state sales, income and vehicle taxes. The hour-long hearing was remarkable for the frankness of the exchanges between the governor and lawmakers that gave the public a wide-open look at what typically is a closed-door process. [...] Brown said Republican pledges to avoid tax increases ‘make good theater,’ but the state is desperate for a solution to its ongoing budget problems. ‘For those who say they don’t want to vote, then why are you here? And if you’re going to be here, give me some ideas,’ the governor said to lawmakers on the committee.” [Associated Press, 2/24/11]

**Harkey Was A Signatory To The Taxpayers Caucus To Oppose Brown’s Initiative If Tax Cuts Were Not Also On The Ballot.** “Harkey is one of 30 signatories to a ‘Taxpayers Caucus’ pledge to oppose Brown’s tax plan unless tax cuts are also on the ballot -- even if Democrats agree to long-term government changes that Republicans want. That didn’t stop Brown from trying to cut a deal with Harkey right on the dais.” [Sacramento Bee, 2/24/11]

**Harkey: “I Have No Problem Saying I Won’t Raise Taxes. My People Have Told Me Time And Time Again That’s What They Want To Hear.”** “Brown took aim at Republicans who had pledged not to raise taxes, particularly those who joined a new ‘Taxpayers Caucus’ this week to oppose the governor’s tax vote. One of them, Assemblywoman Diane Harkey, R-Dana Point, told Brown, ‘I have no problem saying I won’t raise taxes. My people have told me time and time again that’s what they want to hear.’ Harkey called for regulatory changes that help businesses and for pension reductions. Brown said he was open to those ideas and even suggested a trade if Harkey were willing to place taxes on the ballot.” [Sacramento Bee, 2/15/11]

---

**When Governor Brown Asked Harkey If She Would Support His Tax Increase Initiative If He Put Pension Reform On The Ballot, She Said “No”**

---

**In Response To Governor Brown, Harkey Suggested Cutting Government Spending 20% Across The Board Without Firing State Workers, Reform Pensions, And Repeal Regulations To Tackle Unemployment.** “Brown’s challenge was met with resistance from Republicans concerned about raising taxes. Assemblywoman Diane Harkey, R-Dana Point, said she has suggested cutting spending 20 percent across-the-board without eliminating state workers. She also proposed the state adopt pension reforms on top of concessions made under former Gov. Arnold Schwarzenegger, and asked for regulatory relief to help improve the state’s high unemployment

rate. ‘When you say that all we say is no, I’m very, very hurt and very insulted,’ Harkey said. ‘Because I’ve tried to have an open dialogue on this.’” [Associated Press, 2/24/11]

**However, When Governor Brown Pressed Harkey That If He Put Pension Reform On The Ballot, Would She Support The Tax Increase Initiative To Which She Said “No.”** “‘Well, if we can get (reforms) on the ballot, would you then join and get (taxes) on the ballot?’ Brown asked. ‘Let me see what you’re putting on,’ Harkey said. ‘OK, but if you want to do that, that’s serious, let’s do it,’ Brown said. ‘No,’ Harkey said. ‘We want some pension reform, we want some regulatory reform,’ Brown continued. ‘I’d put a lot more than some of these folks want.’ ‘I’m sorry, governor,’ Harkey said. ‘I’m sorry --’ ‘This is your chance to make them do something they don’t want to do,’ Brown said. ‘All you have to do is step up and do something you don’t want to do.’” [Sacramento Bee, 2/24/11]

**Harkey Said She Was “Very, Very Hurt And Very Humiliated” That Governor Brown Branded The Republican Party As A Party Of “No.”** “Harkey said she was ‘very, very hurt and very insulted’ that Brown continues to brand the GOP the party of ‘no,’ saying she has offered suggestions such as cutting state government across the board by 20 percent. ‘I’ve tried to have an open dialogue, but the only thing you want yes to and the only thing (Democrats want) is yes to more taxes,’ she said. ‘And we can’t go there.’” [Mercury News, [2/24/11](#)]

**Harkey Said That She Wanted A “More Simplified And Less Punishing Tax Structure” And That They “Pass Too Easily”**

---

**2014: Harkey Said Taxes Were Too High And That She Wanted A “More Simplified And Less Punishing Tax Structure”**

---

**2014: Harkey Said Taxes Were Too High And That She Wanted A “More Simplified And Less Punishing Tax Structure.”** “Dana Point’s Harkey, a 62-year-old termed-out assemblywoman, said she believes taxes are too high in the state and would like to see a ‘more simplified and less punishing tax structure.’ ‘I’ve been nervous all day because there was a lot of negativity out there,’ Harkey said Tuesday night, adding that she was ecstatic with the result.” [Orange County Register, [6/4/14](#)]

---

**2010: Harkey Said That Taxes, Fees, And Regulation “Pass Too Easily”**

---

**Harkey Said That Taxes, Fees, And Regulation “Pass Too Easily” And That The State Needed A Rainy-Day Fund.** “Q. Do you support any reforms that might make it easier for the legislature to pass legislation that would deal with some of California’s most pressing concerns? Harkey: With 12.4% unemployment, we need the 2/3 vote for taxes and budget to protect the remaining taxpayers. Extra taxes (slipped though as ‘revenue-neutral’), fees, and strangling regulation seem to pass too easily. I support a rainy-day fund for debt defeasance and to allow for economic downturns, implementation of performance-based budgeting, decreasing unfunded mandates and streamlining education funding. In addition, enhanced legislative oversight of regulatory agencies would make them more accountable to the people we serve.” [Orange County Register, 9/28/10]

**Harkey Opposed Allowing The State To Tax Services Outside Of Retail Sales: “Tax Reform Should Be An Incentive, Not A Covert Word For Job Killer”**

**Harkey Opposed Allowing The State To Tax Services Outside Of Retail Sale, Which Would Have Brought In \$122.6 Billion But Harkey Said, “Tax Reform Should Be An Incentive, Not A Covert Word For Job Killer.”** “The California State Board of Equalization (BOE) released an estimate today indicating that California’s state and local governments may receive approximately \$122.6 billion in new revenue if tax was collected on services that are currently non-taxable. Of that amount, \$60.9 billion could go to the state, with \$61.7 billion for city, county, and other local government entities. The estimate assumes a statewide average sales tax rate of 8.42 percent. Currently, sales tax generally only applies to the retail sale of tangible personal property, such as a bicycle. Most services are not taxed, except for required services related to the retail sale of tangible personal property, such as assembly charges associated with the retail sale of a bicycle. [...] ‘Tax reform should be an incentive, not a

covert word for job killer,' said Board Member Diane L. Harkey. 'The best tax reform is job growth which would create more taxpayers, more revenue to the state, and a boost for California's job seekers and creators.'" [California State Board of Equalization, press release, [4/14/15](#)]

### **Harkey Encouraged Her Constituents To Increase Their Exemptions To Avoid A 10 Percent Increase In Tax Withholdings That The State Assembly Passed**

**Harkey Encouraged Her Constituents To Increase Their Exemptions To Avoid A 10 Percent Increase In Tax Withholdings That The State Assembly Passed.** "Assemblywoman Diane Harkey wielded two oversized checks at a community meeting in San Clemente on Thursday night. But she wasn't giving any money away. The 'incredible shrinking paycheck' as she called it, is what the state is going to take from taxpayers as what she called 'a loan in the form of a withholdings tax.' This summer the state assembly passed a bill to increase tax withholdings by 10 percent in order to fill in a \$1.7 billion budget gap. The prop checks were signed by 'hard working taxpayer' and on the bottom left it read 'taxed enough already.' Harkey, whose district includes cities such as San Clemente, Laguna Niguel and Aliso Viejo, told a crowd of about 40 people that if they don't want to see their paychecks shrink, they should speak to their tax advisor or human resources department. If your withholding status is currently one or two, Harkey suggested you up it by one by Friday to avoid the extra withholdings, which goes into effect Nov. 1." [Orange County Register, [10/30/09](#)]

**Harkey: "We Figured It Wasn't A Good Fix But Knew That Some People Wouldn't Change It And Just Say, 'Huh, Where'd All My Money Go?'"** "We figured it wasn't a good fix but knew that some people wouldn't change it and just say, 'Huh, where'd all my money go?'" [Orange County Register, 10/31/09]

**Harkey: "You Work Hard For Your Money. An Additional \$200 Or \$2,000 Truly Makes A Difference When Trying To Pay The Bills."** "Never fear, there IS something you can do about it. As Orange County Assemblywoman Diane Harkey, R-Dana Point, noted in a recent letter to constituents, you can change the amount withheld from your paychecks simply by speaking with your company's human resources department. 'You work hard for your money,' Harkey wrote. 'An additional \$200 or \$2,000 truly makes a difference when trying to pay the bills.'" [Orange County Register, [11/2/09](#)]

### **Harkey Said Nevada's Lack Of Income And Capital Gains Taxes Were Two Reasons Why Some Businesses Left California And Said, "What Does That Say About California? Very Little To Me"**

**Harkey Said Nevada's Lack Of Income And Capital Gains Taxes Were Two Reasons Why Some Businesses Left California And Said, "What Does That Say About California? Very Little To Me."** "Asked by the California lawmakers what their state could do to entice them back, several answered, 'Nothing.' [...] Added state Sen. Sam Aanestad of Grass Valley, 'Too many people in my district have come over here. They're going elsewhere, and one place they're going is Nevada. We aim to do something about this problem.' Assemblywoman Diane Harkey cited Nevada's lack of income and capital gains taxes, two major levies in her state. 'What does that say about California? Very little to me,' she said." [Reno Gazette-Journal, 4/25/09]

### **2013: Harkey Voted To Protect Deductions For People & Businesses Ordered By Court To Pay Punitive Damages**

**2013: Harkey Voted Against A Bill That Would Remove The Punitive Damages Tax Deduction.** In June 2013, Harkey voted against a bill that would, "disallow, under both laws, a deduction for amounts paid or incurred for punitive damages, as provided." The bill passed the Assembly, 54-25. [AB 458, [6/27/13](#); California Legislative Information, [2/19/13](#)]

### **Harkey On A Proposed 20% Tax On Pornography: "We're Saying This Exists, Let's Make Some Money Off Of It... I Just Feel Like We're Legalizing Criminal Activities Just To Tax Them"**

## **Harkey On A Proposed 20% Tax On The Adult Entertainment Industry: “We're Saying This Exists, Let's Make Some Money Off Of It... I Just Feel Like We're Legalizing Criminal Activities Just To Tax Them.”**

“Assemblywoman Mary Salas believes it's time the adult entertainment industry pays for some of the problems it creates. Salas, D-Chula Vista, is carrying legislation that would levy a special 20 percent tax on the industry, such as X-rated retailers and nude dancing clubs. The Assembly Committee on Revenue and Taxation wrestled with her AB 847 measure for more than an hour yesterday before placing it on the ‘suspense calendar’ to take up later along with many other tax- and fee-related measures. [...] The Motion Picture Association of America opposes the bill. Republicans on the committee generally skirted the no-new-taxes argument, instead raising doubts over the constitutionality of new levies on protected speech. Assemblywoman Diane Harkey, R-Dana Point, didn't appear convinced that some of the industry's filmed scenes are legal. ‘We're saying this exists, let's make some money off of it. ... I just feel like we're legalizing criminal activities just to tax them,’ she said.” [San Diego Union-Tribune, 7/7/09]

## **Gas Tax**

### **2016: Harkey Voted To Lower The State Excise Tax By 2.2 Cents**

**Harkey Voted To Lower The State Excise Tax By 2.2 Cents.** “California drivers will pay 2.2 cents less for a gallon of gasoline, starting in July, after a divided Board of Equalization voted to cut the state excise tax. ‘Lowering the rate is the right thing to do, and I'm sure Californians will welcome this reduction,’ board Vice Chairman George Runner said in a statement after the agency voted 3 to 2 to pass the reduction. [...] It's estimated a lower excise tax will reduce the amount of money going to roads and mass transit programs by about \$328 million next year. The board believes the new tax rate will bring just as much money as the old sales tax. Runners was joined in voting for reducing the excise tax by Fiona Ma and Diane Harkey. Board member Jerome Horton and Deputy Controller Yvette Stowers — sitting in for state Controller Betty T. Yee — voted no.” [Los Angeles, [2/25/16](#)]

### **2015: Harkey Voted Against Lowering The Gas Tax By Six Cents As She Supported Lowering The Gas Tax By 7.5 Cents Instead**

**Harkey Voted Against Lowering The Gas Tax By Six Cents As She Supported To Lower The Gas Tax By 7.5 Cents Instead.** “Ignoring a recommendation from its staff for a higher number, a divided state Board of Equalization (BOE) voted Tuesday to cut the excise tax California levies on gasoline sales by six cents a gallon, effective July 1. The 3-2 vote bypassed a staff recommendation that the tax be reduced by 7.5 cents, which 1st District Member George Runner, who represents the mountain communities, advocated. ‘I moved for 7.5 but I couldn't get three votes,’ Runner told the Mountain News. His only support came from 2nd District Member Diane Harkey, a former assemblywoman who represents Orange and Riverside Counties. Runner declined to label the vote—three Democrats against two Republicans—as partisan, saying instead it was ‘an honest disagreement.’” [Mountain News, [2/26/15](#)]

### **Harkey Called For The Elimination Of The Gas Tax Swap, Which Was A Way For The State, Whom Harkey Called “Raiders,” To Use Gas Taxes To Close A \$20 Billion Budget Shortfall**

**Harkey Called For The Elimination Of The Gas Tax Swap, Which Was A Way For The State To Use Gas Taxes To Close A \$20 Billion Budget Shortfall.** “Before 2010, drivers paid an 8.25 percent state sales tax and an 18-cent-per-gallon excise tax on gas. Then came a \$20 billion state budget shortfall. Then-Gov. Arnold Schwarzenegger and the California Legislature wanted to use gas tax money to plug the gap. But voter-approved restrictions stood in their way. To get around those limits, lawmakers approved a ‘gas tax swap’ that set up a new way to tax gasoline sales. The swap freed up about \$1 billion to fill the state budget hole. [...] Runner and Diane Harkey, Riverside County's representative on the equalization board, support a simpler gas taxation system. ‘The swap was put into place as a short term fix to plug a hole in the state budget,’ Harkey said in a news release. ‘It is now time for the Legislature to eliminate the fuel tax swap and restore consistency and transparency for consumers and local governments.’” [Press-Enterprise, [3/29/15](#)]



**Harkey Called The State Government “Raiders” That Created The Fuel-Swap Tax.** “Not to be outdone, this year the governor and Legislature are proposing more gas taxes and new regulations that will again boost the cost of producing fuel, and drive up California's gasoline prices. These calls for ‘shared sacrifice,’ because we supposedly need more revenue, are coming from the same people who raided transportation funds during the economic downturn. When the voters tried to stop the state from taking local dollars by voting to approve Proposition 42 for local transportation, the ‘raiders’ instituted the complex fuel-tax swap, shifting funds to the state, which is not likely to be reversed.” [Orange County Register, Diane Harkey Op-Ed, [3/3/16](#)]

## Corporate Taxes

**Harkey On Her Opposition To Closing A Foreign Tax Haven Loophole: “You're Killing Companies... You're Hurting The Future Of Our Children That We're Trying To Educate.”**

**Harkey On Her Opposition To Closing A Foreign Tax Haven Loophole: “You're Killing Companies, You're Discouraging Everybody From Coming To California, You're Hurting The Future Of Our Children That We're Trying To Educate.”** “California lawmakers seeking to give college students a break took aim Thursday at corporations that dodge taxes by stashing their profits in foreign banks. The Assembly passed a bill that would temporarily close a loophole allowing companies to create tax havens in other countries. [...] The loophole has long been targeted by Democrats. Because the bill does not technically add revenue to the state, it required only a majority vote to pass. Tax bills usually require a two-thirds vote. Republicans characterized the bill as a tax increase that would encourage businesses to leave California. ‘You're killing companies, you're discouraging everybody from coming to California, you're hurting the future of our children that we're trying to educate,’ said Assemblywoman Diane Harkey, R-Dana Point.” [Associated Press via San Diego Union-Tribune, [1/28/10](#)]

**Harkey Abstained On A Bipartisan Tax Agreement Which She Said She Liked But Had A Problem Requiring Out Of State Companies To Pay Sales Taxes Rather Than Choosing Themselves**

**2011: Harkey Said There Were A Lot Of Things She Liked In A Bipartisan Tax Agreement But Said She Had A Problem Requiring Out Of State Companies To Pay Sales Taxes Rather Than Choosing Themselves.** “Amid unrelenting partisan strife in California and the nation's capital, a glimmer of cooperation glinted in the state Capitol on Thursday. Only hours after Gov. Jerry Brown stood alongside two Republican assemblymen to herald a bipartisan agreement on taxes, the Assembly on a two-thirds vote approved legislation to provide \$1 billion in tax relief to California businesses and individuals while closing a loophole that benefits out-of-state corporations. But it was unclear late Thursday whether the Senate Democrats could muster the two GOP votes needed to approve the package in time before the legislative session ends Friday. [...] ‘I see a lot of things I like,’ said Assemblywoman Diane Harkey, R-Dana Point. ‘But I'm having a problem going mandatory on the single sales factor.’ The arcane term was referring to the part of the legislation that would require all businesses to pay taxes based on sales rather than allowing out-of-state companies to choose how to calculate their taxes.” [East Bay Times, [9/8/11](#)]

**Harkey Abstained On The Vote.** “The Assembly on Thursday night approved a sweeping package of tax reforms that Gov. Jerry Brown said will save Californians and small businesses more than \$1 billion a year. [...] All of the San Diego-area Democrats joined Fletcher in voting yes. Republican Brian Jones of Santee was the only local no vote. Republicans Martin Garrick of Solana Beach, Diane Harkey of Dana Point and Kevin Jeffries of Lake Elsinore abstained.” [San Diego Union-Tribune, [9/8/11](#)]

**Harkey Sponsored Legislation To Exempt Business From Paying Sales Tax On Equipment They Purchase For Their Business And To Create An Education Tax Credit For Employers**

**Harkey Sponsored Legislation To Exempt Business From Paying Sales Tax On Equipment They Purchase For Their Business.** “This week legislative committee hearings will begin on a package of bills proposed by Assembly Republicans to create California jobs, jumpstart the economy, and make the state competitive once again. Assembly Republicans have introduced 17 bills to provide tax and job creation incentives, make state regulations



more rational, and curb frivolous lawsuit abuse. [...] Business Equipment Sales Tax Exemption (Harkey, Assembly Bill 1719) Assembly Bill 1719, by Assemblywoman Diane Harkey, R-Dana Point, will exempt businesses from paying the sales tax on equipment they purchase for their businesses. This measure will help alleviate expensive regulatory burdens required by AB 32, such as diesel and farm equipment engine retrofits. Status: Assembly Revenue and Taxation hearing on April 12” [California State Assembly Republican Caucus, press release, 3/22/10]

**Harkey Sponsored Legislation To Create An Education Tax Credit For Employers.** “This week legislative committee hearings will begin on a package of bills proposed by Assembly Republicans to create California jobs, jumpstart the economy, and make the state competitive once again. Assembly Republicans have introduced 17 bills to provide tax and job creation incentives, make state regulations more rational, and curb frivolous lawsuit abuse. [...] Education tax credit (Harkey, Assembly Bill 1735) Assembly Bill 1735, by Assemblywoman Harkey, would create a tax credit for employers and employees for 50 percent of the costs of job training or advanced education. This will help employees attain higher pay and career advancement, while helping employers develop a highly-skilled workforce. Status: Assembly Revenue and Taxation hearing on April 12” [California State Assembly Republican Caucus, press release, 3/22/10]

### **Harkey Opposing Delaying A \$1.3 Billion In Promised Tax Credits For Businesses Approved In Previous Budget Compromises**

**Harkey Opposing Delaying A \$1.3 Billion In Promised Tax Credits For Businesses Approved In Previous Budget Compromises.** “Battles over tax breaks for businesses will be waged on two fronts this year, in the Capitol and at the ballot box. A campaign is under way to repeal or suspend an estimated \$1.3 billion annually in promised tax credits for businesses approved as part of past budget compromises. That money has become an attractive target given another year of gaping deficits, this one \$19 billion. [...] Nevertheless, Assemblywoman Diane Harkey, R-Dana Point, said it’s unlikely Republicans will go along with a delay given it was one of the lures for some to vote for a previous budget compromise that included temporary tax increases. ‘A deal should be a deal,’ said Harkey, who represents part of north San Diego County. ‘Reversing it doesn’t lend much credibility to the whole negotiating process.’” [San Diego Union-Tribune, [8/10/10](#)]

## **Property Taxes**

### **2014: Harkey Voted Against Legislation To Eliminate A Tax Loophole In Proposition 13 Used By Businesses To Avoid Higher Property Taxes; She Said It Was “The Camel’s Nose Under The Tent”**

**2014: Harkey Voted Against Legislation To Eliminate A Tax Loophole In Proposition 13 Used By Businesses To Avoid Higher Property Taxes As She Said It Was “The Camel’s Nose Under The Tent.”** “The staunchest defender of California’s politically untouchable property-tax initiative, Proposition 13, has tacitly approved a bid to change the landmark law for the first time since voters passed it 36 years ago. [...] The legislation would eliminate the ability of businesses to elude higher property taxes by carving up ownership in commercial property purchases so no one has a majority stake. The tactic averts a reassessment of the property that can increase its taxes. [...] ‘I believe this is the camel’s nose under the tent,’ said Assemblywoman Diane L. Harkey (R-Dana Point), who voted against the measure.” [Los Angeles Times, [5/13/14](#)]

### **2014: Harkey Did Not Vote On A Bill Requiring Property Tax Agents To Register With The Secretary Of State Before Lobbying In Regards To Assessments**

**2014: Harkey Did Not Vote On A Bill Requiring Property Tax Agents To Register With The Secretary Of State Before Lobbying In Regards To Assessments.** In August 2014, did not vote on a bill that would, “prohibit a Property Tax Agent, defined as any individual who is employed, under contract, or otherwise receives compensation, from communicating directly or indirectly with any county official for the purpose of influencing official action relating to the establishment of a taxable value for any property subject to taxation, including representing a taxpayer before a county official, without first being registered and issued a registration number by

the Secretary of State. The bill would provide that a violation of these provisions is a misdemeanor. The bill would require a Property Tax Agent to file, under penalty of perjury, with the Secretary of State an application for registration that includes specified information and a registration fee, as specified.” The bill passed Senate concurrence, 50-28-1. [AB 2415, [8/27/14](#); California Legislative Information, [9/3/14](#)]

## Fees

### **Harkey Expressed Dissatisfaction With The State’s Fire Prevention Fee And Thanked The Howard Jarvis Taxpayers Associations For Suing The State Regarding The Fee**

**Harkey Expressed Dissatisfaction With The State’s Fire Fee.** “A telephone town hall meeting Wednesday revealed that while the State Board of Equalization has to collect California's fire fee, it does not have to like it. Sponsored by BOE Vice Chair George Runner and Fourth District Representative Diane L. Harkey, the telephonic meeting was used to provide an update on current efforts to fight the state's fire prevention fee. Instituted by the 2011 Assembly Bill 129, the fire fee is assessed at approximately \$150 per habitable structure on property considered to be within CALFIRE'S responsibility area. Billed as a way to fund fire prevention activities by the state, the fee has long been the target of litigation and legislative efforts toward repeal. As an agency tasked with administering the state's fees and taxes, the BOE must collect the fire fee, but Runner and Harkey openly expressed their dissatisfaction with it Wednesday.” [Siskiyou Daily News, [5/14/15](#)]

**Harkey Signed On To A Letter Thanking The Howard Jarvis Taxpayers Association For Suing The State Over A Fire Tax On Homeowners.** “All 27 members of the Assembly Republican Caucus today sent a letter to the Howard Jarvis Taxpayers Association announcing their support of a legal challenge to the majority-vote imposed fire tax on homeowners. The letter explains that a legal challenge will ensure that the Legislature cannot levy a fire tax or any other illegal tax with a majority vote. [...] Thank you again for your leadership on this important issue. Sincerely, Connie Conway Jim Nielsen Curt Hagman Mike Morrell Dan Logue Katcho Achadjian Linda Halderman Diane Harkey” [California State Assembly, Republican Caucus, press release via States News Service, 8/28/12]

### **2013: Harkey Voted Against A Bill Increasing Public Utility Filing Fees But Later Voted For The Final Version**

**2013: Harkey Voted Against A Bill Increasing Public Utility Filing Fees.** In May 2013, Harkey voted against a bill increasing application filing fees for public utilities. “Under existing law, the Public Utilities Commission has regulatory authority over public utilities, as defined. Existing law allows the commission to charge and collect a fee of \$75 for filing each application for a certificate of public convenience and necessity, or for the mortgage, lease, transfer, or assignment of a certificate. This bill would instead require the fee to not exceed the reasonable costs to the commission for filing these applications. The bill would authorize the fee in an amount not to exceed \$500 and would authorize the commission to adjust this fee based on the Consumer Price Index.” The bill passed the Assembly, 50-21-8. [AB 1409, [5/16/13](#); California Legislative Information, [9/19/13](#)]

**2013: Harkey Changed Her Mind And Voted For The Final Version Of The Bill Increasing Public Utility Filing Fees.** In September 2013, Harkey voted for the final version of the bill increasing public utility filing fees. The bill passed Senate concurrence, 74-1-3 [AB 1409, [9/12/13](#); California Legislative Information, [9/19/13](#)]

### **Harkey Voted Against Raising Vehicle Registration Fees**

**2014: Harkey Voted Against Raising Vehicle Registration Fees.** In August 2014, Harkey voted against raising vehicle registration fees. “This bill would additionally authorize a county, that has adopted the resolution to impose the \$1 fee, to increase that fee to \$2 in the same manner that it imposed the initial \$1 fee. The bill would alternatively authorize a county that has not adopted a \$1 fee to impose an initial \$2 fee in the same manner that it is authorized to impose a \$1 fee. If a county imposes a \$2 fee pursuant to these provisions, the bill would increase

the additional \$2 fee on commercial vehicles to \$4. The bill would require the county to submit resolutions to impose or increase fees pursuant to these provisions to the Department of Motor Vehicles at least 6 months prior to the operative date of the fee.” The bill passed Senate concurrence, 42-32-5. [AB 2393, [8/11/14](#); California Legislative Information, [8/25/14](#)]

**2014: Harkey Voted Against Raising Car Registration Fees To Collect Money For Bicycle Infrastructure.** In August 2014, Harkey voted against a bill that would, “authorize a city, county, or regional park district to impose and collect, as a special tax, a motor vehicle registration surcharge of not more than \$5 for bicycle infrastructure purposes until January 1, 2025. The bill would require the Department of Motor Vehicles to administer the surcharge and to transmit the net revenues from the surcharge to the local agency. The bill would require the local agency to use these revenues for improvements to paved and natural surface trails and bikeways, including existing and new trails and bikeways and other bicycle facilities, and for associated maintenance purposes.” The bill passed the Assembly, 46-29-4. [SB 1183, [8/20/14](#); California Legislative Information, [9/20/14](#)]

#### **2014: Harkey Voted Against Implementing A 10 Cent Grocery Bag Charge**

**2014: Harkey Voted Against Implementing A 10 Cent Grocery Bag Charge.** In August 2014, Harkey voted against a bill that implemented a 10 cent fee for grocery carryout bags. The bill passed the Assembly, 51-25-3. [SB 270, [8/28/14](#); California Legislative Information, [9/30/14](#)]

### **Local Tax Issues**

#### **2014: Harkey Voted Against Raising Taxes In The City Of El Cerrito By 0.5%**

**2014: Harkey Voted Against Raising Taxes In The City Of El Cerrito By 0.5%.** In August 2014, Harkey voted against a bill that would allow the City of El Cerrito to raise taxes by 0.5%. “This bill would authorize the City of El Cerrito, if certain requirements are met, to impose a transactions and use tax for general purposes at a rate of no more than 0.5% that, in combination with other specified taxes, would exceed the combined rate limit. Under the bill, this authorized tax rate would not be included in the calculation of the 2% limitation. These provisions would be repealed by their own terms on January 1, 2022, if the ordinance is not approved, as specified.” The bill passed Senate concurrence, 49-28-2. [AB 1324, [8/28/14](#); California Legislative Information, [9/29/14](#)]

#### **Harkey Supported New Taxing Districts In Dana Point For Putting Utilities Underground**

**Harkey Supported New Taxing Districts In Dana Point For Putting Utilities Underground.** “Harman counters with a list of a dozen anti-tax hike votes he's made, and points out that Harkey has supported new taxing districts in Dana Point for putting utility lines underground.” [Orange County Register, [4/5/06](#)]

**Harkey’s 2006 State Senate Primary Election Opponent Accused Harkey Of Supporting Fee Increases While On The City Council.** “Harman has hit back with half a dozen brochures of his own, saying Harkey supported fee increases while on the City Council and suggested her anti-illegal immigration credentials were ‘bought’ with donations to activist groups.” [Los Angeles Times, [3/27/06](#)]

### **No Tax Pledge**

#### **2009: Harkey Signed Grover Norquist’s Taxpayer Protection Pledge**

**Harkey Signed Grover Norquist’s Taxpayer Protection Pledge.** “In a campaign whose flames have been fanned by conservative bloggers and commentators such as Rush Limbaugh, anti-tax advocate Grover Norquist has been persuading lawmakers across the country to sign a pledge to vote against any and all tax increases. [...] In California, 40 of the 44 Republicans in the Legislature - and not one of the 75 Democrats - have signed on. [...] 26 of 80 Assembly members: Anthony Adams, Joel Anderson, Tom Berryhill, Sam Blakeslee, Paul Cook, Chuck

DeVore, Mike Duvall, Bill Emmerson, Nathan Fletcher, Jean Fuller, Ted Gaines, Martin W. Garrick, Danny Gilmore, Curt Hagman, Diane Harkey, Kevin Jeffries, Steven Knight, Dan Logue, Jeff Miller, Brian Nestande, Jim Nielsen, Jim Silva, Cameron Smyth, Audra Strickland, Van Tran and Mike Villines.” [Record Searchlight, 2/19/09]

## Transportation Issues

### Significant Findings

- ✓ *Harkey opposed the state's high-speed rail project, which she likened to Solyndra, and said, "the state is fundamentally bankrupt" and did not view federal funds as sufficient for it.*
- ✓ *Harkey on California's high-speed rail plan: "The state is fundamentally bankrupt, and we are carrying a huge debt burden, which is only exacerbated by a wish list of projects."*
- ✓ *Harkey said it would be foolish to spend the 3.9 billion federal funds, which required construction by 2012, and said it was "a \$3.9 billion ... tail wagging a \$200 billion dog" and "cocaine for the train."*
- ✓ *Harkey introduced various pieces of legislation to defund the high-speed rail project by cutting its use of voter approved state bond sales to fund the high-speed rail project.*
- ✓ *When the high-speed rail authority decided to not include Anaheim in its route in order to save \$6 billion, Harkey said there was "really major disappointment."*
- ✓ *On the Dana Point City Council, Harkey supported a toll road extension plan near a state beach and as mayor, removed a councilmember overseeing the project for opposing it.*
- ✓ *Harkey voted against requiring an environmental review study of the impact of expanding the 710 Freeway.*

## California High-Speed Rail

### **Harkey Opposed The State's High-Speed Rail Project, Which She Likened To Solyndra, And Said, "The State Is Fundamentally Bankrupt" And Did Not View Federal Funds As Sufficient For It**

#### **Harkey On California's High-Speed Rail Plan: "The State Is Fundamentally Bankrupt, And We Are Carrying A Huge Debt Burden, Which Is Only Exacerbated By A Wish List Of Projects"**

**Harkey On California's High-Speed Rail Plan: "The State Is Fundamentally Bankrupt, And We Are Carrying A Huge Debt Burden, Which Is Only Exacerbated By A Wish List Of Projects That May Or May Not Be Sustainable."** "She's one of the state's leading proponents for a high-speed rail system, an investment likely to cost more than \$45 billion that she argues would generate jobs, relieve traffic and help clear the air. [...] But the expense of a high-speed rail system is a ripe target for other lawmakers looking for ways to slash spending to cope with the recession's prolonged drop in tax revenue. 'The state is fundamentally bankrupt, and we are carrying a huge debt burden, which is only exacerbated by a wish list of projects that may or may not be sustainable,' said Assemblywoman Diane Harkey, R-Orange County." [Modesto Bee, [3/1/10](#)]

**Harkey: "Right Now, With Where The State Is, It Would Be Best If We Just Dealt With Immediate Needs."** "She wrote a bill that would compel the state to hold off selling the Proposition 1A bonds, and she's skeptical that the statewide high-speed rail plan is a good investment. 'Right now, with where the state is, it would be best if we just dealt with immediate needs,' Harkey said." [Modesto Bee, [3/1/10](#)]

**Harkey Said The Bullet Train Project Was Not Necessary And Questioned If The Project Was "Something We Should Really Have Right Now?"** "Harkey said the state is already over its head in debt and the Legislature needs to take a second a look at the project, which she isn't convinced is even necessary. [...] 'It's a lot of money at



a time when we have overspent,' Harkey said, referring to the state's \$22 billion budget gap. 'Is this something we should really have right now?'" [Mercury News, [3/15/10](#)]

**Harkey On California Being The Only State Building A High-Speed Railway: "It Could Mean We're The First State To Go Off The Cliff Financially If We Don't Call A Halt To The High-Speed Spending."**

"California is now the nation's only state close to building a high-speed railway after Florida killed its project Wednesday, casting further doubt on whether there is enough national support to fund the Golden State's train line. [...] Critics say California is foolish to continue planning its project even as other states kill theirs. 'California seems to be the only taker right now,' said state Assemblywoman Diane Harkey, R-Dana Point, who has proposed deep-sixing California's project. 'But that doesn't mean we're on the cutting edge -- it could mean we're the first state to go off the cliff financially if we don't call a halt to the high-speed spending.'" [Mercury News, [2/16/11](#)]

**Harkey On An Analyst Of The High-Speed Rail Project: "Because This Is A One-Of-A-Kind, Never-Been-Tried Project That Will Be So Obviously Costly, We Really Need To Determine If We Need It."** "California should eliminate the independent agency overseeing its planned high-speed-rail system and hand over development of the project to Caltrans, the nonpartisan legislative analyst concluded in a report issued Tuesday. The state should also consider scrapping its current plan to begin construction on the system with 140 miles of track in the Central Valley - a change that would require approval from the federal government. Instead, officials should consider building the first portion of the system in either Northern or Southern California, or between the Bay Area and the Central Valley, the report says. [...] The report also raises questions about the project's financing. The analyst wrote that the total \$17 billion to \$19 billion the authority expects to receive from the federal government appears 'unrealistic.' The report warns that when California issues the \$9 billion in bonds approved for the rail system in 2008 by voters, it will saddle the state's deficit-plagued general fund with \$1 billion in annual debt service payments for two decades. The report vindicates critics of the authority and the project, said Assemblywoman Diane Harkey, R-Dana Point Orange County. 'Because this is a one-of-a-kind, never-been-tried project that will be so obviously costly, we really need to determine if we need it,' she said." [San Francisco Chronicle, [5/10/11](#)]

**Harkey On The High Speed Rail Project: "You Don't Run Your Home Like That. 'We're Bankrupt."**

"Imagine your finances are down, and you need to cut back. You get rid of the premium cable channels, start shopping at the discount market, scrap date night at the movies, and ... buy a new house? California politicians may decide to embark upon a similar strategy, on a far bigger scale. Even as they must ax crucial services by Friday to help close a \$15.7 billion deficit, state lawmakers are weighing California's costliest project ever: a \$69 billion high-speed rail line. 'You don't run your home like that,' said Assemblywoman Diane Harkey, R-Dana Point, who's tried, unsuccessfully, to kill the bullet train. 'We're bankrupt.'" [Contra Costa Times, [6/8/12](#)]

**2013: Harkey Said The High-Speed Project Did Not Have "A Business Plan," "Funding Source," And "Ridership Study" And Said It's "It's Easy To See How This Money Could Just Be Sucked Out Of The State."** "Only one out of five bidders to design and build the first phase of California's high-speed rail project will win the \$1.8 billion contract — but they will all get paid. The California High-Speed Rail Authority has agreed to issue a \$2 million 'stipend' to all four of the losing bidders, an obscure practice used for some large-scale construction projects. Bullet-train officials say the incentive was designed to attract bidders and therefore spur better, more competitive proposals. [...] Assemblywoman Diane Harkey, an outspoken critic of the project, cited the recent dust-up in arguing for legislative oversight of the rail authority. 'We've never had a business plan. We've never had a funding source. We've never had an accurate ridership study and we are thinking of eminent domaining hundreds of parcels,' said Harkey, R-Dana Point. 'And we're sending out bids and paying out \$2 million as if we are a private company for anyone who wants to bid but doesn't happen to win. 'It's easy to see how this money could just be sucked out of the state and end up going into the black hole and never producing any transportation element for the people of California.'" [San Diego Union-Tribune, [2/3/13](#)]

**Harkey: "I Think We're Just Going To Burn Through The Money Without Ever Really Seeing A Project."**

"'I think we're just going to burn through the money without ever really seeing a project,' said Assemblywoman Diane Harkey, R-Dana Point, who's tried and failed repeatedly to halt the project, which has a \$50 billion funding shortfall. 'The money is burning a hole in our pocket and we're just spending it, and everybody is taking a piece of the pie.'" [Mercury News via Huffington Post, [4/3/13](#)]

---

**Harkey Said It Would Be Foolish To Spend The 3.9 Billion Federal Funds, Which Required Construction By 2012, And Said It Was “A \$3.9 Billion ... Tail Wagging A \$200 Billion Dog” And “Cocaine For The Train”**

---

**Harkey Said It Would Be Foolish For The State To Spend Federal Funds Because It Had To Spend It That Year And Said That The State Had “A \$3.9 Billion ... Tail Wagging A \$200 Billion Dog.”** “The project, which now has an estimated cost of \$98 billion for its first phase, was intended to be funded through the bond funds, federal dollars and private investment. Later this year, the Legislature will consider allocating \$2.7 billion in bond funds for the first phase of the rail project. The federal government has already committed \$3.9 billion, but it must be spent this year. Harkey said it would be foolish to move ahead just to spend that. ‘We have a lot of things we could do with (the) money,’ she said. ‘The problem is we've got a \$3.9 billion ... tail wagging a \$200 billion dog,’ referring to what's been estimated as the eventual final cost.” [Orange County Register, [1/10/12](#)]

**Federal Funding Required Construction Begin By 2012.** “A requirement of the federal funding is that construction start by late 2012. Besides Valadao, the forum will be attended by state Sens. Alan Lowenthal, D-Long Beach, Doug La Malfa, R-Rocklin, and Assembly Member Diane Harkey, R-Rancho Viejo, an announcement said.” [Fresno Bee, [7/20/11](#)]

**Harkey Said Governor Brown Should Pressure The Obama Administration For More Flexibility With Stimulus Funds Or The State Should “Forget About The Fed Funds” Without Flexibility.** “She does not fault Brown, however, in his efforts to secure federal funding for the project. ‘He is under a lot of pressure from the unions and the jobs it will create to support this project. What he could do is pressure the Obama administration in giving the state more flexibility on how it can spend the stimulus money,’ she said. Harkey said the state needs to ‘forget about the fed funds’ without that flexibility. ‘They said they could build a system that would not need subsidies from the state but that won’t happen,’ Harkey said.” [San Mateo Daily Journal, 1/10/12]

**Harkey: “To Rush This Project Forward, Just Using Up The \$3.5 Billion Of Federal Funds, With The Hope Of An Additional Funding Mechanism Based On Guess Work Is Irresponsible.”** “‘If Spain, which is not as rich as California, could build a high-speed rail and make it profitable, if England can, if France, Germany, Japan and China, we can,’ Brown said. He added, ‘If we do this right, it will last for 100 years. Look at the cost over 100 years not just one or two years.’ Harkey sees it as too risky. ‘To rush this project forward, just using up the \$3.5 billion of federal funds, with the hope of an additional funding mechanism based on guess work is irresponsible,’ Harkey said. ‘The federal government provided 3 percent but will not be as eager to help fund the additional 97 percent.’” [Greenwire, 2/1/12]

**Harkey On The Federal Government Easing Its Construction Deadline: “I Think With How It's Progressing, This Was Predictable. The Project Is Having A Lot Of Issues.”** “With a long-standing federal deadline breathing down its neck, California's polarizing \$100 billion bullet train suddenly got a much-needed reprieve Wednesday when the Obama administration eased the target date for starting construction. [...] Still, critics took the news as further evidence that the project is spiraling downward. Support has waned since the cost tripled and the opening of full service between San Francisco and Anaheim was pushed to 2034. Major concerns remain about the source of the rest of the funding, expected rider counts and the tracks' effects on communities along the route. ‘We're having to restart or reconstruct a whole project model in a very short time frame,’ said Assemblywoman Diane Harkey, R-Dana Point, who is helping lead a GOP charge against the train. ‘I think with how it's progressing, this was predictable. The project is having a lot of issues.’” [East Bay Times, [2/29/12](#)]

**Harkey: “Unfortunately, We Have \$3.5 Billion In [Federal] Funds That Is The Cocaine For The Train, And Special Interests Now Feeding Off The Taxpayer's Dime Promoting And Lobbying.”** “‘The people of this state are being fleeced and ignored,’ Harkey said in a statement. ‘We have a broad based, statewide, bi-partisan group that wants to stop this runaway train before it breaks ground. The people were deceived and the more they learn about the project, the less they like. ‘Unfortunately, we have \$3.5 billion in [federal] funds that is the cocaine for the train, and special interests now feeding off the taxpayer's dime promoting and lobbying. The majority party is afraid to act, so the spending continues in spite of budget shortfalls, cuts and pleading from constituents,’ Harkey added.” [Greenwire, 4/25/12]

---

**Harkey: “We Have Endorsements From Counties, Cities, Numerous Citizen Organizations And Farm Bureau Chapters Across The State, A Clear Indication That Many Have Soured On What Is Becoming Another Solyndra On Rails.”**

---

**Harkey: “We Have Endorsements From Counties, Cities, Numerous Citizen Organizations And Farm Bureau Chapters Across The State, A Clear Indication That Many Have Soured On What Is Becoming Another Solyndra On Rails.”** ““This marks the third year we have promoted a solution and every year our support grows. We have endorsements from counties, cities, numerous citizen organizations and Farm Bureau chapters across the state, a clear indication that many have soured on what is becoming another Solyndra on rails,’ Harkey wrote in the statement.” [San Mateo Daily Journal via Michigan Lemon Law, [4/25/12](#)]

---

**Harkey On The Cost Of The Project: “I Don't Think There's Any Way You Can Do Any Part Of This And Keep The Promise That Was Made To The Taxpayers And (The Voters)”**

---

“Faster than a speeding bullet train, the cost of the state's massive high-speed rail project has zoomed to nearly \$100 billion -- triple the estimate given to voters and more than enough to run the entire state government for a year. [...] Much of the cost increase is due to the increased time of construction. ‘We don't have anywhere to get that kind of money,’ said Assemblywoman Diane Harkey, a Southern California Republican who has led the charge against the project. ‘I don't think there's any way you can do any part of this and keep the promise that was made to the taxpayers and (the voters). It just doesn't make any sense at all.’” [Mercury News, [10/31/11](#)]

**Harkey: “To Start A Hole For A Shiny New Toy With Only A Few Percent Of The Needed Money Doesn't Make Sense To Me.”** “But calls for such a massive investment in rail bump up against an unpleasant reality facing many politicians: Money is short for other critical needs. ‘To start a hole for a shiny new toy with only a few percent of the needed money doesn't make sense to me,’ said Assemblywoman Diane Harkey, (R-Dana Point), who led an unsuccessful effort to defund the project. ‘I don't know where we are going to get the money.’” [Los Angeles Times, [11/2/11](#)]

**Harkey Suggested The State Should Instead Invest In Transportation That Already Existed, Such As BART And Amtrak, Or On Transportation Jobs**

---

**Harkey Suggested The State Should Instead Invest In Transportation That Already Existed, Such As BART And Amtrak, Or That Residents Could Fly Or Dive To San Francisco**

---

**Harkey Said The State Would Throw Away \$98 Billion When “When We Already Have An Amtrak That Qualifies For High-Speed Rail With The FRA And We Have Regional Problems.”** ““The voters were deceived. They were sold a lemon,’ said Harkey, R-Dana Point. The costs have tripled, Harkey said, even under a new \$91 billion version of the plan released this week. Harkey said the state could end up throwing away \$98 billion to \$100 billion on a new high-speed rail project ‘when we already have an Amtrak that qualifies for high-speed rail with the FRA (Federal Railroad Administration) and we have regional problems.’” [Orange County Register, [4/4/12](#)]

**Harkey: “We Can Get To San Francisco ... We Have Southwest And A Variety Of Options By Car.”** ““We can get to San Francisco ... we have Southwest (Airlines) and a variety of options by car,’ Harkey said. ‘Unfortunately, we can't get to work. And we can't escape in case of an emergency.’” [Orange County Register, [4/4/12](#)]

**Harkey Said The Project Would “Become A Huge Future Drain On Our State's Budget, While Our Existing Rail And Roadway Infrastructure Is In Dire Need Of Repair.”** “The project's \$98.5 billion price tag will mean greater indebtedness for the state, Harkey said, ‘and become a huge future drain on our state's budget, while our existing rail and roadway infrastructure is in dire need of repair.’” [Greenwire, 1/10/12]

**Harkey Questioned Why The Funds From The Project Could Not Be Used To Improve Amtrak Instead As “Amtrak Can Go 150 Miles Per Hour.”** “Assemblyman David Valadao, R-Hanford, held the High-Speed Rail Community Forum, which included comments from several Kings County speakers who would be affected by the rail line and California High-Speed Rail Authority representatives. Valadao, Assembly-woman Diane Harkey, R-Dana Point, and state Sens. Doug La Malfa, R-Richvale, and Alan Lowenthal, D-Long Beach, moderated the meeting. [...] Harkey questioned why funds couldn't be used to improve Amtrak routes. ‘Amtrak can go 150 miles per hour,’ Harkey said.” [Visalia Times-Delta, 7/22/11]

**Harkey Suggested The State Should Instead Invest In Transportation That Already Existed, Such As BART.** “Harkey said she thinks voters didn't have all the facts when they approved 1A and as the possible price tag for the project rises, it's wise give it a second look. At a time of fiscal crisis, she said, it might be a better idea to invest in transportation options that already exist. ‘(Bay Area Rapid Transit) works, why not spend some money to spruce that up?’ she asked.” [Mercury News, [3/15/10](#)]

---

**Harkey: “How Many Hundreds Of Pages Must Be Generated Before We Pull The Plug On This Idea And Begin Using Scarce State Funds For Real Shovel-Ready Transportation Jobs In Our Communities?”**

---

**Harkey In Response To An Audit: “How Many Hundreds Of Pages Must Be Generated Before We Pull The Plug On This Idea And Begin Using Scarce State Funds For Real Shovel-Ready Transportation Jobs In Our Communities?”** “The state’s high-speed rail project was knocked hard by the state auditor’s office yesterday for its ‘increasingly risky’ funding situation and dozens of errors and inconsistencies in monthly progress reports. [...] With Brown, however, seeking tax increases on the November ballot to maintain school and public safety funding, Harkey said yesterday the governor should not ignore the ‘mountains of evidence’ piling up against the high-speed rail project. ‘Unfortunately the information in ... (the) report is not new. Similar questions and concerns have been raised before by the auditor, the legislative analyst, legislators and staff. How many hundreds of pages must be generated before we pull the plug on this idea and begin using scarce state funds for real shovel-ready transportation jobs in our communities?’ Harkey wrote in a statement.” [San Mateo Daily Journal via Scribd, [1/25/12](#)]

**In Response To The State Audit Report That Said The Bullet Train Project Had An “Increasingly Risky,” Harkey Said That The Funding Situation Was “Not New.”** “The state’s high-speed rail project was knocked hard by the state auditor’s office yesterday for its ‘increasingly risky’ funding situation and dozens of errors and inconsistencies in monthly progress reports. [...] ‘Unfortunately the information in ... (the) report is not new. Similar questions and concerns have been raised before by the auditor, the legislative analyst, legislators and staff. How many hundreds of pages must be generated before we pull the plug on this idea and begin using scarce state funds for real shovel-ready transportation jobs in our communities?’ Harkey wrote in a statement. State Auditor Elaine Howle’s office released a new report yesterday that takes a swipe at the authority’s long-term ridership projections and its overwhelming reliance on federal funds to complete the project.” [San Mateo Daily Journal, 1/25/12]

---

**Harkey Claimed More Jobs Would Be Created Focusing On Regional Transportation And That The Construction Of The High-Speed Rail Would Be Harmful To The Environment**

---

**Harkey On The High-Speed Rail Project: “It's Been Spun As A Job Creator But We Would Create More Shovel Ready Jobs Doing Regional Transportation.”** “Republicans like Diane Harkey who has called high-speed rail a ‘lemon’ --against. Democrats like Cathleen Galgiani, convinced that high-speed rail is a winner. CATHLEEN GALGIANI, CALIFORNIA ASSEMBLYWOMAN: It's a job creator. The first 6.3 billion dollars will create 120 thousand job years for the Central Valley. DIANE HARKEY, CALIFORNIA ASSEMBLYWOMAN: It's been spun as a job creator but we would create more shovel ready jobs doing regional transportation.” [AXS TV, Dan Rather Reports, 10/16/12]

**Harkey On The High-Speed Rail Project: “The Construction Right Now Is Definitely Going To Be Harmful To The Environment.”** “GALGIANI: It's extremely good for the environment. The alternative to high-speed rail is 12 lanes of highway and if we look around in our cities and communities we can't even think where we would put



such a thing. HARKEY: The construction right now is definitely going to be harmful to the environment.” [AXS TV, Dan Rather Reports, 10/16/12]

**Harkey On The High-Speed Rail Project: “I’m Voting Against It And Have For Quite A While.”**

“GALGIANI: This is the future. This is the way to meet our transportation needs. HARKEY: Where they are building it in California is definitely considered a boondoggle. GALGIANI: I’m voting for it absolutely. HARKEY: I’m voting against it and have for quite a while.” [AXS TV, Dan Rather Reports, 10/16/12]

**2012: Harkey Introduced A Bill, Which She Called The Lemon Law, To Forbid The Use Of Voter-Approved State Bond Sales To Fund The High-Speed Rail Project But It Was Died In Committee**

---

**January 2012: Harkey Introduced A Bill To Forbid The Use Of Voter Approved State Bond Sales To Fund The High-Speed Rail Project**

---

**January 2012: Harkey Introduced A Bill To Forbid The Use Of Voter Approved State Bond Sales To Fund The High-Speed Rail Project.** “Also Monday, Assemblywoman Diane Harkey, R-Dana Point, announced her introduction of a bill that would forbid the use of state bond sale proceeds to finance the project. If signed by the governor, the bill would essentially kill the project, approved by state voters in 2008. Harkey’s announcement follows an assessment released last week by a state-appointed peer review group that the project is not financially feasible. Two local state lawmakers said they supported Harkey’s move.” [Bakersfield Californian, 1/10/12]

**Harkey’s Legislation, AB 1455, Once Again Sought To Stop The Bond Sale Voters Approved In Proposition 1A.** “Opposition to California’s high-speed rail line is accelerating, even as the agency planning the controversial \$98.5 billion bullet train narrows down options for the train’s route. A Republican from Southern California yesterday offered legislation to block funding for the train. Assemblywoman Diane Harkey’s A.B. 1455 would halt the sale of bonds that were authorized by 2008’s Proposition 1A. That measure approved \$9.95 billion in financing for a train between San Francisco and Los Angeles.” [Greenwire, 1/10/12]

**Harkey: “The Verdict Is Clear, It’s Time For California To Move Forward And Derail This Ill-Conceived Project.”** ““The verdict is clear, it’s time for California to move forward and derail this ill-conceived project,’ Harkey said. ‘Lack of future federal funding, oversight, accountability and inconsistency in route and planning should sound a strong signal to pull the plug. Our governor is asking for long-term tax increases, while recommending cuts to education and public safety.’” [Greenwire, 1/10/12]

---

**Harkey Called The High-Speed Rail Project A Lemon And A “Boondoggle,” In Which Voters Were Deceived By The Bond Measure Of The Cost Of The Train**

---

**Harkey, Standing Next To A Box Of Lemons, Called The High-Speed Rail Project A Lemon And A “Boondoggle.”** “Standing beside a box of lemons, Assemblywoman Diane Harkey and several other Republican lawmakers declared the California high-speed rail project a lemon Tuesday and urged Gov. Jerry Brown and the Legislature to abandon the project. ‘It was a dream, a nice dream, but now we’re getting into the reality of the financing and who would use it,’ said Harkey, R-Dana Point, who dismissed the high-speed rail line with a proposed stop in Anaheim as a ‘boondoggle.’” [Orange County Register, [1/10/12](#)]

**2008: Voters Approved The Project And The Sale Of \$9.5 Billion Worth Of Bonds For The Project.** “The Legislature can decide on its own whether to vote for or against Gov. Jerry Brown’s proposal to issue \$2.6 billion in state bonds later this year to get the project under way in the Central Valley, Hill said. State voters approved the project by passing Proposition 1A in 2008, which commits about \$9.5 billion in bond proceeds to build a high-speed rail system from San Francisco to Los Angeles.” [San Mateo Daily Journal, 3/17/12]

**Harkey Said Voters “Were Clearly Deceived” By The Bond Measure As The Cost Of The Bullet Train Project In 2008 Was \$36 Billion Which Had Increased To \$98 Billion In 2012.** “But Harkey told the Daily Journal yesterday that voters were given ‘too little’ information about the project when approving the bond



measure. 'In this case, the voters were clearly deceived,' Harkey said. The cost estimate alone has ballooned from about \$36 billion in 2008 when the bond was passed to \$98 billion in the most recent draft business plan released by the rail authority. 'Do we really need all this debt now considering the deficit,' Harkey said. The state has a \$35 billion structural deficit, she said, and cannot afford to add to it. 'It is not workable. Digging a huge ditch in the Central Valley that may never be completed does not make sense,' she said." [San Mateo Daily Journal, 1/10/12]

**Harkey Reportedly Claimed The Bonds Would Cut Into Borrowing For Other Transportation Projects And Increase Debt.** "Republican lawmakers in California have introduced a bill that would block the state from selling bonds for a planned high-speed rail system. The bill's sponsor, Assemblywoman Diane Harkey, said at a press conference Tuesday that the bonds would cut into borrowing for other local transportation projects while significantly increasing the state's debt. The GOP is in the minority in both houses of the Legislature." [BondBuyer.com, [1/12/12](#)]

**Harkey: "California Does Not Need A Shiny New Heavily Subsidized Toy With No Confirmed Ridership When We Have Real Shovel-Ready Infrastructure Jobs In Every Community Awaiting Funding,' She Said In A News Release."** "Gov. Jerry Brown said Friday that his appointees to the board overseeing California's embattled \$98 billion high-speed rail project will fix its problems and offer a revamped business plan after the rail authority's director and its board chairman resigned a day earlier. [...] Assemblywoman Diane Harkey, R-Dana Point, has introduced legislation that would effectively kill the project. During a news conference this week, Harkey said it could double California's debt and become a drain on the budget. 'California does not need a shiny new heavily subsidized toy with no confirmed ridership when we have real shovel-ready infrastructure jobs in every community awaiting funding,' she said in a news release." [Associated Press via San Gabriel Valley Tribune, [1/13/12](#)]

---

**The Assembly Transportation Committee Rejected Harkey's Bill but Harkey Said That Even If The Bill Died, "We Will Get Something Good Out Of This"**

---

**April 2012: The Assembly Transportation Committee Rejected Harkey's Bill.** "But some roadblocks have been removed. The Assembly Transportation Committee on Monday rejected legislation from Rep. Diane Harkey (R) that would have stopped funding for the train. She's dubbed her bill the 'Lemon Law' because she said voters are not getting what they were promised when they passed Proposition 1A in 2008, spawning the high-speed rail development. That measure approved \$9.95 billion total for a train connecting San Francisco and Los Angeles in two hours and 40 minutes." [Greenwire, 4/25/12]

**The Bill Failed On A 4-9 Vote.** "Legislation to stop bond funding for the state's high-speed rail project failed to pass out of committee yesterday but the Southern California lawmaker who authored the so-called 'Lemon Law' bill plans to reintroduce it or similar legislation, her office told the Daily Journal yesterday. Assembly Bill 1455, authored by Assemblywoman Diane Harkey, R-Dana Point, failed to pass out of the Assembly Committee on Transportation yesterday on a 4-9 vote." [San Mateo Daily Journal via Michigan Lemon Law, [4/25/12](#)]

**Harkey: "The People Of This State Are Being Fleeced And Ignored... The People Were Deceived And The More They Learn About The Project, The Less They Like."** "Earlier this month, the Burlingame City Council voted to support Harkey's bill, joining a long list of other cities and counties across the state that oppose the California High-Speed Rail Authority's plan to build a rail system between San Francisco and Los Angeles. 'The people of this state are being fleeced and ignored. We have a broad-based, statewide, bipartisan group that wants to stop this runaway train before it breaks ground. The people were deceived and the more they learn about the project, the less they like,' Harkey wrote in a statement yesterday." [San Mateo Daily Journal via Michigan Lemon Law, [4/25/12](#)]

**A Number Of Cities, Including San Diego, Bakersfield, And Carlsbad, And Counties, Including Orange And San Diego, Voted To Express Support For Harkey's Bill.** "In recent months, the cities of Bakersfield, Chowchilla and the mayor of Carlsbad have also offered support for Harkey's lemon law. The city of Atherton was

one of the first to support Harkey's bill, joining Hanford, Mission Viejo, San Juan Capistrano and Oceanside, among others. The counties of Amador, Kern, Kings, Orange, San Diego, Shasta and Tulare also voted to support the Harkey bill." [San Mateo Daily Journal via Michigan Lemon Law, [4/25/12](#)]

**Harkey That Even If The Bill Died, "We Will Get Something Good Out Of This" As The Bill Focused Attention On The Project's Finances.** "AB1455 would pull the plug on \$9 billion in uncontracted state bond indebtedness on the proposed high-speed rail system while leaving \$950 million intact for local and regional rail projects. Harkey said the state has built up \$50 billion in bonded indebtedness since 2004, including \$10 billion for high-speed rail, and that next year, 10 percent of the state's general-fund budget will be to service debt. Even if the bill dies, it is focusing attention on potentially massive downsides of a high-speed project that once sounded good. 'We will get something good out of this,' Harkey said." [Orange County Register, [4/4/12](#)]

### **Harkey Previously Proposed Legislation To Defund The High-Speed Rail Project But Would Later Amend One Of Her Legislation When Faced With Opposition**

---

#### **2010: Harkey Proposed A Bill To Cut Off Funding For The Bullet Train**

---

**The Mercury News: "Lawmaker Proposes Bill To Derail Funds For California Bullet Train."** [Mercury News, [3/15/10](#)]

**Harkey Wrote A Bill To Place Proposition 1A, Which Authorized \$9.95 Billion In Bonds For A High-Speed Rail, On Hold.** "Galgiani helped write Proposition 1A, the successful 2009 ballot measure that dedicated \$9.95 billion in bonds to launch the effort. In January, the Obama administration set aside \$2.4 billion for high-speed rail, boosting momentum for the fast trains. [...] She wrote a bill that would compel the state to hold off selling the Proposition 1A bonds, and she's skeptical that the statewide high-speed rail plan is a good investment. 'Right now, with where the state is, it would be best if we just dealt with immediate needs,' Harkey said." [Modesto Bee, [3/1/10](#)]

**2010: Harkey Proposed A Bill To Cut Off Funding For The Bullet Train.** "A bill proposed by a Southern California state lawmaker would derail the construction of the Los Angeles-to-San Francisco bullet train by cutting off \$9.95 billion in voter-approved funding. The legislation by Assemblywoman Diane Harkey, R-San Juan Capistrano, would use a little-known portion of the state constitution to stop the sale of Proposition 1A bonds to pay for a portion of the \$42.6 billion train that would zip passengers between Northern and Southern California in 2 1/2 hours. Up to \$400 million of the \$9.95 billion in Proposition 1A money is slated for Bay Area train agencies to make upgrades necessary to accommodate the 125-mph bullet trains." [Mercury News, [3/15/10](#)]

**Harkey Invoked The State Constitution To Stop The Sale Of The Voter-Approved Bonds.** "Under Article XVI of the California Constitution, the state Legislature can stop the sale of voter-approved bonds. Harkey's bill would take that power and apply it to 1A money, she said Monday. According to the California High Speed Rail Authority, \$29.1 million in 1A bonds were sold last fiscal year, which ended in July. An additional \$139 million are to be offered this year." [Mercury News, [3/15/10](#)]

**The California Labor Federation, The California Labor Association, And Other Groups Opposed The Legislation.** "While the bill had support from the Howard Jarvis Taxpayers Association, it was opposed by the California Labor Federation and the California Nurses Association. Caltrain, SamTrans, Santa Clara VTA and the San Mateo County Economic Development Association also sought to defeat it." [San Jose Mercury News via East Bay Times, [4/23/10](#)]

---

#### **2010: Harkey Amended Her Legislation After It Faced Hurdles To Instead Push For Greater Oversight**

---

**HEADLINE: "Bill To Kill High-Speed Rail Project Is Revised, Advances In Legislature"** [San Jose Mercury News via East Bay Times, [4/23/10](#)]

**Harkey Amended Her Legislation After She Reportedly Thought It Would Not Make It Out Of Committee To Require Spending And Finance Reports To The Legislature Regarding The Bullet Train Project.** “After state legislators swiftly killed a movement by a Southern California lawmaker to stop the high-speed train project, the bill’s author substantially altered the legislation, which passed its first hurdle this week. Assembly Bill 2121, by Diane Harkey, R-Dana Point, sought to block all funding from Proposition 1A, the \$9.95 billion bond voters approved in November 2008 to launch the project. Sensing the bill would not make it out of its first committee, Harkey agreed to work with Democrats to change the legislation, which was titled ‘Eliminate funding for high-speed rail’ when introduced in February. Now, the bill would instead require the California High-Speed Rail Authority to submit six-year spending plans and annual financing reports to the Legislature.” [San Jose Mercury News via East Bay Times, [4/23/10](#)]

**Harkey Reportedly Faced Hurdles In Eliminating Funding As It Sought To Overturn A Voter-Approved Initiative.** “The documents would need to include any proposed debt and costs associated with the \$43 billion project. Although there has been considerable opposition to the bullet train in some areas particularly on the Peninsula Harkey faced an uphill battle from the start with the original version of the bill, in part because it aimed to overturn a voter-approved initiative.” [San Jose Mercury News via East Bay Times, [4/23/10](#)]

**Harkey On The Changes To Her Bill: “But The Overall Issue Of Funding And The Potential For State And Local Debt Remains Unchanged. This Project Could Pose A Huge Risk To The Overall Solvency Of The State.”** “‘I have accepted the proposed amendments because they allow for an added level of accountability,’ Harkey said in a statement. ‘But the overall issue of funding and the potential for state and local debt remains unchanged. This project could pose a huge risk to the overall solvency of the state.’” [San Jose Mercury News via East Bay Times, [4/23/10](#)]

**The Bill Passed Committee With A 13-0 Vote.** “The Assembly Committee on Transportation passed the new version of the bill in a 13-0 vote this week. It will now head to the Appropriations Committee.” [San Jose Mercury News via East Bay Times, [4/23/10](#)]

---

### **2011: Harkey Sponsored A Bill To Defund The High-Speed Rail Project That Died In Committee**

---

**2011: Harkey Sponsored A Bill To Defund The High-Speed Rail Project That Died In Committee.** “A move seeking to scuttle California’s high speed rail program in the state Assembly was thwarted by pro-rail forces, keeping the Golden State’s HSR efforts in the forefront of U.S. possibilities and offering, perhaps, a sign of ‘pushback’ from advocates of HSR and higher-speed rail (HrSR) stung by recent political setbacks. The California bill to defund HSR, sponsored by Republican Assemblywoman Diane Harkey (pictured) died in committee. ‘What are the risks of the project? We don’t even know,’ said Harkey, referring to the state’s HSR program, currently projected to cost \$44 billion for roughly 700 miles of right-of-way, the majority of it grade-separated. ‘It could be \$66 [billion] to \$100 billion and that’s without the trainsets and without the operating expenses.’” [Railway Age, 5/1/11]

|   |
|---|
| <b>2012: When The High-Speed Rail Authority Decided To Not Include Anaheim In Its Route In Order To Save \$6 Billion, Harkey Said There Was “Really Major Disappointment”</b> |
|---|

---

### **2012: Harkey Expressed Disappointment When The High-Speed Rail Authority Did Not Include Anaheim To Cut Costs As A \$184 Million Transportation Center Would No Longer Be Needed For Anaheim**

---

**2012: The High-Speed Rail Authority Decided To Not Include Anaheim In Its Route In Order To Save \$6 Billion.** “California’s proposed high-speed rail line has a new, shorter route that no longer will end near one of the state’s best-known tourist attractions. Anaheim, Calif., the Orange County city that is home to Disneyland, has been cut from the train’s electrified, high-speed route. The line now will end in Los Angeles at its southernmost point and San Francisco to the north, High-Speed Rail Authority spokesman Lance Simmens confirmed yesterday. The change happened as the state’s High-Speed Rail Authority looked for ways to shrink the project’s

price tag to its current \$68.4 billion from an early \$99.5 billion. Eliminating construction of new, electrified track between Los Angeles and Anaheim will save \$6 billion, Simmens said.” [Greenwire, 4/10/12]

**Harkey Criticized The Decision Saying That Southern California Outside Of Los Angeles “Continually Gets The Shaft” And That The New Route “Doesn’t Serve The Areas That We Need.”** “But both Democrats and Republicans criticized the revision. The decision to remove Anaheim from the high-speed rail portion of the route makes the system one that is even less useful for most residents, said state Assemblywoman Diane Harkey (R), who represents several cities in south Orange County. She is a skeptic of the development and already had authored legislation to halt its bond financing. ‘Southern California outside of Los Angeles continually gets the shaft when it comes to any transportation dollars,’ Harkey said, adding, ‘even Anaheim that was a strong supporter [of high-speed rail] is getting the shaft. ‘It doesn’t serve Southern California,’ Harkey said of the planned bullet train. ‘It will never serve Southern California. It doesn’t serve the areas that we need.’” [Greenwire, 4/10/12]

**Harkey Said That The High-Speed Rail Authority Lacked Credibility In Saying The New Route Would Save \$6 Billion And That It Would Offer Improvements To Current Los Angeles-Anaheim Routes.** “What we are doing is we’re moving from in the draft plan what was a one-seat ride to Anaheim to a transfer in Los Angeles,’ Simmens said. ‘So you’re going to have superior improvements in that section, but you’re going to have to get off the train in Los Angeles and transfer to the train to get to Anaheim. ‘We could save \$6 billion by giving better service from Los Angeles to Anaheim but not doing \$6 billion worth of improvements that in a lot of instances the local leadership down there, particularly the Orange County Transportation Authority did not want,’ Simmens added. Harkey disputed the accuracy of that description, saying that the bullet train agency wanted to put a positive spin on the change. The High-Speed Rail Authority lacks credibility, she said, because it ‘has been misleading the public for years.’” [Greenwire, 4/10/12]

**Harkey Said There Was “Really Major Disappointment Here” As A \$184 Million Transportation Center Was Planned In Anaheim For The High-Speed Rail Project.** “A \$184 million transportation center is planned in Anaheim for high-speed rail, Harkey said, adding ‘there’s really major disappointment here.’ That new transportation center will provide service to commuter line Metrolink, buses and shuttles and ‘is being built to accommodate future high-speed rail,’ said Joel Zlotnik, spokesman for the Orange County Transportation Authority (OCTA).” [Greenwire, 4/10/12]

**Harkey: “Anaheim Was Always A Secondary Thought.”** “In a blow to Orange County’s hopes for a boost to business and tourism, the California bullet train project has dropped a link to Anaheim from its current, \$68-billion plan. [...] Assemblywoman Diane Harkey (R-Dana Point), a longtime critic of the project, said she wasn’t surprised by the decision because the rail agency is ‘trying to count votes right now, and Los Angeles, San Francisco and the Bay Area is where they will find them, if they exist. Anaheim was always a secondary thought.’” [Los Angeles Times, [4/7/12](#)]

---

**Harkey On Where The High-Speed Rail Project Construction Was Planned: “I’m Still Not Clear As To Why We’re Starting In The Central Valley”**

---

**Harkey On Where The High-Speed Rail Project Construction Was Planned: “I’m Still Not Clear As To Why We’re Starting In The Central Valley.”** “Much of that debate is likely to remain around the authority’s plan to start construction in the Central Valley, where it contends construction is least expensive and where the federal government earmarked aid. The area is far from California’s largest cities, and Assemblywoman Diane Harkey, R-Dana Point, told rail officials hours after the business plan’s release, ‘I’m still not clear as to why we’re starting in the Central Valley.’ In the Bay Area and Los Angeles, the authority changed course. Its proposal to use existing rail lines in those areas could blunt opposition to construction there.” [Fresno Bee, [10/31/11](#)]

**Harkey Expressed Skepticism And Criticism Of The High-Speed Rail Authority To Oversee The High-Speed Rail Project As She Said, “Putting This Under Another Bureaucracy Is Not The Answer”**



---

**Harkey On The Creation Of A Department To Run The High-Speed Rail Project: “Putting This Under Another Bureaucracy Is Not The Answer.”**

---

**Harkey On The Creation Of A Department To Run The High-Speed Rail Project: “Putting This Under Another Bureaucracy Is Not The Answer.”** “The Assembly on Friday joined the Senate in tightening oversight of the project, voting to create a department to run the system that is expected to cost more than \$43 billion. But that didn't please all lawmakers. Some said the concept itself is a loser, doomed to cost overruns and long-term debt. ‘Putting this under another bureaucracy is not the answer,’ said Assemblywoman Diane Harkey, a Dana Point Republican. She argued that California should halt the project before construction starts because it can't count on the federal government or private companies to foot the bill, which would leave the state's taxpayers on the hook and send debt soaring.” [Inland Valley Daily Bulletin, 6/5/11]

---

**2012: Harkey Expressed Skepticism That A Change In Management For The California High-Speed Rail Authority Board Would Improve The Project's Situation**

---

**2012: Harkey Expressed Skepticism That A Change In Management For The California High-Speed Rail Authority Board Would Improve The Project's Situation.** “The push to respond better to the Legislature comes as the authority reorganizes itself after a shakeup. Richard, 60, a relative newcomer to the board, took over as chairman Feb. 2. He has called the management transition ‘a fresh start.’ CEO Roelof van Ark left the authority at the beginning of this month, and board member Tom Umberg stepped down as chairman. Many saw the changes as Brown's effort to steer the undertaking in a new direction. [...] State Assemblywoman Diane Harkey (R) expressed skepticism that new management can turn the project around.” [E&E News, [2/13/12](#)]

**Harkey Said Dan Richard, The New Chairman, Had A Good Reputation.** “She has sponsored a bill that would halt the sale of bonds for the high-speed rail line. ‘The numbers are the numbers,’ Harkey said. ‘They can't get \$60 billion to \$80 billion from the federal government’ to make up the difference between the \$13.45 billion in dedicated revenues and the estimated \$98.5 billion cost. Richard, who worked on building the San Francisco area's Bay Area Rapid Transit (BART) train system, has a good reputation, Harkey said. ‘What we had before was basically a PR machine,’ Harkey said. ‘That's fine if you're trying to win votes. When the rubber meets the road, you really have to understand what you're doing. You can't spin. ‘To match the plan with what the people were sold, that's where the problem is.’” [E&E News, [2/13/12](#)]

---

**Harkey Expressed Criticism Over The Ascension Of Jeffrey Morales As The CEO Of The High-Speed Rail Authority Due To His Previous Firm's Involvement In The Project**

---

**Harkey Expressed Criticism Over The Ascension Of Jeffrey Morales As The CEO Of The High-Speed Rail Authority Due To His Previous Firm's Involvement In The Project.** “As the new CEO of the California High-Speed Rail Authority, Jeffrey Morales will be required to review the performance of the consulting companies working on the 520-mile high-speed rail line from San Francisco to Los Angeles - including his former colleagues. Morales, whose contract as CEO was approved June 8 and becomes official on Monday, was previously a senior vice president of Parsons Brinckerhoff, the program manager for voter-approved Proposition 1A, which aims to create a high-speed railway traveling from San Francisco to Los Angeles. [...] Assemblywoman Diane Harkey, R-Dana Point, called the decision to hire Morales ‘predictable.’ ‘There is money flying out the door. I don't understand it; I don't pretend to understand it. The performance so far has been pretty poor, and Parsons has been involved in it every step of the way,’ Harkey said.” [Orange County Register, [6/14/12](#)]

---

**2012: Harkey, Who Said She Had Not Initially Seen A New Plan To Cut Costs, Criticized It Given Its New Cost Was Still Higher Than The Amount Expected When Voters Approved Proposition 1A**

---

**2012: The California High-Speed Rail Authority Released A New Plan To Cut The Project's Cost.** “The agency overseeing California's high-speed rail project has issued a back-to-the-drawing-board business plan that dramatically lowers the system's estimated cost and expands its initial phase, but critics say it still remains too costly and does not deliver what voters intended. An updated business plan to be released Monday by the



California High-Speed Rail Authority lowers the projected price tag from the \$98 billion the authority proposed last fall to \$68.4 billion. Even that amount is far higher than the \$43 billion promised in the ballot initiative voters approved four years ago.” [Associated Press via San Diego Union Tribune, [4/1/12](#)]

**Harkey, Who Said She Had Not Seen The New Plan, Criticized It Given Its New Cost Was Still Higher Than The Amount Expected When Voters Approved Proposition 1A.** “Republican state Assemblywoman Diane Harkey said she had not seen the revised business plan but had the same questions she has been asking for months, especially with the new price remaining \$25 billion above the amount initially sold to voters and no guarantees of long-term funding. She also noted that the plan before voters four years ago promised that passengers would be whisked on 220 mph trains between San Francisco and Los Angeles in about 2 hours and 40 minutes. The Dana Point Republican is sponsoring a bill that would repeal the state bond funding but free \$950 million for local and regional rail projects. ‘It’s very apparent right now that this \$9 billion is not happening the way voters approved it,’ Harkey said Saturday.” [Associated Press via San Diego Union Tribune, [4/1/12](#)]

**Harkey Said That A Change In The High-Speed Rail Project’s Plan Should Push Lawmakers To Block The Sale Of Bonds For It.** “California’s high-speed rail authority released a fresh proposal Monday for a bullet train linking Northern and Southern California, with a price tag of \$68.4 billion and a scaled-back design to address sustained criticism of a project that has been called a boondoggle and a train to nowhere. The revised proposal speeds completion to 2028, about five years earlier, and puts the cost at \$30 billion less than a draft plan released last fall. However, the cost is still \$25 billion more than the plan voters approved four years ago. [...] Critics say the numbers still won’t pencil out, although they hadn’t seen the revised proposal. Assemblywoman Diane Harkey, R-Dana Point said the authority’s changing plans should lead lawmakers to block the sale of the bonds for the project. ‘The entire high-speed rail project needs to go back to the drawing board,’ she said.” [Associated Press, [4/2/12](#)]

**The Associated Press Reported Harkey As The Republican’s “Point Person On The High-Speed Rail Issue.”** “Assemblywoman Diane Harkey, R-Dana Point, Assembly Republicans’ point person on the high-speed rail issue, said the authority’s changing plans should lead lawmakers to block the sale of the bonds for the project. ‘The entire high-speed rail project needs to go back to the drawing board,’ she said.” [Associated Press San Diego Union-Tribune, [4/2/12](#)]

### **Harkey Advocated For Stronger Oversight Over The High-Speed Rail Project And Its Managing Authority**

---

#### **Harkey Called For At Least Two Audits Of The High-Speed Rail Authority And The Project**

---

**2013: Harkey Called For An Audit Of The High-Speed Rail Authority’s Oversight Of Private Contractors.** “Meanwhile, Assemblywoman Diane Harkey, R-Dana Point, has called for an audit of the authority’s ‘oversight and management of private contractors for the initial 29-mile segment between Madera and Fresno,’ citing prior audit findings of risky ridership assumptions, incomplete funding assessments and ‘cost estimates that were borderline laughable.’” [Orange County Register, Editorial, [3/28/13](#)]

**2012: Harkey Requested An Audit Of The High-Speed Rail Project, Which Was Rejected, And Planned To Submit One In 2013.** “Harkey’s request for Howle to perform another audit of the project was rejected in a legislative committee last year, but she said she will re-submit it this year. ‘It’s state debt and public funds, and we really need some oversight,’ she said.” [Associated Press via 7 San Diego, [1/19/13](#)]

---

#### **Harkey Suggested Another Agency Should Review The High-Speed Rail Authority’s Contracts As She Expressed Concern Over The Lack Of Oversight Of The High-Speed Rail Authority**

---

**Harkey Suggested Another Agency Should Review The High-Speed Rail Authority’s Contracts As She Expressed Concern Over The Lack Of Oversight Of The High-Speed Rail Authority.** “Assemblywoman Diane Harkey, a critic of high-speed rail, said she is concerned about a lack of oversight at all levels of the project,

including that the authority is not responsible to anyone other than the governor. ‘The contractors are reporting to the contractors reporting to the contractors,’ said Harkey, R-Dana Point. She said some agency other than the authority should be reviewing all its contracts in detail.” [Associated Press via 7 San Diego, [1/19/13](#)]

---

### **2011: Harkey Introduced Legislation To Limit The Amount Of Debt The High-Speed Rail Project Could Accrue And Another To Require An Investment Analysis**

---

**2011: Harkey Introduced Legislation To Limit The Amount Of Debt The High-Speed Rail Project Could Accrue And Another To Require An Investment Analysis.** “Assemblywoman Diane Harkey, R-Oceanside, has six bills, including one that would limit the amount of debt allowed by the state's high-speed rail project and one to require the massive project to undergo an investment analysis.” [North County Times, 2/23/11]

---

### **Harkey Opposed Legislation To Remove Oversight Of The High-Speed Rail Authority’s Management Of Property**

---

**Harkey Opposed Legislation To Remove Oversight Of The High-Speed Rail Authority’s Management Of Property.** “The California High-Speed Rail Authority could manage property it has bought for the bullet train without extra oversight under legislation now heading to the governor. The bill by Democratic Assemblywoman Bonnie Lowenthal, of Long Beach, allows rail officials to negotiate property access rights and sell excess land without getting approval from the state Department of General Services. Lowenthal says AB481 makes handling property issues faster and more cost efficient. The Assembly passed the bill 51-22 Thursday. The authority has started the process to buy land along a 30-mile rail corridor in the Central Valley. More than \$3 billion in federal money is contingent upon the first phase being completed by 2017. Republican Assemblywoman Diane Harkey, of Dana Point, opposed the bill, saying the independent oversight is needed.” [Associated Press via San Diego Union-Tribune, [8/8/13](#)]

### **Harkey On The High-Speed Railway Being Built On Farmland: “This Is Cultural Genocide, And We Can't Tolerate That.”**

**Harkey On The High-Speed Railway Being Built On Farmland: “This Is Cultural Genocide, And We Can't Tolerate That.”** “Brown and Democratic lawmakers are expected to frame the budget controversy as a choice between higher taxes or dramatic service cuts. Conway, Republican Party Chairman Tom Del Beccaro and Assemblywoman Diane Harkey, R-Dana Point, said that is a false choice. ‘It's disingenuous to scare people,’ Conway said. Conway said state government could save \$2.5 billion by reducing operating and equipment budgets by 20 percent. Harkey pointed to California's high speed rail project as an example of unnecessary spending. She also objected to it being built through farmland. ‘This is cultural genocide, and we can't tolerate that,’ she said.” [Sacramento Bee, 4/7/11]

### **Harkey Questioned The Accuracy Of The Bullet Train’s Expected Benefits**

**Harkey On The Ridership And Cost Figures: “They Are Playing Lots Of Shenanigans, Like Counting One Man Who Is A Potential Ticket Taker For 20 Years As 20 Jobs.”** “‘This is a train to nowhere, the Governor Moonbeam express,’ says Assemblywoman Diane Harkey, invoking the pejorative nickname given to Brown in his first term by Chicago journalist Mike Royko, who thought Brown's wild ideas were appealing only to a New Age crowd. She says part of the reason Brown doesn't want to back off now is because \$3.5 billion that has already been designated by the Obama administration includes funding for a project in Rep. Nancy Pelosi's district. She also questions the ridership and cost figures. ‘They are playing lots of shenanigans, like counting one man who is a potential ticket taker for 20 years as 20 jobs,’ says Ms. Harkey.” [Christian Science Monitor, [1/25/12](#)]

### **Harkey Said Governor’s Brown Support For The High-Speed Rail Project “Just Does Not Fit With Reality”**

**Harkey Said Governor's Brown Support For The High-Speed Rail Project "Just Does Not Fit With Reality."** "Harkey was also critical of Brown's staunch support for the state's high-speed rail project. 'We are broke and for the governor to insist on dreaming big by spending untold billions on a high-speed rail network, in a location where there is no ridership, or potential for continued funding, just does not fit with reality,' Harkey said." [San Mateo Daily Journal via Scribd, [1/19/12](#)]

**Harkey Said That Governor Brown's Proposal To Use The State's Pending Cap-And-Trade Program To Fund The Bullet Train Was Dangerous As The Revenue Estimates "Are Unreliable And Unsubstantiated."** "Revenue from California's pending cap-and-trade program could be used to help bankroll the state's controversial bullet train, according to Gov. Jerry Brown. [...] A Republican lawmaker warned that linking cap-and-trade money and high-speed rail could be dangerous. 'The state's cap-and-trade program is not yet in operation and revenue estimates of \$1 billion per year are unreliable and unsubstantiated,' said Assemblywoman Diane Harkey (R), who has sponsored a bill that would halt the sale of bonds for the high-speed rail line. 'Relying on projected revenues that fall short is the key reason why our state deficit continues to explode year after year.'" [Greenwire, 2/1/12]

## **Toll Roads**

**On The Dana Point City Council, Harkey Supported A Toll Road Extension Plan Near A State Beach And As Mayor, Removed A Councilmember Overseeing The Project For Opposing It**

---

**On The Dana Point City Council, Harkey Supported A Toll Road Extension Plan Near A State Beach And As Mayor, Removed A Councilmember Overseeing The Project For Opposing It**

---

**Harkey Supported A Toll Road Extension Plan Near San Onofre State Beach, Which She Said Would Not Hurt The Park.** "Harkey is campaigning hard as the 'real' Republican, touting the endorsement of Campbell and dozens of other elected Republicans. There are two points in particular where they part ways. Harman, who as a Huntington Beach councilman fought for less development near the Bolsa Chica wetlands, opposes the Foothill South (241) Toll Road extension plan, which he says jeopardizes San Onofre State Beach. Harkey supports the plan and says it won't hurt the park." [Orange County Register, [4/5/06](#)]

**As Mayor, Harkey Took Off A Fellow Councilmember On A Committee That Oversaw The Foothill Toll Road Project As The Councilmember Opposed The Project.** "However, he hastened to add that Harkey acted within her rights as mayor and merely showed a different management style. Perhaps the biggest disagreement about committee assignments came over who would serve on the Foothill/Eastern Transportation Corridor Agency, which oversees the Foothill (241) Toll Road. City Councilwoman Lara Anderson was taken off the Board of Directors for the toll road agency due to her stance against the toll road's proposed route. Anderson had previously served for two years on the agency board and was secretary of the board when she was removed." [Orange County Register, 2/15/07]

**Harkey: "She Is Not A Proponent Of The Toll Road. That Was One Of My Deciding Factors. I Am A Proponent Of The Foothill South."** "Harkey said she is a proponent of the toll road -- as is the city -- and as such she did not want someone who did not support the project on the board. 'She's had two years on the TCA,' Harkey said. 'She is not a proponent of the toll road. That was one of my deciding factors. I am a proponent of the Foothill south. The city has always been in favor of the Foothill south, and I still am, and so is, I believe, the rest of the council.'" [Orange County Register, 2/15/07]

---

**Harkey Dismissed Concern That The Toll Road Would Interfere With A Surfing Competition That Brought 400,000 Surfers And \$13 Million To The Local Economy**

---

**The California Coastal Commission Rejected The Proposal To Build A Toll Road Near San Onofre Beach, Meaning The Proposal Did Not Meet State And Federal Legal Requirements.** "The California Coastal Commission rejected a proposal late Wednesday to build a toll road that would cut through a popular beachfront state park that's home to a world-renowned surf break called Trestles. The commission voted 8-2 against the

project, which had raised the ire of surfers and environmentalists who argued it would wipe out about a dozen endangered or threatened coastal species, decimate an ancient Indian burial ground and block sediment that creates world-class waves at San Onofre State Beach. The panel's vote, which was the first of nearly a dozen reviews by state and federal agencies, means that commissioners found that the project doesn't meet with the legal requirements of the federal Coastal Zone Management Act and California's Coastal Act." [Associated Press via East Bay Times, [2/8/08](#)]

**Harkey: "I Understand The Surfers Feel Their Beach Will Be Disturbed And They Want To Keep Their Little Haven To Themselves. But Many Of Our Cities Are Built Out. We Have Nowhere To Route This Traffic."** "Supporters argued that the 16-mile road was necessary to relieve crushing rush hour traffic where 125,000 cars pass each day between Orange County and San Diego. Studies commissioned by the Transportation Corridor Agencies, which finances and builds Orange County's toll roads, found that a 16-mile drive on Interstate 5 will take an hour by 2025 if nothing is done. [...] The toll road agency cited studies that found that without the turnpike, by 2025 a 16-mile drive on that stretch of Interstate 5 would take an hour. They said the alternative widening the I-5 would destroy more than 1,200 homes and businesses. 'I understand the surfers feel their beach will be disturbed and they want to keep their little haven to themselves,' said Diane Harkey, a councilwoman from Dana Point. 'But many of our cities are built out,' she said. 'We have nowhere to route this traffic.'" [Associated Press via East Bay Times, [2/8/08](#)]

**Opponents To The Toll Road Expressed Concern That The Toll Road Would Interfere With Surf Condition That Brought 400,000 Surfers And \$13 Million To The Local Economy For A Surfing Championship Tour.** "But speakers at the hearing questioned the wisdom of intruding on the state's fifth-most popular state park and its famous surf break for the benefit of commuters. Surfers worry the road would block the fist-sized rocks that wash down the San Mateo Creek watershed and line the shallows. They believe those 'cobbles' create the wave conditions that earn Trestles one of the coveted spots on surfing's annual World Championship Tour. The break attracted 400,000 surfers last year and contributes up to \$13 million to the local economy, the commission staff said." [Associated Press via East Bay Times, [2/8/08](#)]

**Harkey Supported A Toll Road, Which Some Claimed Could Worsen Traffic Flow, And Said, "Abhor Anyone's Selfishness In Opposing This Tollway"**

**Harkey Supported The San Joaquin Hills Transportation Corridor, A Toll Road, Which Some Claimed Could Worsen Traffic Flow, And Said, "I Abhor Anyone's Selfishness In Opposing This Tollway."** "The San Joaquin Hills Transportation Corridor would shift traffic to the Corona del Mar (73) Freeway and the southern reaches of the San Diego (I-5) Freeway. Under the paradox, the traffic shift would hurt more than help. Tollway backers said the paradox is hogwash, just fodder for the road's Earth First opponents. [...] Diane Harkey of Capistrano Beach made an impassioned plea for south Orange County people who need the road as an escape valve. 'They've got tons and tons of freeways in north county,' Harkey said. 'It's terrible down here. We cannot get out of here. I abhor anyone's selfishness in opposing this tollway.'" [Orange County Register, 8/29/93]

## Highways

**Harkey Voted Against Requiring An Environmental Review Study Of The Impact Of Expanding The 710 Freeway**

**Harkey Voted Against Requiring An Environmental Review Study Of The Impact Of Expanding Highway I-710.** In September 2013, Harkey voted against a bill that would, "require the lead agency, in consultation with all interested community organizations, to include, within the environmental review process for the project, alternatives to address the air quality, public health, and mobility impacts the project will have on neighboring communities, including, in its entirety, Community Alternative 7, as defined, as a complete project alternative. The bill would require the final environmental document approved by the lead agency to include an investment in identified mitigation measures and community benefits for the affected communities and the Los Angeles River. The bill would require the lead agency to submit a report in that regard to the I-710 EIR/EIS Project Committee at

least 90 days prior to approving the final environmental document for the project.” The bill passed the Assembly, 55-20-3. [SB 811, [9/9/13](#); California Legislative Information, [9/12/13](#)]



## Women

### Significant Findings

- ✓ *Harkey voted against expanding access to abortion by voting against allowing more medical professionals, primary care clinics, and practice clinicians from performing abortions.*
- ✓ *Harkey voted against a bill requiring health insurance companies to cover female contraceptives.*
- ✓ *Harkey voted at least three times against allowing registered nurses from dispensing or administering hormonal contraceptives.*
- ✓ *Harkey voted at least three times against requiring health plans and insurers that provide maternity benefits to make breast pumps available to women and said babies could figure it out.*

## Abortion

### **Harkey Voted Against Expanding Access To Abortion By Allowing More Medical Professionals, Primary Care Clinics, And Practice Clinicians From Performing Abortions**

**2013: Harkey Voted Against A Bill That Allowed More Medical Professionals To Perform Abortions.** In August 2013, Harkey voted against a bill that would authorize nurse practitioners, nurse-midwives and physicians assistants to perform abortions. “The bill would also require a nurse practitioner, certified nurse-midwife, or physician assistant to complete training, as specified, and to comply with standardized procedures or protocols, as specified, in order to perform an abortion by aspiration techniques, and would indefinitely authorize a nurse practitioner, certified nurse-midwife, or physician assistant who completed a specified training program and achieved clinical competency to continue to perform abortions by aspiration techniques. The bill would delete the references to a nonsurgical abortion and would delete the restrictions on assisting with abortion procedures.” The bill passed Senate concurrence, 49-25-4. [AB 154, [8/30/13](#); California Legislative Information, [10/9/13](#)]

**Northern California ACLU: AB 154 Would “Improve Abortion Access.”** “AB 154 will improve abortion access by increasing the types of trained health professionals who can provide early abortions. The bill will authorize nurse practitioners, certified nurse midwives, and physician assistants to perform early abortions safely within the terms of their licenses. More than half of California's counties lack an accessible abortion provider. As a result, many women delay treatment because they have to travel long distances or raise money for transportation and services. Women in both rural and urban areas of the state face barriers to access. AB 154 can also help to address barriers such as long wait times for appointments that women in urban areas face when seeking abortion services. AB 154 removes barriers to care by allowing specially trained health professionals to provide early abortions in the communities they serve. This means that women can safely get the care they need in their own communities from health providers they already know and trust.” [Northern California ACLU, accessed [3/1/18](#)]

**2013: Harkey Voted Against A Bill That Would Allow Abortions To Be Performed In Regular Primary Care Clinic Conditions.** In September 2013, Harkey voted against a bill that would lower the sterilization standards and allow medical professionals to perform abortions, “in facilities like the ‘walk-in’ counseling rooms now so popular in drug stores and pharmacies.” The bill passed Senate concurrence, 50-25-3. [AB 980, [9/12/13](#); California Legislative Information, [10/9/13](#); LifeNews.com, [8/27/13](#)]

**2012: Harkey Voted Against Extending A Pilot Program That Allowed Practice Clinicians To Perform First Trimester Abortions.** In August 2012, Harkey voted against a “bill [that] would require the office to extend the

duration of Health Workforce Pilot Project No. 171 through January 1, 2014, to provide the sponsors of the project an opportunity to achieve publication of the data collected during the project in a peer-reviewed journal, among other specified purposes. [...] The Access through Primary Care Project, known as Health Workforce Pilot Project (HWPP) No. 171, was approved in 2007 to teach new skills to nurse practitioners, certified nurse-midwives, and physician assistants, and to evaluate the safety and efficacy of allowing nurse practitioners, certified nurse-midwives, and physician assistants to use these new skills to perform first trimester aspiration abortions.” The bill passed 52 to 26. [SB 623, [8/23/12](#); California Legislative Information, [8/23/12](#)]

**2012: Harkey Voted Against Extending A Pilot Program That Allowed Practice Clinicians To Perform First Trimester Abortions In Committee.** In August 2012, Harkey voted against a “bill [that] would require the office to extend the duration of Health Workforce Pilot Project No. 171 through January 1, 2014, to provide the sponsors of the project an opportunity to achieve publication of the data collected during the project in a peer-reviewed journal, among other specified purposes. [...] The Access through Primary Care Project, known as Health Workforce Pilot Project (HWPP) No. 171, was approved in 2007 to teach new skills to nurse practitioners, certified nurse-midwives, and physician assistants, and to evaluate the safety and efficacy of allowing nurse practitioners, certified nurse-midwives, and physician assistants to use these new skills to perform first trimester aspiration abortions.” The bill passed 12 to 5. [SB 623, [8/16/12](#); California Legislative Information, [8/16/12](#)]

## Contraceptives

### Harkey Voted Against A Bill Requiring Health Insurance Companies To Cover Female Contraceptives

**2013: Harkey Voted Against A Bill Requiring Health Insurance Companies To Cover Female Contraceptives.** In August 2014, Harkey voted against a bill that would, “require a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2016, to provide coverage for women for all prescribed and FDA-approved female contraceptive drugs, devices, and products, as well as voluntary sterilization procedures, contraceptive education and counseling, and related followup services. The bill would prohibit a nongrandfathered plan contract or health insurance policy from imposing any cost-sharing requirements or other restrictions or delays with respect to this coverage, as specified,” but also, “retain the provision authorizing a religious employer to request a contract or policy without coverage of FDA-approved contraceptive methods that are contrary to the employer’s religious tenets.” The bill passed the Assembly, 54-22-3. [SB 1053, [8/20/14](#); California Legislative Information, [9/25/14](#)]

### Harkey Voted At Least Three Times To Bar Registered Nurses From Dispensing Or Administering Hormonal Contraceptives

**2012: Harkey Voted Against Allowing Registered Nurses From Dispensing Or Administering Hormonal Contraceptives On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would, in addition, authorize a registered nurse to dispense specified drugs or devices upon an order issued by a certified nurse-midwife, nurse practitioner, or physician assistant if the nurse is functioning within a specified clinic. The bill would also authorize a registered nurse to dispense or administer hormonal contraceptives in strict adherence to specified standardized procedures.” The bill passed 46 to 28. [AB 2348, [8/27/12](#); California Legislative Information, [8/27/12](#)]

**2012: Harkey Voted Against Allowing Registered Nurses From Dispensing Or Administering Hormonal Contraceptives.** In May 2012, Harkey voted against a “bill [that] would, in addition, authorize a registered nurse to dispense specified drugs or devices upon an order issued by a certified nurse-midwife, nurse practitioner, or physician assistant if the nurse is functioning within a specified clinic. The bill would also authorize a registered nurse to dispense or administer hormonal contraceptives in strict adherence to specified standardized procedures.” The bill passed 44 to 28. [AB 2348, [5/31/12](#); California Legislative Information, [5/31/12](#)]

**2012: Harkey Voted Against Allowing Registered Nurses From Dispensing Or Administering Hormonal Contraceptives.** In May 2012, Harkey voted against a “bill [that] would, in addition, authorize a registered nurse to dispense specified drugs or devices upon an order issued by a certified nurse-midwife, nurse practitioner, or physician assistant if the nurse is functioning within a specified clinic. The bill would also authorize a registered nurse to dispense or administer hormonal contraceptives in strict adherence to specified standardized procedures.” The bill passed 49 to 27. [AB 2348, [5/29/12](#); California Legislative Information, [5/29/12](#)]

## Pregnancy Care

### Harkey Voted At Least Three Times Against Requiring Health Plans And Insurers That Provide Maternity Benefits To Make Breast Pumps Available To Women And Said Babies Could Figure It Out

**Harkey Voted Against Requiring Health Plans And Insurers That Provide Maternity Benefits To Make Breast Pumps Available To Women.** In September 2009, Harkey voted against a bill that required “health plans and insurers that provide maternity benefits to make ‘lactation consultants’ and breast pumps available to new moms.” The bill passed 49 to 28. [AB-513, [9/9/09](#); Sacramento Bee, 9/10/09]

**On Its First Passage, Harkey Voted Against Requiring Health Plans And Insurers That Provide Maternity Benefits To Make Breast Pumps Available To Women.** In June 2009, Harkey voted against a bill that required “health plans and insurers that provide maternity benefits to make ‘lactation consultants’ and breast pumps available to new moms.” The bill passed 50 to 2. [AB-513, [6/2/09](#); Sacramento Bee, 9/10/09]

**On The Assembly Appropriates Committee, Harkey Voted Against Requiring Health Plans And Insurers That Provide Maternity Benefits To Make Breast Pumps Available To Women.** In May 2009, Harkey voted against a bill that required “health plans and insurers that provide maternity benefits to make ‘lactation consultants’ and breast pumps available to new moms.” The bill passed 12 to 5. [AB-513, [5/28/09](#); Sacramento Bee, 9/10/09]

**Harkey Said That If Mothers Were Confused With The Process, Babies Would Be Able To Figure It Out.** “BILL WATCH Mother's milk: The Assembly approved AB 513 Wednesday, which would require health plans and insurers that provide maternity benefits to make ‘lactation consultants’ and breast pumps available to new moms. The bill passed 43-24, despite an observation by Assemblywoman Diane Harkey, R-Dana Point, that even if moms were confused about the process, babies can usually figure it out.” [Sacramento Bee, 9/10/09]

## Equal Pay

### Women In California Made 88.5 Cents For Every Dollar A Man Made

**Women In California Made 88.5 Cents For Every Dollar A Man Made.** [National Women’s Law Center, accessed [3/6/18](#)]

## Violence Against Women

### Harkey Voted Against A Bill That Called For Research Into Anti-Reproductive-Rights Crimes

**2013: Harkey Voted Against A Bill That Called For Research Into Anti-Reproductive-Rights Crimes.** In August 2013, Harkey voted against maintaining the Reproductive Rights Law Enforcement Act, which, “requires the Attorney General to assume specified duties relating to planning, information gathering, and analysis with respect to anti-reproductive-rights crimes, as defined, including consultation with specified subject matter experts.

Existing law also requires the convening of an advisory committee that is responsible for evaluating the effectiveness of existing law. Existing law requires the Commission on Peace Officer Standards and Training to develop an optional course of training for law enforcement agencies regarding anti-reproductive-rights crimes, as specified.” The bill passed the Assembly, 52-21-5. [SB 340, [8/26/13](#); California Legislative Information, [9/9/13](#)]

## Views On Women

### **Harkey Said That “Moms Got To Be There” For A Number Of Situations But That Fathers Will Push You On What Mothers Do Not “Make You Achieve”**

**Harkey Said Women Multitask On A Natural Basis And Said “Moms Got To Be There” For A Number Of Situations.** HARKEY: “Now it’s wonderful to be here and I’m glad to see so many of you here at such an early hour. But being a woman, don’t you all kind of get up early? Yeah. You get up early because you want to get things done before the house awakes. Because that’s when the chaos begins. And we are into multitasking. Women do this on just a natural basis. I think, I think it’s because we have to be so flexible. I mean when your child has issues. I mean dads help but moms, moms got to be there. When you have older, aging parents, who normally takes on the load? Who tries to work with the schools? Who tries to keep up that career? Who tries very hard to balance when the economy tanks? It’s mostly women. You know we’re versatile, we’re built that way and God bless each and every one of you for what you do and what you will have to do.” [Corona Chamber of Commerce via YouTube, uploaded [1/16/18](#)] (VIDEO)

**Harkey: “Use The Men In Your Life Because They Will Often Be The Hardest On You, Make The Biggest Demands Of You, And Make You Achieve What Mom Didn’t Make You Achieve.”** HARKEY: “I guess my message to you and to any of you here, male and female, is what Melissa Menendez said, do not be limited by what you think you can do or what others think you can do. And use the men in your life because they will often be the hardest on you, make the biggest demands of you, and make you achieve what mom didn’t make you achieve. Mom would coddle you, help you, and that’s our role, we’re not supposed to be that tough really, you know I am. I’m very tough but that being said, you know, I think the guys in my life, my father being number one, my brother being number two, and my husband being number 3, none of them gave me an easy time.” [Corona Chamber of Commerce via YouTube, uploaded [1/16/18](#)] (VIDEO)

# Appendix I – Personal Financial Disclosures

## 2018 – Federal Personal Financial Disclosure

### Net Worth

**2018: Harkey Had An Estimated Net Worth Between \$715,003 And \$1,534,999**

**2018: Harkey Had An Estimated Net Worth Between \$715,003 And \$1,534,999.** [Harkey 2018 Public Financial Disclosure Report, filed [2/10/18](#)]

### Earned Income

**2018: Harkey Reported \$142,747 In Earned Income**

**2018: Harkey Reported \$142,747 In Earned Income From The State Of California.** [Harkey 2018 Public Financial Disclosure Report, filed [2/10/18](#)]

| 2018 Harkey Earned Income |        |           |
|---------------------------|--------|-----------|
| Source                    | Type   | Amount    |
| State of California       | Salary | \$142,747 |

[Harkey 2018 Public Financial Disclosure Report, filed [2/10/18](#)]

### Assets & Unearned Income

**2018: Harkey Reported Between \$25,003 And \$80,000 In Unearned Income**

**2018: Harkey Reported Between \$25,003 And \$80,000 In Unearned Income.** [Harkey 2018 Public Financial Disclosure Report, filed [2/10/18](#)]

| 2018 Harkey Assets & “Unearned” Income |   |                  |                    |                |                  |                 |               |
|--|---|------------------|--------------------|----------------|------------------|-----------------|---------------|
| SP, DC, JT                             | Asset   | Year-End Value   |                    | Type Of Income | Amount Of Income |                 | Tx. > \$1,000 |
|  |   | Min              | Max                |                | Min              | Max             |               |
|  | DHJP2, LLC<br>Location: Dana Point<br>Description: Rental Property in San Juan Capistrano | \$500,001        | \$1,000,000        | Rent           | \$15,001         | \$50,000        |               |
|  | Diane L. Harkey,<br>Grantor Annuity Trust<br>Description: Note Secured by Deed of Trust   | \$250,001        | \$500,000          | Interest       | \$5,001          | \$15,000        |               |
|  | Note Receivable – CalComm, Inc.<br>Description: Unsecured Note                            | \$15,001         | \$50,000           | Interest       | \$5,001          | \$15,000        |               |
|  | <b>Total:</b>   | <b>\$765,003</b> | <b>\$1,550,000</b> | <b>Total:</b>  | <b>\$25,003</b>  | <b>\$80,000</b> |               |

[Harkey 2018 Public Financial Disclosure Report, filed [2/10/18](#)]

### Transactions

**2018: Harkey Did Not Have A Transactions Section On Her Financial Disclosure Report**



**2018: Harkey Did Not Have A Transactions Section On Her Financial Disclosure Report.** [Harkey 2018 Public Financial Disclosure Report, filed [2/10/18](#)]

**Liabilities**

**2018: Harkey Reported Between \$15,001 And \$50,000 In Liabilities**

**2018: Harkey Reported Between \$15,001 And \$50,000 In Liabilities.** [Harkey 2018 Public Financial Disclosure Report, filed [2/10/18](#)]

| 2018 Harkey Liabilities |             |               |                             |                     |
|-------------------------|-------------|---------------|-----------------------------|---------------------|
| Owner                   | Creditor    | Date Incurred | Type                        | Amount Of Liability |
|                         | FCI Lenders | June 2015     | Mortgage on Rental Property | \$15,001 – \$50,000 |

[Harkey 2018 Public Financial Disclosure Report, filed [2/10/18](#)]

**Positions**

**2018: Harkey Did Not Disclose Any Positions On Her Financial Disclosure Report**

**2018: Harkey Did Not Disclose Any Positions On Her Financial Disclosure Report.** [Harkey 2018 Public Financial Disclosure Report, filed [2/10/18](#)]

**Agreements**

**2018: Harkey Did Not Disclose Any Agreements On Her Financial Disclosure Report**

**2018: Harkey Did Not Disclose Any Agreements On Her Financial Disclosure Report.** [Harkey 2018 Public Financial Disclosure Report, filed [2/10/18](#)]

**2016 – State Annual Statement of Economic Interests**

*NOTE: The documents Harkey filled for her California’s Statement of Economic Interests did not provide a liability section, making Harkey’s net worth undeterminable. The documents Harkey in her Statement of Economic Interests also did not have an earned income section, transactions section, positions section, and an agreements section.*

**2016: The Annual Statement of Economic Interests Covered Between January 1, 2016 And December 31, 2016.** [Harkey 2016 Annual Statement of Economic Interests, filed 2/11/17]

**Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)**

**2016: Harkey Reported Between \$11,002 And \$110,000 In Unearned Income From Her And/Or Her Husband’s Business Entities/Trusts**

**2016: Harkey Reported Between \$11,002 And \$110,000 In Unearned Income From Her And/Or Her Husband’s Business Entities/Trusts.** [Harkey 2016 Annual Statement of Economic Interests, filed 2/11/17]

| 2016 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                   |     |                        |     |                  |      |                |     |
|---|-------------------|-----|------------------------|-----|------------------|------|----------------|-----|
| Asset   | Fair Market Value |     | Amount Of Gross Income |     | Asset’s Property | Type | Property Value |     |
|   | Min               | Max | Min                    | Max |                  |      | Min            | Max |

|   |                  |                    |                 |                  |  |                    |                  |                    |
|---|------------------|--------------------|-----------------|------------------|--|--------------------|------------------|--------------------|
| DHJP2, LLC                                      | \$100,001        | \$1,000,000        | \$10,001        | \$100,000        | 31212 Paseo Mira<br>Loma, San Juan<br>Capistrano, CA | Income<br>Property | \$100,001        | \$1,000,000        |
| Diane L.<br>Harkey,<br>Grantor<br>Annuity Trust |                  |                    | \$1,001         | \$10,000         | 279 Bowling Green,<br>Costa Mesa, CA                 | Deed of<br>Trust   | \$100,001        | \$1,000,000        |
| <b>Total:</b>                                   | <b>\$100,001</b> | <b>\$1,000,000</b> | <b>\$11,002</b> | <b>\$110,000</b> |  |                    | <b>\$201,001</b> | <b>\$2,000,000</b> |

[Harkey 2016 Annual Statement of Economic Interests, filed [2/11/17](#)]

## Schedule D: Income – Gifts

### 2016: Harkey Reported Receiving \$550.17 Worth Of Gifts

**2016: Harkey Reported Receiving \$550.17 Worth Of Gifts.** [Harkey 2016 Annual Statement of Economic Interests, filed 2/11/17]

| 2016 Harkey Schedule D: Income – Gifts             |   |          |                      |                 |
|--|---|----------|----------------------|-----------------|
| Source   | Business Activity                             | Date     | Description          | Value           |
| Blonien, Boyd, Condit                              | Legislative Reception                         | 8/2/16   | Food & Beverage      | \$34.31         |
| CalChamber   | Host Reception & Breakfast                    | 5/17/16  | Food & Beverage      | \$39.92         |
| CalChamber   | Host Reception & Breakfast                    | 5/18/16  | Host Breakfast       | \$48.51         |
| Christian Business Mens Connection,<br>Orange City | Government Leaders Breakfast                  | 2/19/16  | Meal                 | \$40.00         |
| Peace Officers Research Assn                       | Legislative Reception                         | 5/3/16   | Food & Beverage      | \$53.75         |
| Price Waterhouse Coopers, LLC                      | Tax Representative Meeting                    | 10/26/16 | Meal & Beverage      | \$102.18        |
| Rancho Mission Viejo                               | Community Event                               | 8/27/16  | 2 Rodeo &<br>Parking | \$210.00        |
| Walt Disney Company                                | Legislative Reception And<br>Moving Screening | 1/13/16  | Movie Ticket         | \$21.50         |
| <b>Total:</b>                                      |   |          |                      | <b>\$550.17</b> |

[Harkey 2016 Annual Statement of Economic Interests, filed [2/11/17](#)]

## 2015 – State Annual Statement of Economic Interests

*NOTE: The documents Harkey filled for her California's Annual Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Annual Statement of Economic Interests also did not have an earned income section, transactions section, positions section, and an agreements section.*

**2015: The Annual Statement of Economic Interests Covered Between January 1, 2015 And December 31, 2015.** [Harkey 2015 Annual Statement of Economic Interests, filed [2/18/16](#)]

## Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)

**2015: Harkey Reported Between \$11,002 And \$110,000 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2015: Harkey Reported Between \$11,002 And \$110,000 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2015 Annual Statement of Economic Interests, filed [2/18/16](#)]

## 2015 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts

| Asset                                  | Fair Market Value |     | Amount Of Gross Income |                  | Asset's Property                               | Type            | Property Value   |                   |
|--|-------------------|-----|------------------------|------------------|--|-----------------|------------------|-------------------|
|  | Min               | Max | Min                    | Max              |  |                 | Min              | Max               |
| DHJP2, LLC                             |                   |     | \$10,001               | \$100,000        | 31212 Paseo Mira Loma, San Juan Capistrano, CA | Income Property | \$100,001        | \$1,000,000       |
| Diane L. Harkey, Grantor Annuity Trust |                   |     | \$1,001                | \$10,000         | 279 Bowling Green, Costa Mesa, CA              |                 | \$100,001        | \$1,000,000       |
| <b>Total:</b>                          |                   |     | <b>\$11,002</b>        | <b>\$110,000</b> |  |                 | <b>\$200,002</b> | <b>\$2,000,00</b> |

[Harkey 2015 Annual Statement of Economic Interests, filed [2/18/16](#)]

## Schedule D: Income – Gifts

### 2015: Harkey Reported Receiving \$414.58 Worth Of Gifts

2015: Harkey Reported Receiving \$414.58 Worth Of Gifts. [Harkey 2015 Annual Statement of Economic Interests, filed [2/18/16](#)]

| 2015 Harkey Schedule D: Income – Gifts     |                                  |          |                 |                 |
|--|----------------------------------|----------|-----------------|-----------------|
| Source                                     | Business Activity                | Date     | Description     | Value           |
| Cal Chamber                                | Legislative Dinner and Reception | 5/27/15  | Food & Beverage | \$36.89         |
| Cal Chamber                                | Legislative Dinner and Reception | 5/28/15  | Meal            | \$47.10         |
| California Alliance of Taxpayers Advocates | Annual Conference                | 12/15/15 | Meal            | \$56.25         |
| Dr. F Maseeh                               | None - Guess at Charitable Event | 12/12/15 | Meal            | \$65.00         |
| Price Waterhouse Coopers, LLC              | Sales Tax Policy Discussions     | 3/4/15   | Meal            | \$54.80         |
| Price Waterhouse Coopers, LLC              | Sales Tax Policy Discussions     | 9/1/15   | Meal            | \$24.77         |
| Price Waterhouse Coopers, LLC              | Sales Tax Policy Discussions     | 11/9/15  | Meal            | \$29.77         |
| Sutherland                                 | Houston BOE Office Reception     | 4/20/15  | Food & Beverage | \$100.00        |
| <b>Total:</b>                              |                                  |          |                 | <b>\$414.58</b> |

[Harkey 2015 Annual Statement of Economic Interests, filed [2/18/16](#)]

## 2014 – State Amended Assuming Office Statement of Economic Interests

*NOTE: The documents Harkey filled for her California's Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Statement of Economic Interests also did not have an earned income section, transactions section, positions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2014: The Amended Assuming Office Statement of Economic Interests Was For Harkey Assuming Office On The Board Of Equalization.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

## Differences

**In A Section Requiring Harkey To Disclose If She Owned At Least 10% Interest In 7 Argonaut, Harkey No Longer Listed Point Center Financial, Inc. As Providing At Least \$10,000 Or More In Income When She Had In Prior Years**

**In A Section Requiring Harkey To Disclose If She Owned At Least 10% Interest In 7 Argonaut, Harkey No Longer Listed Point Center Financial, Inc. As Providing At Least \$10,000 Or More In Income When She Had In Prior Years.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

---

**Harkey Did Not Include Point Center Financial, National Financial Lending, And CalComm Capital After 2014**

---

**This Is The Last Statement of Economic Interests In Which Harkey Includes Schedule A-1 And Point Center Financial, National Financial Lending, And CalComm Capital On Her Schedule A-2.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

**California Required Elected Officials To Disclose Their Spouse’s Investments.** “When disclosing investments on Schedules A-1 or A-2 and interests in real property on Schedules A-2 or B, you must include investments and interests in real property held by your spouse or registered domestic partner, and those held by your dependent children, as if you held them directly.” [California Fair Political Practices Commission, [December 2015](#)]

---

**Harkey Did Not Previously Disclose The Fair Market Value Of Six Of Her Properties On Her Previous Forms For 2014**

---

**A Difference Between The April 22<sup>nd</sup> Amended Assuming Office Statement of Economic Interests And The March 10<sup>th</sup> Amended Assuming Office Statement of Economic Interests And The Original February 27<sup>th</sup> Statement of Economic Interests Was That Harkey Did Not Disclose The Fair Market Value Of Six Of Her Properties On The March 10<sup>th</sup> Form.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#); [3/10/15](#)]

---

**Harkey Specifically Stated She Had No Position With Point Center Financial When She Previously Left It Blank**

---

**A Difference Between The April 22<sup>nd</sup> Amended Assuming Office Statement of Economic Interests And The March 10<sup>th</sup> Amended Assuming Office Statement of Economic Interests Was That Harkey Listed She Had No Position With Point Center Financial On The April 22<sup>nd</sup> Form While On The March 10<sup>th</sup> Form, Harkey Left The Position Item Blank.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#); [3/10/15](#)]

**Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)**

---

**2014: Harkey Reported Between \$0 And \$499 In Unearned Income From Her And/Or Her Husband’s Investments**

---

**2014: Harkey Reported Between \$0 And \$499 In Unearned Income From Her And/Or Her Husband’s Investments.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

| 2014 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |                          |                            |                   |           |                  |       |
|---|--------------------------|----------------------------|-------------------|-----------|------------------|-------|
| Asset   | Description              | Nature of Investment       | Fair Market Value |           | Amount Of Income |       |
|   |                          |                            | Min               | Max       | Min              | Max   |
| National Financial Lending, LLC   | Mortgage Pool Investment | Membership Interest in LLC | \$10,001          | \$100,000 | \$0              | \$499 |
| Total:  |                          |                            | \$10,001          | \$100,000 | \$0              | \$499 |

[Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

**Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)**

**2014: Harkey Reported Between \$200,002 And At Least \$201,000 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2014: Harkey Reported Between \$200,002 And At Least \$201,000 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

| 2014 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                   |                |                        |                           |                                 |                          |                |                 |
|---|-------------------|----------------|------------------------|---------------------------|---------------------------------|--------------------------|----------------|-----------------|
| Asset   | Fair Market Value |                | Amount Of Gross Income |                           | Asset's Property                | Type                     | Property Value |                 |
|   | Min               | Max            | Min                    | Max                       |                                 |                          | Min            | Max             |
| The Harkey Family Trust   |                   |                | \$0                    | \$499                     |                                 |                          |                |                 |
| Point Center Financial, Inc.  | \$0               | \$1,999        | \$0                    | \$499                     | National Financial Lending, LLC | Mortgage Pool Investment | \$2,000        | \$10,000        |
| CalCom Capital  | \$0               | \$1,999        | \$100,001              | No Max                    |                                 |                          |                |                 |
| National Financial Lending  | \$0               | \$1,999        | \$100,001              | No Max                    | National Financial Lending, LLC | Mortgage Pool Investment | \$2,000        | \$10,000        |
| <b>Total:</b>   | <b>\$0</b>        | <b>\$5,997</b> | <b>\$200,002</b>       | <b>At Least \$201,000</b> |                                 |                          | <b>\$4,000</b> | <b>\$20,000</b> |

[Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**2014: Harkey Wrote She Had No Business Position With Point Center Financial, Inc., CalComm Capital, And National Financial Lending, Inc.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

**2014: Harkey Reported That Point Center Financial Had Between \$2,120,005 And At Least \$3,200,002 Worth Of Interests In Real Property**

**2014: Harkey Reported That Point Center Financial Had Between \$2,120,005 And At Least \$3,200,002 Worth Of Interests In Real Property.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

| 2014 Harkey Interests In Real Property Held By Point Center Financial |                    |                             |
|---|--------------------|-----------------------------|
| Location of Property  | Fair Market Value  |                             |
|   | Min                | Max                         |
| 391 Acres, Volta Road and I5, Los Banos, CA                           | \$100,001          | \$1,000,000                 |
| 26 Lots, Apple Valley, CA   | \$1,000,001        | No Max                      |
| 24490, 24500, 24520 Washington Avenue, Murrieta, CA                   | \$10,001           | \$100,000                   |
| Vacant Land, Beaumont, CA   | \$1,000,001        | No Max                      |
| 10 Mission Ridge, Ladera Ranch, CA                                    | \$10,001           | \$100,000                   |
| <b>Total:</b>   | <b>\$2,120,005</b> | <b>At Least \$3,200,002</b> |

[Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*



## Schedule B: Interests In Real Property

**2014: Harkey Reported Between \$6,300,009 And At Least \$9,000,006 Worth Of Property And Between \$20,002 And \$200,499 In Gross Income From Her And/Or Her Husband's Rental Property**

**2014: Harkey Reported Between \$6,300,009 And At Least \$9,000,006 Worth Of Property And Between \$20,002 And \$200,499 In Gross Income From Her And/Or Her Husband's Rental Property.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

| 2014 Harkey Schedule B: Interests In Real Property                     |                    |                             |                         |                                 |                  |          |          |
|--|--------------------|-----------------------------|-------------------------|---------------------------------|------------------|----------|----------|
| Address  | Fair Market Value  |                             | Nature of Interest      | Gross Income If Rental Property |                  | Date     |          |
|  | Min                | Max                         |                         | Min                             | Max              | Acquired | Disposed |
| 33791 Violet Lantern, Dana Point, CA 92629                             | \$1,000,001        | No Max                      |                         |                                 |                  |          | 6/10/14  |
| 34021/23 Cooper Lantern, Dana Point, CA 92629                          | \$1,000,001        | No Max                      |                         |                                 |                  |          | 6/10/14  |
| 33931 Cooper Lantern, Dana Point, CA 92629                             | \$1,000,001        | No Max                      |                         |                                 |                  |          | 6/10/14  |
| 33941 Silver Lantern, Dana Point, CA 92629                             | \$1,000,001        | No Max                      |                         |                                 |                  |          | 6/10/14  |
| 1321 Calle Avanzado, San Clemente, CA 92673                            | \$1,000,001        | No Max                      |                         |                                 |                  |          | 6/10/14  |
| 7 Argonaut, Aliso Viejo, CA 92656                                      | \$1,000,001        | No Max                      |                         |                                 |                  |          | 2/10/14  |
| 31212 Paseo Mira Loma, San Juan Capistrano, CA 92575                   | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000        |          |          |
| 75.95% Undivided Ownership – 130 Lot Subdivision San Bernardino County | \$100,001          | \$1,000,000                 |                         | \$0                             | \$499            |          |          |
| 279 Bowling Green Drive, Costa Mesa, CA 92656                          | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000        | 12/26/13 | 9/22/14  |
| <b>Total:</b>  | <b>\$6,300,009</b> | <b>At Least \$9,000,006</b> |                         | <b>\$20,002</b>                 | <b>\$200,499</b> |          |          |

[Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

## Schedule D: Income – Gifts

**2014: Harkey Reported Receiving \$420 Worth Of Gifts**

**2014: Harkey Reported Receiving \$420 Worth Of Gifts.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

| 2014 Harkey Schedule D: Income – Gifts       |                       |         |                   |         |
|--|-----------------------|---------|-------------------|---------|
| Source                                       | Business Activity     | Date    | Description       | Value   |
| Apartment Association of Greater Los Angeles | Reception             | 4/8/14  | Food and Beverage | \$57.00 |
| California Association of Realtors           | Legislative Reception | 4/29/14 | Food and Beverage | \$55.00 |
| California Healthcare Institute              | Legislative Reception | 1/15/14 | Food and Beverage | \$80.00 |
| California New Car Dealers Association       | Dinner and Reception  | 4/9/14  | Food and Beverage | \$68.00 |

|  |                                  |         |                   |                 |
|--|----------------------------------|---------|-------------------|-----------------|
| California New Car Dealers Association | Dinner and Reception             | 8/25/14 | Food and Beverage | \$50.00         |
| San Diego Regional Chamber of Commerce | Legislative Dinner and Reception | 3/23/14 | Food and Beverage | \$89.00         |
| San Diego Regional Chamber of Commerce | Legislative Dinner and Reception | 5/13/14 | Food and Beverage | \$21.00         |
| <b>Total:</b>                          |                                  |         |                   | <b>\$420.00</b> |

[Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#)]

## 2014 – State Amended Assuming Office Statement of Economic Interests

*NOTE: The documents Harkey filled for her California's Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Statement of Economic Interests also did not have an earned income section, transactions section, positions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2014: The Amended Assuming Office Statement of Economic Interests Was For Harkey Assuming Office On The Board Of Equalization.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [3/10/15](#)]

### Differences

#### Harkey Previously Put Her Agency As The California State Assembly Instead Of The Board Of Equalization

**A Difference Between The March 10<sup>th</sup> Amended Assuming Office Statement of Economic Interests And The February 27<sup>th</sup> Amended Assuming Office Statement of Economic Interests Was That Harkey Listed the California State Assembly Instead Of The Board Of Equalization As Her Agency.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#); [3/10/15](#)]

#### Harkey Specifically Stated She Had No Position With National Financial Lending When She Previously Left It Blank

**A Difference Between The March 10<sup>th</sup> Amended Assuming Office Statement of Economic Interests And The February 27<sup>th</sup> Amended Assuming Office Statement of Economic Interests Was That Harkey Listed She Had No Position With National Financial Lending On The March 10<sup>th</sup> Form While On The February 27<sup>th</sup> Form, Harkey Left The Position Item Blank.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [4/22/15](#); [3/10/15](#)]

### Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)

#### 2014: Harkey Reported Between \$0 And \$499 In Unearned Income From Her And/Or Her Husband's Investments

**2014: Harkey Reported Between \$0 And \$499 In Unearned Income From Her And/Or Her Husband's Investments.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [3/10/15](#)]

| 2014 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |             |                      |                   |     |                  |     |
|---|-------------|----------------------|-------------------|-----|------------------|-----|
| Asset   | Description | Nature of Investment | Fair Market Value |     | Amount Of Income |     |
|   |             |                      | Min               | Max | Min              | Max |

|                                 |                          |                            |                 |                  |            |              |
|---------------------------------|--------------------------|----------------------------|-----------------|------------------|------------|--------------|
| National Financial Lending, LLC | Mortgage Pool Investment | Membership Interest in LLC | \$10,001        | \$100,000        | \$0        | \$499        |
| <b>Total:</b>                   |                          |                            | <b>\$10,001</b> | <b>\$100,000</b> | <b>\$0</b> | <b>\$499</b> |

[Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [3/10/15](#)]

**Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)**

**2014: Harkey Reported Between \$200,002 And At Least \$201,000 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2014: Harkey Reported Between \$200,002 And At Least \$201,000 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [3/10/15](#)]

| 2014 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                   |                |                        |                           |                                 |                          |                |                 |
|---|-------------------|----------------|------------------------|---------------------------|---------------------------------|--------------------------|----------------|-----------------|
| Asset   | Fair Market Value |                | Amount Of Gross Income |                           | Asset's Property                | Type                     | Property Value |                 |
|   | Min               | Max            | Min                    | Max                       |                                 |                          | Min            | Max             |
| The Harkey Family Trust   |                   |                | \$0                    | \$499                     |                                 |                          |                |                 |
| Point Center Financial, Inc.  | \$0               | \$1,999        | \$0                    | \$499                     | National Financial Lending, LLC | Mortgage Pool Investment | \$2,000        | \$10,000        |
| CalCom Capital  | \$0               | \$1,999        | \$100,001              | No Max                    |                                 |                          |                |                 |
| National Financial Lending  | \$0               | \$1,999        | \$100,001              | No Max                    | National Financial Lending, LLC | Mortgage Pool Investment | \$2,000        | \$10,000        |
| <b>Total:</b>   | <b>\$0</b>        | <b>\$5,997</b> | <b>\$200,002</b>       | <b>At Least \$201,000</b> |                                 |                          | <b>\$4,000</b> | <b>\$20,000</b> |

[Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [3/10/15](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**2014: Harkey Wrote She Had No Business Position With CalComm Capital And National Financial Lending, Inc. But Left Her Business Position Blank For Point Center Financial.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [3/10/15](#)]

**2014: Harkey Reported That Point Center Financial Had Between \$2,120,005 And At Least \$3,200,002 Worth Of Interests In Real Property**

**2014: Harkey Reported That Point Center Financial Had Between \$2,120,005 And At Least \$3,200,002 Worth Of Interests In Real Property.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [3/10/15](#)]

| 2014 Harkey Interests In Real Property Held By Point Center Financial |                   |             |
|---|-------------------|-------------|
| Location of Property  | Fair Market Value |             |
|   | Min               | Max         |
| 391 Acres, Volta Road and I5, Los Banos, CA                           | \$100,001         | \$1,000,000 |
| 26 Lots, Apple Valley, CA   | \$1,000,001       | No Max      |
| 24490, 24500, 24520 Washington Avenue, Murrieta, CA                   | \$10,001          | \$100,000   |
| Vacant Land, Beaumont, CA   | \$1,000,001       | No Max      |
| 10 Mission Ridge, Ladera Ranch, CA                                    | \$10,001          | \$100,000   |

|               |                    |                             |
|---------------|--------------------|-----------------------------|
| <b>Total:</b> | <b>\$2,120,005</b> | <b>At Least \$3,200,002</b> |
|---------------|--------------------|-----------------------------|

[Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [3/10/15](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

### Schedule B: Interests In Real Property

**2014: Harkey Reported At Between \$300,003 And \$3,000,000 Worth Of Property And Between \$20,002 And \$200,499 In Gross Income From Her And/Or Her Husband's Rental Property**

**2014: Harkey Reported At Between \$300,003 And \$3,000,000 Worth Of Property And Between \$20,002 And \$200,499 In Gross Income From Her And/Or Her Husband's Rental Property.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [3/10/15](#)]

| 2014 Harkey Schedule B: Interests In Real Property                              |                   |                    |                            |                                 |                  |          |          |
|---|-------------------|--------------------|----------------------------|---------------------------------|------------------|----------|----------|
| Address   | Fair Market Value |                    | Nature of Interest         | Gross Income If Rental Property |                  | Date     |          |
|   | Min               | Max                |                            | Min                             | Max              | Acquired | Disposed |
| 33791 Violet Lantern,<br>Dana Point, CA 92629                                   |                   |                    |                            |                                 |                  |          | 6/10/14  |
| 34021/23 Cooper Lantern,<br>Dana Point, CA 92629                                |                   |                    |                            |                                 |                  |          | 6/10/14  |
| 33931 Cooper Lantern,<br>Dana Point, CA 92629                                   |                   |                    |                            |                                 |                  |          | 6/10/14  |
| 33941 Silver Lantern,<br>Dana Point, CA 92629                                   |                   |                    |                            |                                 |                  |          | 6/10/14  |
| 1321 Calle Avanzado,<br>San Clemente, CA 92673                                  |                   |                    |                            |                                 |                  |          | 6/10/14  |
| 7 Argonaut,<br>Aliso Viejo, CA 92656  |                   |                    |                            |                                 |                  |          | 2/10/14  |
| 31212 Paseo Mira Loma,<br>San Juan Capistrano, CA<br>92575                      | \$100,001         | \$1,000,000        | Ownership/Deed of<br>Trust | \$10,001                        | \$100,000        |          |          |
| 75.95% Undivided<br>Ownership – 130 Lot<br>Subdivision<br>San Bernardino County | \$100,001         | \$1,000,000        | Ownership/Deed of<br>Trust | \$0                             | \$499            |          |          |
| 279 Bowling Green Drive,<br>Costa Mesa, CA 92656                                | \$100,001         | \$1,000,000        | Ownership/Deed of<br>Trust | \$10,001                        | \$100,000        | 12/26/13 | 9/22/14  |
| <b>Total:</b>   | <b>\$300,003</b>  | <b>\$3,000,000</b> |                            | <b>\$20,002</b>                 | <b>\$200,499</b> |          |          |

[Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [3/10/15](#)]

### Schedule D: Income – Gifts

**2014: Harkey Reported Receiving \$420 Worth Of Gifts**

**2014: Harkey Reported Receiving \$420 Worth Of Gifts.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [3/10/15](#)]

| 2014 Harkey Schedule D: Income – Gifts          |                       |         |                      |         |
|---|-----------------------|---------|----------------------|---------|
| Source  | Business Activity     | Date    | Description          | Value   |
| Apartment Association of Greater<br>Los Angeles | Reception             | 4/8/14  | Food and<br>Beverage | \$57.00 |
| California Association of Realtors              | Legislative Reception | 4/29/14 | Food and<br>Beverage | \$55.00 |
| California Healthcare Institute                 | Legislative Reception | 1/15/14 | Food and<br>Beverage | \$80.00 |

|  |                                  |         |                   |                 |
|--|----------------------------------|---------|-------------------|-----------------|
| California New Car Dealers Association | Dinner and Reception             | 4/9/14  | Food and Beverage | \$68.00         |
| California New Car Dealers Association | Dinner and Reception             | 8/25/14 | Food and Beverage | \$50.00         |
| San Diego Regional Chamber of Commerce | Legislative Dinner and Reception | 3/23/14 | Food and Beverage | \$89.00         |
| San Diego Regional Chamber of Commerce | Legislative Dinner and Reception | 5/13/14 | Food and Beverage | \$21.00         |
| <b>Total:</b>                          |                                  |         |                   | <b>\$420.00</b> |

[Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [3/10/15](#)]

## 2014 – State Assuming Office Statement of Economic Interests

*NOTE: The documents Harkey filled for her California's Assuming Office Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Assuming Office Statement of Economic Interests also did not have an earned income section, transactions section, positions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Assuming Office Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2014: The Assuming Office Statement of Economic Interests Was For Harkey Assuming Office On The Board Of Equalization.** [Harkey 2014 Assuming Office Statement of Economic Interests, filed [2/27/15](#)]

### Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)

**2014: Harkey Reported Between \$0 And \$499 In Unearned Income From Her And/Or Her Husband's Investments**

**2014: Harkey Reported Between \$0 And \$499 In Unearned Income From Her And/Or Her Husband's Investments.** [Harkey 2014 Assuming Office Statement of Economic Interests, filed [2/27/15](#)]

| 2014 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |                          |                            |                   |                  |                  |              |
|---|--------------------------|----------------------------|-------------------|------------------|------------------|--------------|
| Asset   | Description              | Nature of Investment       | Fair Market Value |                  | Amount Of Income |              |
|   |                          |                            | Min               | Max              | Min              | Max          |
| National Financial Lending, LLC   | Mortgage Pool Investment | Membership Interest in LLC | \$10,001          | \$100,000        | \$0              | \$499        |
| <b>Total:</b>   |                          |                            | <b>\$10,001</b>   | <b>\$100,000</b> | <b>\$0</b>       | <b>\$499</b> |

[Harkey 2014 Assuming Office Statement of Economic Interests, filed [2/27/15](#)]

### Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)

**2014: Harkey Reported Between \$200,002 And At Least \$201,000 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2014: Harkey Reported Between \$200,002 And At Least \$201,000 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2014 Assuming Office Statement of Economic Interests, filed [2/27/15](#)]

### 2014 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts



| Asset                        | Fair Market Value |                | Amount Of Gross Income |                           | Asset's Property                | Type                     | Property Value |                 |
|------------------------------|-------------------|----------------|------------------------|---------------------------|---------------------------------|--------------------------|----------------|-----------------|
|                              | Min               | Max            | Min                    | Max                       |                                 |                          | Min            | Max             |
| The Harkey Family Trust      |                   |                | \$0                    | \$499                     |                                 |                          |                |                 |
| Point Center Financial, Inc. | \$0               | \$1,999        | \$0                    | \$499                     | National Financial Lending, LLC | Mortgage Pool Investment | \$2,000        | \$10,000        |
| CalCom Capital               | \$0               | \$1,999        | \$100,001              | No Max                    |                                 |                          |                |                 |
| National Financial Lending   | \$0               | \$1,999        | \$100,001              | No Max                    | National Financial Lending, LLC | Mortgage Pool Investment | \$2,000        | \$10,000        |
| <b>Total:</b>                | <b>\$0</b>        | <b>\$5,997</b> | <b>\$200,002</b>       | <b>At Least \$201,000</b> |                                 |                          | <b>\$4,000</b> | <b>\$20,000</b> |

[Harkey 2014 Assuming Office Statement of Economic Interests, filed [2/27/15](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**2014: Harkey Wrote She Had No Business Position With Point Center Financial, Inc. And CalComm Capital But Left Her Business Position Blank For National Financial Lending.** [Harkey 2014 Assuming Office Statement of Economic Interests, filed [2/27/15](#)]

---

**2014: Harkey Reported That Point Center Financial Had Between \$2,120,005 And At Least \$3,200,002 Worth Of Interests In Real Property**

---

**2014: Harkey Reported That Point Center Financial Had Between \$2,120,005 And At Least \$3,200,002 Worth Of Interests In Real Property.** [Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [2/27/15](#)]

| 2014 Harkey Interests In Real Property Held By Point Center Financial |                    |                             |
|---|--------------------|-----------------------------|
| Location of Property  | Fair Market Value  |                             |
|   | Min                | Max                         |
| 391 Acres, Volta Road and I5, Los Banos, CA                           | \$100,001          | \$1,000,000                 |
| 26 Lots, Apple Valley, CA   | \$1,000,001        | No Max                      |
| 24490, 24500, 24520 Washington Avenue, Murrieta, CA                   | \$10,001           | \$100,000                   |
| Vacant Land, Beaumont, CA   | \$1,000,001        | No Max                      |
| 10 Mission Ridge, Ladera Ranch, CA                                    | \$10,001           | \$100,000                   |
| <b>Total:</b>   | <b>\$2,120,005</b> | <b>At Least \$3,200,002</b> |

[Harkey 2014 Amended Assuming Office Statement of Economic Interests, filed [2/27/15](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

### Schedule B: Interests In Real Property

---

**2014: Harkey Reported Between \$300,003 And \$3,000,000 Worth Of Property And Between \$20,002 And \$200,499 In Gross Income From Her And/Or Her Husband's Rental Property**

---

**2014: Harkey Reported Between \$300,003 And \$3,000,000 Worth Of Property And Between \$20,002 And \$200,499 In Gross Income From Her And/Or Her Husband's Rental Property.** [Harkey 2014 Assuming Office Statement of Economic Interests, filed [2/27/15](#)]

### 2014 Harkey Schedule B: Interests In Real Property

| Address   | Fair Market Value |                    | Nature of Interest         | Gross Income If Rental Property |                  | Date     |          |
|---|-------------------|--------------------|----------------------------|---------------------------------|------------------|----------|----------|
|   | Min               | Max                |                            | Min                             | Max              | Acquired | Disposed |
| 33791 Violet Lantern,<br>Dana Point, CA 92629                                   |                   |                    |                            |                                 |                  |          | 6/10/14  |
| 34021/23 Cooper Lantern,<br>Dana Point, CA 92629                                |                   |                    |                            |                                 |                  |          | 6/10/14  |
| 33931 Cooper Lantern,<br>Dana Point, CA 92629                                   |                   |                    |                            |                                 |                  |          | 6/10/14  |
| 33941 Silver Lantern,<br>Dana Point, CA 92629                                   |                   |                    |                            |                                 |                  |          | 6/10/14  |
| 1321 Calle Avanzado,<br>San Clemente, CA 92673                                  |                   |                    |                            |                                 |                  |          | 6/10/14  |
| 7 Argonaut,<br>Aliso Viejo, CA 92656  |                   |                    |                            |                                 |                  |          | 2/10/14  |
| 31212 Paseo Mira Loma,<br>San Juan Capistrano, CA<br>92575                      | \$100,001         | \$1,000,000        | Ownership/Deed of<br>Trust | \$10,001                        | \$100,000        |          |          |
| 75.95% Undivided<br>Ownership – 130 Lot<br>Subdivision<br>San Bernardino County | \$100,001         | \$1,000,000        | Ownership/Deed of<br>Trust | \$0                             | \$499            |          |          |
| 279 Bowling Green Drive,<br>Costa Mesa, CA 92656                                | \$100,001         | \$1,000,000        | Ownership/Deed of<br>Trust | \$10,001                        | \$100,000        | 12/26/13 | 9/22/14  |
| <b>Total:</b>   | <b>\$300,003</b>  | <b>\$3,000,000</b> |                            | <b>\$20,002</b>                 | <b>\$200,499</b> |          |          |

[Harkey 2014 Assuming Office Statement of Economic Interests, filed [2/27/15](#)]

#### Schedule D: Income – Gifts

#### 2014: Harkey Reported Receiving \$420.57 Worth Of Gifts

2014: Harkey Reported Receiving \$420.57 Worth Of Gifts. [Harkey 2014 Assuming Office Statement of Economic Interests, filed [2/27/15](#)]

| 2014 Harkey Schedule D: Income – Gifts       |                                  |         |                 |                 |
|--|----------------------------------|---------|-----------------|-----------------|
| Source                                       | Business Activity                | Date    | Description     | Value           |
| Apartment Association of Greater Los Angeles | Reception                        | 4/8/14  | Food & Beverage | \$56.85         |
| California Association of Realtors           | Legislative Reception            | 4/29/14 | Food & Beverage | \$55.00         |
| California Healthcare Institute              | Legislative Reception            | 1/15/14 | Food & Beverage | \$80.49         |
| California New Car Dealers Association       | Dinner and Reception             | 4/9/14  | Food & Beverage | \$68.28         |
| California New Car Dealers Association       | Dinner and Reception             | 8/25/14 | Food & Beverage | \$49.89         |
| San Diego Regional Chamber of Commerce       | Legislative Dinner and Reception | 3/23/14 | Food & Beverage | \$88.82         |
| San Diego Regional Chamber of Commerce       | Legislative Dinner and Reception | 5/13/14 | Food & Beverage | \$21.24         |
| <b>Total:</b>                                |                                  |         |                 | <b>\$420.57</b> |

[Harkey 2014 Assuming Office Statement of Economic Interests, filed [2/27/15](#)]

#### 2013 – State Annual Statement of Economic Interests

*NOTE: The documents Harkey filled for her California's Annual Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Annual Statement of Economic Interests also did not have an earned income section, transactions section, and an agreements section.*

NOTE: California required elected officials disclose the assets and investments of their spouse on the Annual Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.

**2013: The Annual Statement of Economic Interests Covered Between January 1, 2013 And December 31, 2013.** [Harkey 2013 Annual Statement of Economic Interests, received [3/3/14](#)]

**Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)**

**2013: Harkey Reported Between \$500 And At Least \$999 In Unearned Income From Her And/Or Her Husband's Investments**

**2013: Harkey Reported Between \$500 And At Least \$999 In Unearned Income From Her And/Or Her Husband's Investments.** [Harkey 2013 Annual Statement of Economic Interests, received [3/3/14](#)]

| 2013 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |   |                      |                   |                  |                  |                       |
|---|---|----------------------|-------------------|------------------|------------------|-----------------------|
| Asset   | Description                                     | Nature of Investment | Fair Market Value |                  | Amount Of Income |                       |
|   |   |                      | Min               | Max              | Min              | Max                   |
| National Financial Lending, LLC   | Mortgage Pool Investment                        | Partnership          | \$10,001          | \$100,000        | \$0              | \$499                 |
| Enterprise Temecula, LLC  | LLC formed to fund a 1 <sup>st</sup> Trust Deed | Partnership          | \$10,001          | \$100,000        | \$500            | No Max                |
| <b>Total:</b>   |   |                      | <b>\$20,002</b>   | <b>\$200,000</b> | <b>\$500</b>     | <b>At Least \$999</b> |

[Harkey 2013 Annual Statement of Economic Interests, received [3/3/14](#)]

NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.

**Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)**

**2013: Harkey Reported Between \$220,004 And At Least \$400,002 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2013: Harkey Reported Between \$220,004 And At Least \$400,002 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2013 Annual Statement of Economic Interests, received [3/3/14](#)]

| 2013 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                   |                  |                        |                           |                                 |                          |                |                 |
|---|-------------------|------------------|------------------------|---------------------------|---------------------------------|--------------------------|----------------|-----------------|
| Asset   | Fair Market Value |                  | Amount Of Gross Income |                           | Asset's Property                | Type                     | Property Value |                 |
|   | Min               | Max              | Min                    | Max                       |                                 |                          | Min            | Max             |
| Point Center Financial, Inc.  | \$0               | \$1,999          | \$100,001              | No Max                    | National Financial Lending, LLC | Mortgage Pool Investment | \$2,000        | \$10,000        |
| The Harkey Family Trust   |                   |                  | \$100,001              | No Max                    |                                 |                          |                |                 |
| CalComm Capital, Inc.   | \$0               | \$1,999          | \$10,001               | \$100,000                 |                                 |                          |                |                 |
| National Financial Lending  | \$10,001          | \$100,000        | \$10,001               | \$100,000                 |                                 |                          |                |                 |
| <b>Total:</b>   | <b>\$10,001</b>   | <b>\$103,998</b> | <b>\$220,004</b>       | <b>At Least \$400,002</b> |                                 |                          | <b>\$2,000</b> | <b>\$10,000</b> |

[Harkey 2013 Annual Statement of Economic Interests, received [3/3/14](#)]

NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.

**2013: Harkey Wrote She Had No Business Position With Point Center Financial, Inc. And CalComm Capital But Left Her Business Position Blank For National Financial Lending.** [Harkey 2013 Annual Statement of Economic Interests, received [3/3/14](#)]

**2013: Harkey Reported That Point Center Financial Had Between \$2,220,006 And At Least \$4,200,002 Worth Of Interests In Real Property**

**2013: Harkey Reported That Point Center Financial Had Between \$2,220,006 And At Least \$4,200,002 Worth Of Interests In Real Property.** [Harkey 2014 Amended Annual Statement of Economic Interests, received [3/3/14](#)]

| 2013 Harkey Interests In Real Property Held By Point Center Financial |                    |                             |
|---|--------------------|-----------------------------|
| Location of Property  | Fair Market Value  |                             |
|   | Min                | Max                         |
| 391 Acres, Volta Road and I5, Los Banos, CA                           | \$100,001          | \$1,000,000                 |
| 26 Lots, Apple Valley, CA   | \$1,000,001        | No Max                      |
| 24490, 24500, 24520 Washington Avenue, Murrieta, CA                   | \$10,001           | \$100,000                   |
| Vacant Land, Beaumont, CA   | \$1,000,001        | No Max                      |
| Jack Rabbit Trail & Hwy 60, Beaumont, CA                              | \$100,001          | \$1,000,000                 |
| 10 Mission Ridge, Ladera Ranch, CA                                    | \$10,001           | \$100,000                   |
| <b>Total:</b>   | <b>\$2,220,006</b> | <b>At Least \$4,200,002</b> |

[Harkey 2013 Amended Annual Statement of Economic Interests, received [3/3/14](#)]

NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.

### Schedule B: Interests In Real Property

**2013: Harkey Reported Between \$1,800,009 And At Least \$9,000,001 Worth Of Property And Between \$160,007 And At Least \$700,999 In Gross Income From Her And/Or Her Husband's Rental Property**

**2013: Harkey Reported Between \$1,800,009 And At Least \$9,000,001 Worth Of Property And Between \$160,007 And At Least \$700,999 In Gross Income From Her And/Or Her Husband's Rental Property.** [Harkey 2013 Annual Statement of Economic Interests, received [3/3/14](#)]

| 2013 Harkey Schedule B: Interests In Real Property |                   |             |                         |                                 |           |          |          |
|--|-------------------|-------------|-------------------------|---------------------------------|-----------|----------|----------|
| Address  | Fair Market Value |             | Nature of Interest      | Gross Income If Rental Property |           | Date     |          |
|  | Min               | Max         |                         | Min                             | Max       | Acquired | Disposed |
| 33791 Violet Lantern, Dana Point, CA 92629         | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 34021/23 Cooper Lantern, Dana Point, CA 92629      | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 33931 Cooper Lantern, Dana Point, CA 92629         | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 33941 Silver Lantern, Dana Point, CA 92629         | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 1321 Calle Avanzado, San Clemente, CA 92673        | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 7 Argonaut, Aliso Viejo, CA 92656                  | \$1,000,001       | No Max      | Ownership/Deed of Trust | \$100,001                       | No Max    |          |          |

|   |                    |                                 |                            |                  |                               |          |  |
|---|--------------------|---------------------------------|----------------------------|------------------|-------------------------------|----------|--|
| 31212 Paseo Mira Loma,<br>San Juan Capistrano, CA<br>92575                      | \$100,001          | \$1,000,000                     | Ownership/Deed of<br>Trust | \$10,001         | \$100,000                     |          |  |
| 75.95% Undivided<br>Ownership – 130 Lot<br>Subdivision<br>San Bernardino County | \$100,001          | \$1,000,000                     | Ownership/Deed of<br>Trust | \$0              | \$499                         |          |  |
| 279 Bowling Green Drive,<br>Costa Mesa, CA 92656                                | \$100,001          | \$1,000,000                     | Ownership/Deed of<br>Trust | \$0              | \$499                         | 12/26/13 |  |
| <b>Total:</b>   | <b>\$1,800,009</b> | <b>At Least<br/>\$9,000,001</b> |                            | <b>\$160,007</b> | <b>At Least<br/>\$700,999</b> |          |  |

[Harkey 2013 Annual Statement of Economic Interests, received [3/3/14](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**In A Section Requiring Harkey To Disclose If She Owned At Least 10% Interest In 7 Argonaut, Harkey Listed Point Center Financial, Inc. As Providing At Least \$10,000 Or More In Income.** [Harkey 2012 Annual Statement of Economic Interests, received [3/3/14](#)]

### Schedule C: Income, Loans, & Business Positions

**2013: Harkey Reported Between \$1,001 And \$10,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions**

**2013: Harkey Reported Between \$1,001 And \$10,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions.** [Harkey 2013 Annual Statement of Economic Interests, received [3/3/14](#)]

| 2013 Harkey Schedule C: Income, Loans, & Business Positions |  |                |                 |               |                                |
|---|--|----------------|-----------------|---------------|--------------------------------|
| Source  | Business Activity                        | Gross Income   |                 | Consideration | Note                           |
|   |  | Min            | Max             |               |                                |
| Enterprise<br>Temecula, LLC                                 | 1 <sup>st</sup> Trust Deed<br>Investment | \$1,001        | \$10,000        | Partnership   | Member Shares in<br>LLC Income |
| <b>Total:</b>   |  | <b>\$1,001</b> | <b>\$10,000</b> |               |                                |

[Harkey 2013 Annual Statement of Economic Interests, received [3/3/14](#)]

### Schedule D: Income – Gifts

**2013: Harkey Reported Receiving \$507.10 Worth Of Gifts**

**2013: Harkey Reported Receiving \$507.10 Worth Of Gifts.** [Harkey 2013 Annual Statement of Economic Interests, received [3/3/14](#)]

| 2013 Harkey Schedule D: Income – Gifts |                   |          |   |                 |
|--|-------------------|----------|---|-----------------|
| Source                                 | Business Activity | Date     | Description                               | Value           |
| Allergan                               |                   | 10/29/13 | Lunch & Tour                              | \$89.32         |
| Barona Band of Mission Indians         |                   | 8/15/13  | Caucus Dinner                             | \$72.26         |
| California Association Of Realtors     |                   | 4/30/13  | Dinner &<br>Reception                     | \$104.24        |
| California Judges Association          |                   | 6/10/13  | Reception Food &<br>Bev                   | \$53.14         |
| Cox Communications                     |                   | 8/17/13  | Petco Park<br>Tickets; Food &<br>Beverage | \$120.00        |
| CTIA – Wireless Association            |                   | 4/24/13  | Reception Food &<br>Bev                   | \$68.14         |
| <b>Total:</b>                          |                   |          |   | <b>\$507.10</b> |



## 2012 – State Annual Statement of Economic Interests

*NOTE: The documents Harkey filled for her California’s Statement of Economic Interests did not provide a liability section, making Harkey’s net worth undeterminable. The documents Harkey in her Statement of Economic Interests also did not have an earned income section, transactions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2012: The Annual Statement of Economic Interests Covered Between January 1, 2012 And December 31, 2012.** [Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

### A Letter From Harkey’s Office In The Middle Of The 2012 Documents Claimed Any Omission Was “Unintended And Inadvertent”

**A Letter From Harkey’s Office In The 2012 Documents Claimed Harkey “Made A Good Faith Effort” To Report Gifts, Travel, And Reimbursements And Said That Any Omission Was “Unintended And Inadvertent.”** “The filer, Diane Harkey, has made a good faith effort to identify, value and report all gifts, tickets, travel payments, beverages, meals, and reimbursements related to travel in connection with speeches, panels, seminars, reception or other similar events received during the calendar year of 2012. The filer has implemented a policy to track carefully and maintain a full and complete log of events attended - events at which the filer was provided meals or other benefits, and events at which the filer did not consume meals or beverages. The filer has relied in part for this tracking system upon the persons and the entities, associations and individuals providing gifts, tickets, and the like to provide confirmation of the event and valuation of gifts and benefits. Any omission from the gifts and travel reimbursements listed herein is unintended and inadvertent.” [Diane Harkey, [3/1/13](#)]

**The Only Difference Between The Bottom 2012 Statement of Economic Interests And The Top 2012 Statement of Economic Interests Was That The Listing Of The 2 All Day Disneyland Passes Was Handwritten As The Walt Disney Co. In The Original Form.** [Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#); [2/28/13](#)]

### Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)

**2012: Harkey Reported Between \$500 And At Least \$999 In Unearned Income From Her And/Or Her Husband’s Investments**

**2012: Harkey Reported Between \$500 And At Least \$999 In Unearned Income From Her And/Or Her Husband’s Investments.** [Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

| 2012 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |   |                      |                   |                    |                  |                       |
|---|---|----------------------|-------------------|--------------------|------------------|-----------------------|
| Asset   | Description                                     | Nature of Investment | Fair Market Value |                    | Amount Of Income |                       |
|   |   |                      | Min               | Max                | Min              | Max                   |
| National Financial Lending, LLC   | Mortgage Pool Investment                        | Partnership          | \$10,001          | \$100,000          | \$0              | \$499                 |
| Enterprise Temecula, LLC  | LLC formed to fund a 1 <sup>st</sup> Trust Deed | Partnership          | \$100,001         | \$1,000,000        | \$500            | No Max                |
| Bank of America   | Banking Institution                             | Stock                |                   |                    |                  |                       |
| <b>Total:</b>   |   |                      | <b>\$110,002</b>  | <b>\$1,100,000</b> | <b>\$500</b>     | <b>At Least \$999</b> |

[Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.

**Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)**

**2012: Harkey Reported At Least \$200,002 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2012: Harkey Reported At Least \$200,002 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

| 2012 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                   |                |                        |                           |                                 |                          |                |                 |
|---|-------------------|----------------|------------------------|---------------------------|---------------------------------|--------------------------|----------------|-----------------|
| Asset   | Fair Market Value |                | Amount Of Gross Income |                           | Asset's Property                | Type                     | Property Value |                 |
|   | Min               | Max            | Min                    | Max                       |                                 |                          | Min            | Max             |
| Point Center Financial, Inc.  | \$0               | \$1,999        | \$100,001              | No Max                    | National Financial Lending, LLC | Mortgage Pool Investment | \$2,000        | \$10,000        |
| The Harkey Family Trust   |                   |                | \$100,001              | No Max                    |                                 |                          |                |                 |
| <b>Total:</b>   | <b>\$0</b>        | <b>\$1,999</b> | <b>\$200,002</b>       | <b>At Least \$200,002</b> |                                 |                          | <b>\$2,000</b> | <b>\$10,000</b> |

[Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.

**2012: Harkey Wrote She Had No Business Position With Point Center Financial, Inc.** [Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

**2012: Harkey Reported That Point Center Financial Had Between \$2,230,007 And At Least \$4,300,002 Worth Of Interests In Real Property**

**2012: Harkey Reported That Point Center Financial Had Between \$2,230,007 And At Least \$4,300,002 Worth Of Interests In Real Property.** [Harkey 2014 Annual Statement of Economic Interests, filed [3/15/13](#)]

| 2012 Harkey Interests In Real Property Held By Point Center Financial                |                    |                             |
|--|--------------------|-----------------------------|
| Location of Property   | Fair Market Value  |                             |
|  | Min                | Max                         |
| Lots 59-61; 63-65; 67; 68; 70; 72; 73, Tract 2525-1, (11 vacant lots) Atascadero, CA | \$10,001           | \$100,000                   |
| 391 Acres, Volta Road and I5, Los Banos, CA  | \$100,001          | \$1,000,000                 |
| 26 Lots, Apple Valley, CA  | \$1,000,001        | No Max                      |
| 24490, 24500, 24520 Washington Avenue, Murrieta, CA                                  | \$10,001           | \$100,000                   |
| Vacant Land, Beaumont, CA  | \$1,000,001        | No Max                      |
| Jack Rabbit Trail & Hwy 60, Beaumont, CA   | \$100,001          | \$1,000,000                 |
| 10 Mission Ridge, Ladera Ranch, CA   | \$10,001           | \$100,000                   |
| <b>Total:</b>  | <b>\$2,230,007</b> | <b>At Least \$4,300,002</b> |

[Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.

**Schedule B: Interests In Real Property**

**2012: Harkey Reported Between \$1,702,008 And At Least \$8,010,001 Worth Of Property And Between \$160,007 And At Least \$700,500 In Gross Income From Her And/Or Her Husband's Rental Property**

**2012: Harkey Reported Between \$1,702,008 And At Least \$8,010,001 Worth Of Property And Between \$160,007 And At Least \$700,500 In Gross Income From Her And/Or Her Husband's Rental Property.**

[Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

| 2012 Harkey Schedule B: Interests In Real Property                     |                    |                             |                         |                                 |                           |          |          |
|--|--------------------|-----------------------------|-------------------------|---------------------------------|---------------------------|----------|----------|
| Address  | Fair Market Value  |                             | Nature of Interest      | Gross Income If Rental Property |                           | Date     |          |
|  | Min                | Max                         |                         | Min                             | Max                       | Acquired | Disposed |
| 33791 Violet Lantern, Dana Point, CA 92629                             | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 34021/23 Cooper Lantern, Dana Point, CA 92629                          | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 33931 Cooper Lantern, Dana Point, CA 92629                             | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 33941 Silver Lantern, Dana Point, CA 92629                             | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 1321 Calle Avanzado, San Clemente, CA 92673                            | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 7 Argonaut, Aliso Viejo, CA 92656                                      | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$100,001                       | No Max                    |          |          |
| 31212 Paseo Mira Loma, San Juan Capistrano, CA 92575                   | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 75.95% Undivided Ownership – 130 Lot Subdivision San Bernardino County | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$0                             | \$499                     |          |          |
| 2306 J Street, Suite 201, Sacramento, CA 95816 (member residence)      | \$2,000            | \$10,000                    | Leasehold               |                                 |                           |          |          |
| <b>Total:</b>  | <b>\$1,702,008</b> | <b>At Least \$8,010,001</b> |                         | <b>\$160,007</b>                | <b>At Least \$700,500</b> |          |          |

[Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**In A Section Requiring Harkey To Disclose If She Owned At Least 10% Interest In 7 Argonaut, Harkey Listed Point Center Financial, Inc. As Providing At Least \$10,000 Or More In Income.** [Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

**Schedule C: Income, Loans, & Business Positions**

**2012: Harkey Reported Between \$1,501 And \$11,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions**

**2012: Harkey Reported Between \$1,501 And \$11,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions.** [Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

| 2012 Harkey Schedule C: Income, Loans, & Business Positions |                   |              |     |               |      |
|---|-------------------|--------------|-----|---------------|------|
| Source  | Business Activity | Gross Income |     | Consideration | Note |
|   |                   | Min          | Max |               |      |

|                                 |                                       |                |                 |             |                            |
|---------------------------------|---------------------------------------|----------------|-----------------|-------------|----------------------------|
| National Financial Lending, LLC | Mortgage Pool Investment              | \$500          | \$1,000         | Partnership | Member Share in LLC Income |
| Enterprise Temecula, LLC        | 1 <sup>st</sup> Trust Deed Investment | \$1,001        | \$10,000        | Partnership | Member Share in LLC Income |
| <b>Total:</b>                   |                                       | <b>\$1,501</b> | <b>\$11,000</b> |             |                            |

[Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

**2012: Harkey Reported She Had No Business Position With National Financial Lending Nor Enterprise Temecula, LLC.** [Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

### Schedule D: Income – Gifts

**2012: Harkey Reported Receiving \$625.31 Worth Of Gifts**

**2012: Harkey Reported Receiving \$625.31 Worth Of Gifts.** [Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

| 2012 Harkey Schedule D: Income – Gifts |  |         |                  |                 |
|--|--|---------|------------------|-----------------|
| Source                                 | Business Activity                        | Date    | Description      | Value           |
| Assembly Speaker John A. Perez         |  | 1/4/12  | Engraved Box     | \$39.00         |
| Assembly Speaker John A. Perez         |  | 12/2/12 | Engraved Bowl    | \$85.80         |
| Council for Legislative Excellence     | Republican Caucus                        | 2/7/12  | Dinner           | \$80.51         |
| Disneyland                             | Candlelight Reception & Ceremony Package | 12/2/12 | 2 All Day Passes | \$420.00        |
| <b>Total:</b>                          |  |         |                  | <b>\$625.31</b> |

[Harkey 2012 Annual Statement of Economic Interests, filed [3/15/13](#)]

## 2012 – State Annual Statement of Economic Interests

*NOTE: The documents Harkey filled for her California's Annual Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Annual Statement of Economic Interests also did not have an earned income section, transactions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Annual Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2012: The Annual Statement of Economic Interests Covered Between January 1, 2012 And December 31, 2012.** [Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

### Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)

**2012: Harkey Reported Between \$500 And At Least \$999 In Unearned Income From Her And/Or Her Husband's Investments**

**2012: Harkey Reported Between \$500 And At Least \$999 In Unearned Income From Her And/Or Her Husband's Investments.** [Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

| 2012 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |                          |                      |                   |           |                  |       |
|---|--------------------------|----------------------|-------------------|-----------|------------------|-------|
| Asset   | Description              | Nature of Investment | Fair Market Value |           | Amount Of Income |       |
|   |                          |                      | Min               | Max       | Min              | Max   |
| National Financial Lending, LLC   | Mortgage Pool Investment | Partnership          | \$10,001          | \$100,000 | \$0              | \$499 |

|                          |   |             |                  |                    |              |                       |
|--------------------------|---|-------------|------------------|--------------------|--------------|-----------------------|
| Enterprise Temecula, LLC | LLC formed to fund a 1 <sup>st</sup> Trust Deed | Partnership | \$100,001        | \$1,000,000        | \$500        | No Max                |
| Bank of America          | Banking Institution                             | Stock       |                  |                    |              |                       |
| <b>Total:</b>            |   |             | <b>\$110,002</b> | <b>\$1,100,000</b> | <b>\$500</b> | <b>At Least \$999</b> |

[Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)**

**2012: Harkey Reported At Least \$200,002 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2012: Harkey Reported At Least \$200,002 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

| 2012 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                   |                |                        |                           |                                 |                          |                |                 |
|---|-------------------|----------------|------------------------|---------------------------|---------------------------------|--------------------------|----------------|-----------------|
| Asset   | Fair Market Value |                | Amount Of Gross Income |                           | Asset's Property                | Type                     | Property Value |                 |
|   | Min               | Max            | Min                    | Max                       |                                 |                          | Min            | Max             |
| Point Center Financial, Inc.  | \$0               | \$1,999        | \$100,001              | No Max                    | National Financial Lending, LLC | Mortgage Pool Investment | \$2,000        | \$10,000        |
| The Harkey Family Trust   |                   |                | \$100,001              | No Max                    |                                 |                          |                |                 |
| <b>Total:</b>   | <b>\$0</b>        | <b>\$1,999</b> | <b>\$200,002</b>       | <b>At Least \$200,002</b> |                                 |                          | <b>\$2,000</b> | <b>\$10,000</b> |

[Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**2012: Harkey Wrote She Had No Business Position With Point Center Financial, Inc.** [Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

**2012: Harkey Reported That Point Center Financial Had Between \$2,230,007 And At Least \$4,300,002 Worth Of Interests In Real Property**

**2012: Harkey Reported That Point Center Financial Had Between \$2,230,007 And At Least \$4,300,002 Worth Of Interests In Real Property.** [Harkey 2014 Annual Statement of Economic Interests, filed [2/28/13](#)]

| 2012 Harkey Interests In Real Property Held By Point Center Financial                |                   |             |
|--|-------------------|-------------|
| Location of Property   | Fair Market Value |             |
|  | Min               | Max         |
| Lots 59-61; 63-65; 67; 68; 70; 72; 73, Tract 2525-1, (11 vacant lots) Atascadero, CA | \$10,001          | \$100,000   |
| 391 Acres, Volta Road and I5, Los Banos, CA  | \$100,001         | \$1,000,000 |
| 26 Lots, Apple Valley, CA  | \$1,000,001       | No Max      |
| 24490, 24500, 24520 Washington Avenue, Murrieta, CA                                  | \$10,001          | \$100,000   |
| Vacant Land, Beaumont, CA  | \$1,000,001       | No Max      |



|   |                    |                             |
|---|--------------------|-----------------------------|
| Jack Rabbit Trail & Hwy 60,<br>Beaumont, CA | \$100,001          | \$1,000,000                 |
| 10 Mission Ridge, Ladera Ranch, CA          | \$10,001           | \$100,000                   |
| <b>Total:</b>                               | <b>\$2,230,007</b> | <b>At Least \$4,300,002</b> |

[Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

### Schedule B: Interests In Real Property

**2012: Harkey Reported Between \$1,702,008 And At Least \$8,010,001 Worth Of Property And Between \$160,007 And At Least \$700,500 In Gross Income From Her And/Or Her Husband's Rental Property**

**2012: Harkey Reported Between \$1,702,008 And At Least \$8,010,001 Worth Of Property And Between \$160,007 And At Least \$700,500 In Gross Income From Her And/Or Her Husband's Rental Property.**

[Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

| 2012 Harkey Schedule B: Interests In Real Property                        |                    |                             |                         |                                 |                           |          |          |
|---|--------------------|-----------------------------|-------------------------|---------------------------------|---------------------------|----------|----------|
| Address   | Fair Market Value  |                             | Nature of Interest      | Gross Income If Rental Property |                           | Date     |          |
|   | Min                | Max                         |                         | Min                             | Max                       | Acquired | Disposed |
| 33791 Violet Lantern,<br>Dana Point, CA 92629                             | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 34021/23 Cooper Lantern,<br>Dana Point, CA 92629                          | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 33931 Cooper Lantern,<br>Dana Point, CA 92629                             | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 33941 Silver Lantern,<br>Dana Point, CA 92629                             | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 1321 Calle Avanzado,<br>San Clemente, CA 92673                            | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 7 Argonaut,<br>Aliso Viejo, CA 92656                                      | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$100,001                       | No Max                    |          |          |
| 31212 Paseo Mira Loma,<br>San Juan Capistrano, CA 92575                   | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 75.95% Undivided Ownership – 130 Lot Subdivision<br>San Bernardino County | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$0                             | \$499                     |          |          |
| 2306 J Street, Suite 201,<br>Sacramento, CA 95816                         | \$2,000            | \$10,000                    | Leasehold               |                                 |                           |          |          |
| <b>Total:</b>   | <b>\$1,702,008</b> | <b>At Least \$8,010,001</b> |                         | <b>\$160,007</b>                | <b>At Least \$700,500</b> |          |          |

[Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**In A Section Requiring Harkey To Disclose If She Owned At Least 10% Interest In 7 Argonaut, Harkey Listed Point Center Financial, Inc. As Providing At Least \$10,000 Or More In Income.** [Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

### Schedule C: Income, Loans, & Business Positions

**2012: Harkey Reported Between \$1,501 And \$11,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions**

**2012: Harkey Reported Between \$1,501 And \$11,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions.** [Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

| 2012 Harkey Schedule C: Income, Loans, & Business Positions |                                       |                |                 |               |                            |
|---|---------------------------------------|----------------|-----------------|---------------|----------------------------|
| Source  | Business Activity                     | Gross Income   |                 | Consideration | Note                       |
|   |                                       | Min            | Max             |               |                            |
| National Financial Lending, LLC                             | Mortgage Pool Investment              | \$500          | \$1,000         | Partnership   | Member Share in LLC Income |
| Enterprise Temecula, LLC                                    | 1 <sup>st</sup> Trust Deed Investment | \$1,001        | \$10,000        | Partnership   | Member Share in LLC Income |
| <b>Total:</b>   |                                       | <b>\$1,501</b> | <b>\$11,000</b> |               |                            |

[Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

**2012: Harkey Reported She Had No Business Position With National Financial Lending Nor Enterprise Temecula, LLC.** [Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

**Schedule D: Income – Gifts**

**2012: Harkey Reported Receiving \$625.31 Worth Of Gifts**

**2012: Harkey Reported Receiving \$625.31 Worth Of Gifts.** [Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

| 2012 Harkey Schedule D: Income – Gifts |  |         |                  |                 |
|--|--|---------|------------------|-----------------|
| Source                                 | Business Activity                        | Date    | Description      | Value           |
| Assembly Speaker John A. Perez         |  | 1/4/12  | Engraved Box     | \$39.00         |
| Assembly Speaker John A. Perez         |  | 12/2/12 | Engraved Bowl    | \$85.80         |
| Council for Legislative Excellence     | Republican Caucus                        | 2/7/12  | Dinner           | \$80.51         |
| The Walt Disney Co.                    | Candlelight Reception & Ceremony Package | 12/2/12 | 2 All Day Passes | \$420.00        |
| <b>Total:</b>                          |  |         |                  | <b>\$625.31</b> |

[Harkey 2012 Annual Statement of Economic Interests, filed [2/28/13](#)]

**2011 – State Annual Statement of Economic Interests**

*NOTE: The documents Harkey filled for her California's Annual Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Annual Statement of Economic Interests also did not have an earned income section, transactions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Annual Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2011: The Annual Statement of Economic Interests Covered Between January 1, 2011 And December 31, 2011.** [Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

**A Letter From Harkey's Office On Harkey's Amended Form Claimed Harkey Any Omission Was "Unintended And Inadvertent"**

**A Letter From Harkey’s Office On Harkey’s Statement Of Economic Interests Claimed Harkey “Made A Good Faith Effort” To Report Gifts, Travel, And Reimbursements And Said That Any Omission Was “Unintended And Inadvertent.”** “The filer, Diane Harkey, had made a good faith effort to identify, value and report all gifts- tickets, travel payments, beverages, meals, and reimbursements related to travel in connection with speeches, panels, seminars, reception or other similar events received during the calendar year of 2012. The filer has implemented a policy to track carefully and maintain a full and a complete log of events attended events at which the filer was provided meals or other benefits; and events at which the filer did not consume meals or beverages. The filer has relied in part for this tracking system upon the persons and the entities, associations and individuals providing gifts, tickets, and the like to provide confirmation of the event and valuation of gifts and benefits. Any omission from the gifts and travel reimbursements listed herein is unintended and inadvertent.”  
 [Diane Harkey, [3/1/12](#)]

**Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)**

**2011: Harkey Reported At Least \$1,000 In Unearned Income From Her And/Or Her Husband’s Investments**

**2011: Harkey Reported At Least \$1,000 In Unearned Income From Her And/Or Her Husband’s Investments.** [Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

| 2011 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |   |                      |                   |                    |                  |                         |
|---|---|----------------------|-------------------|--------------------|------------------|-------------------------|
| Asset   | Description                                     | Nature of Investment | Fair Market Value |                    | Amount Of Income |                         |
|   |   |                      | Min               | Max                | Min              | Max                     |
| National Financial Lending, LLC   | Mortgage Pool Investment                        | Partnership          | \$10,001          | \$100,000          | \$500            | No Max                  |
| Bank of America   | Banking Institution                             | Stock                | \$10,001          | \$100,000          |                  |                         |
| Enterprise Temecula, LLC  | LLC formed to fund a 1 <sup>st</sup> Trust Deed | Partnership          | \$100,001         | \$1,000,000        | \$500            | No Max                  |
|   |   | <b>Total:</b>        | <b>\$120,002</b>  | <b>\$1,200,000</b> | <b>\$1,000</b>   | <b>At Least \$1,000</b> |

[Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)**

**2011: Harkey Reported At Least \$200,002 In Unearned Income From Her And/Or Her Husband’s Business Entities/Trusts**

**2011: Harkey Reported At Least \$200,002 In Unearned Income From Her And/Or Her Husband’s Business Entities/Trusts.** [Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

| 2011 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                   |                 |                        |                           |                                 |                          |                 |                  |
|---|-------------------|-----------------|------------------------|---------------------------|---------------------------------|--------------------------|-----------------|------------------|
| Asset   | Fair Market Value |                 | Amount Of Gross Income |                           | Asset’s Property                | Type                     | Property Value  |                  |
|   | Min               | Max             | Min                    | Max                       |                                 |                          | Min             | Max              |
| Point Center Financial, Inc.  | \$2,000           | \$10,000        | \$100,001              | No Max                    | National Financial Lending, LLC | Mortgage Pool Investment | \$10,001        | \$100,000        |
| The Harkey Family Trust   |                   |                 | \$100,001              | No Max                    |                                 |                          |                 |                  |
| <b>Total:</b>   | <b>\$2,000</b>    | <b>\$10,000</b> | <b>\$200,002</b>       | <b>At Least \$200,002</b> |                                 |                          | <b>\$10,001</b> | <b>\$100,000</b> |

[Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**2011: Harkey Wrote She Had No Business Position With Point Center Financial, Inc. And Wrote “Community Property Interest.”** [Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

**2011: Harkey Reported That Point Center Financial Had Between \$3,330,008 And At Least \$6,300,002 Worth Of Interests In Real Property**

**2011: Harkey Reported That Point Center Financial Had Between \$3,330,008 And At Least \$6,300,002 Worth Of Interests In Real Property.** [Harkey 2014 Annual Statement of Economic Interests, filed [2/28/12](#)]

| 2011 Harkey Interests In Real Property Held By Point Center Financial |                    |                             |
|---|--------------------|-----------------------------|
| Location of Property  | Fair Market Value  |                             |
|   | Min                | Max                         |
| Lots 59-61; 63-68; 70; 72-74, Tract 2525-1, Atascadero, CA            | \$10,001           | \$100,000                   |
| 391 Acres, Volta Road and I5, Los Banos, CA                           | \$100,001          | \$1,000,000                 |
| 3415 6 <sup>th</sup> Avenue, San Diego, CA                            | \$100,001          | \$1,000,000                 |
| 26 Lots, Apple Valley, CA   | \$1,000,001        | No Max                      |
| 24490, 24500, 24520 Washington Avenue, Murrieta, CA                   | \$10,001           | \$100,000                   |
| Vacant Land, Beaumont, CA   | \$1,000,001        | No Max                      |
| Jack Rabbit Trail & Hwy 60, Beaumont, CA                              | \$100,001          | \$1,000,000                 |
| 10 Mission Ridge, Ladera Ranch, CA                                    | \$10,001           | \$100,000                   |
| 52 Lots, Patterson, CA  | \$1,000,000        | No Max                      |
| <b>Total:</b>   | <b>\$3,330,008</b> | <b>At Least \$6,300,002</b> |

[Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**Schedule B: Interests In Real Property**

**2011: Harkey Reported Between \$1,700,008 And At Least \$8,000,001 Worth Of Property And Between \$151,007 And At Least \$610,001 In Gross Income From Her And/Or Her Husband’s Rental Property**

**2011: Harkey Reported Between \$1,700,008 And At Least \$8,000,001 Worth Of Property And Between \$151,007 And At Least \$610,001 In Gross Income From Her And/Or Her Husband’s Rental Property.**

[Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

| 2011 Harkey Schedule B: Interests In Real Property |                   |             |                         |                                 |           |          |          |
|--|-------------------|-------------|-------------------------|---------------------------------|-----------|----------|----------|
| Address  | Fair Market Value |             | Nature of Interest      | Gross Income If Rental Property |           | Date     |          |
|  | Min               | Max         |                         | Min                             | Max       | Acquired | Disposed |
| 33791 Violet Lantern, Dana Point, CA 92629         | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 34021/23 Cooper Lantern, Dana Point, CA 92629      | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 33931 Cooper Lantern, Dana Point, CA 92629         | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 33941 Silver Lantern, Dana Point, CA 92629         | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |

|   |                    |                                 |                            |                  |                               |  |  |
|---|--------------------|---------------------------------|----------------------------|------------------|-------------------------------|--|--|
| 1321 Calle Avanzado,<br>San Clemente, CA 92673                                  | \$100,001          | \$1,000,000                     | Ownership/Deed of<br>Trust | \$1,001          | \$10,000                      |  |  |
| 7 Argonaut,<br>Aliso Viejo, CA 92656  | \$1,000,001        | No Max                          | Ownership/Deed of<br>Trust | \$100,001        | No Max                        |  |  |
| 31212 Paseo Mira Loma,<br>San Juan Capistrano, CA<br>92575                      | \$100,001          | \$1,000,000                     | Ownership/Deed of<br>Trust | \$10,001         | \$100,000                     |  |  |
| 75.95% Undivided<br>Ownership – 130 Lot<br>Subdivision<br>San Bernardino County | \$100,001          | \$1,000,000                     | Ownership/Deed of<br>Trust |                  |                               |  |  |
| <b>Total:</b>   | <b>\$1,700,008</b> | <b>At Least<br/>\$8,000,001</b> |                            | <b>\$151,007</b> | <b>At Least<br/>\$610,001</b> |  |  |

[Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**In A Section Requiring Harkey To Disclose If She Owned At Least 10% Interest In 7 Argonaut, Harkey Listed Point Center Financial, Inc. As Providing At Least \$10,000 Or More In Income.** [Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

### Schedule C: Income, Loans, & Business Positions

**2011: Harkey Reported Between \$1,501 And \$11,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions**

**2011: Harkey Reported Between \$1,501 And \$11,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions.** [Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

| 2011 Harkey Schedule C: Income, Loans, & Business Positions |                                       |                |                 |               |                            |
|---|---------------------------------------|----------------|-----------------|---------------|----------------------------|
| Source  | Business Activity                     | Gross Income   |                 | Consideration | Note                       |
|   |                                       | Min            | Max             |               |                            |
| National Financial Lending, LLC                             | Mortgage Pool Investment              | \$500          | \$1,000         | Partnership   | Member Share in LLC Income |
| Enterprise Temecula, LLC                                    | 1 <sup>st</sup> Trust Deed Investment | \$1,001        | \$10,000        | Partnership   | Member Share in LLC Income |
| <b>Total:</b>   |                                       | <b>\$1,501</b> | <b>\$11,000</b> |               |                            |

[Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

**2011: Harkey Reported She Had No Business Position With National Financial Lending Nor Enterprise Temecula, LLC.** [Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

### Schedule D: Income – Gifts

**2011: Harkey Reported Receiving \$669.42 Worth Of Gifts**

**2011: Harkey Reported Receiving \$669.42 Worth Of Gifts.** [Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

| 2011 Harkey Schedule D: Income – Gifts |                                  |         |             |          |
|--|----------------------------------|---------|-------------|----------|
| Source                                 | Business Activity                | Date    | Description | Value    |
| California Independent Voter Project   | Assembly Republican Caucus Event | 4/15/12 | Meal        | \$124.43 |
| Council for Legislative Excellence     | Assembly Republican Caucus Event | 4/15/11 | Meal        | \$124.43 |



|                    |                  |         |                        |                 |
|--------------------|------------------|---------|------------------------|-----------------|
| Cox Communications |                  | 7/28/11 | San Diego Padres<br>Ga | \$140.00        |
| KiDA Academeny     | Charitable Event | 9/16/11 | Meal                   | \$200.00        |
| Pala Indian Tribe  |                  | 4/29/11 | Meal                   | \$80.56         |
| <b>Total:</b>      |                  |         |                        | <b>\$669.42</b> |

[Harkey 2011 Annual Statement of Economic Interests, filed [2/28/12](#)]

## 2010 – State Annual Statement of Economic Interests

*NOTE: The documents Harkey filled for her California's Annual Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Annual Statement of Economic Interests also did not have an earned income section, transactions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Annual Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2010: The Annual Statement of Economic Interests Covered Between January 1, 2010 And December 31, 2010.** [Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

### Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)

**2010: Harkey Reported At Least \$500 In Unearned Income From Her And/Or Her Husband's Investments**

**2010: Harkey Reported At Least \$500 In Unearned Income From Her And/Or Her Husband's Investments.** [Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

| 2010 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |   |                      |                   |                  |                  |                       |
|---|---|----------------------|-------------------|------------------|------------------|-----------------------|
| Asset   | Description                               | Nature of Investment | Fair Market Value |                  | Amount Of Income |                       |
|   |   |                      | Min               | Max              | Min              | Max                   |
| National Financial Lending, LLC   | Membership Interests in Mortgage Pool LLC | Partnership          | \$10,001          | \$100,000        | \$500            | No Max                |
| Bank of America   | Own Stock in lending institution          | Stock                | \$10,001          | \$100,000        |                  |                       |
| <b>Total:</b>   |   |                      | <b>\$10,002</b>   | <b>\$200,000</b> | <b>\$500</b>     | <b>At Least \$500</b> |

[Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

### Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)

**2010: Harkey Reported Between \$100,001 And At Least \$100,500 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2010: Harkey Reported Between \$100,001 And At Least \$100,500 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

### 2010 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts

| Asset                        | Fair Market Value |                 | Amount Of Gross Income |                           | Asset's Property                | Type                     | Property Value  |                  |
|------------------------------|-------------------|-----------------|------------------------|---------------------------|---------------------------------|--------------------------|-----------------|------------------|
|                              | Min               | Max             | Min                    | Max                       |                                 |                          | Min             | Max              |
| Point Center Financial, Inc. | \$2,000           | \$10,000        | \$100,001              | No Max                    | National Financial Lending, LLC | Mortgage Pool Investment | \$10,001        | \$100,000        |
| The Harkey Family Trust      |                   |                 | \$0                    | \$499                     |                                 |                          |                 |                  |
| <b>Total:</b>                | <b>\$2,000</b>    | <b>\$10,000</b> | <b>\$100,001</b>       | <b>At Least \$100,500</b> |                                 |                          | <b>\$10,001</b> | <b>\$100,000</b> |

[Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**2010: Harkey Wrote She Had No Business Position With Point Center Financial, Inc. And Wrote "Community Property Interest."** [Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

**2010: Harkey Reported That Point Center Financial Had Between \$4,430,010 And At Least \$8,300,003 Worth Of Interests In Real Property**

**2010: Harkey Reported That Point Center Financial Had Between \$4,430,010 And At Least \$8,300,003 Worth Of Interests In Real Property.** [Harkey 2014 Annual Statement of Economic Interests, filed [2/28/11](#)]

| 2010 Harkey Interests In Real Property Held By Point Center Financial |                    |                             |
|---|--------------------|-----------------------------|
| Location of Property  | Fair Market Value  |                             |
|   | Min                | Max                         |
| Lots 59-61; 63-70; 72-74; 76-78, Tract 2525-1, Atascadero, CA         | \$10,001           | \$100,000                   |
| 14.22 Acres, Van Buren Street, Grand Terrace, CA                      | \$100,001          | \$1,000,000                 |
| 391 Acres, Volta Road and I5, Los Banos, CA                           | \$100,001          | \$1,000,000                 |
| Calhoun & 54 <sup>th</sup> , Coachella, CA                            | \$1,000,001        | No Max                      |
| 3415 6 <sup>th</sup> Avenue, San Diego, CA                            | \$100,001          | \$1,000,000                 |
| 26 Lots, Apple Valley, CA   | \$1,000,001        | No Max                      |
| 24490, 24500, 24520 Washington Avenue, Murrieta, CA                   | \$10,001           | \$100,000                   |
| Vacant Land, Beaumont, CA   | \$1,000,001        | No Max                      |
| Jack Rabbit Trail & Hwy 60, Beaumont, CA                              | \$100,001          | \$1,000,000                 |
| 10 Mission Ridge, Ladera Ranch, CA                                    | \$10,001           | \$100,000                   |
| 52 Lots, Patterson, CA  | \$1,000,000        | No Max                      |
| <b>Total:</b>   | <b>\$4,430,010</b> | <b>At Least \$8,300,003</b> |

[Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

### Schedule B: Interests In Real Property

**2010: Harkey Reported Between \$4,400,008 And At Least \$8,000,004 Worth Of Property And Between \$150,006 And At Least \$600,999 In Gross Income From Her And/Or Her Husband's Rental Property**

**2010: Harkey Reported Between \$4,400,008 And At Least \$8,000,004 Worth Of Property And Between \$150,006 And At Least \$600,999 In Gross Income From Her And/Or Her Husband's Rental Property.** [Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

| 2010 Harkey Schedule B: Interests In Real Property                     |                    |                             |                         |                                 |                           |          |          |
|--|--------------------|-----------------------------|-------------------------|---------------------------------|---------------------------|----------|----------|
| Address  | Fair Market Value  |                             | Nature of Interest      | Gross Income If Rental Property |                           | Date     |          |
|  | Min                | Max                         |                         | Min                             | Max                       | Acquired | Disposed |
| 33791 Violet Lantern, Dana Point, CA 92629                             | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 34021/23 Cooper Lantern, Dana Point, CA 92629                          | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 33931 Cooper Lantern, Dana Point, CA 92629                             | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 33941 Silver Lantern, Dana Point, CA 92629                             | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 1321 Calle Avanzado, San Clemente, CA 92673                            | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$0                             | \$499                     |          |          |
| 7 Argonaut, Aliso Viejo, CA 92656                                      | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$100,001                       | No Max                    |          |          |
| 31212 Paseo Mira Loma, San Juan Capistrano, CA 92575                   | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 75.95% Undivided Ownership – 130 Lot Subdivision San Bernardino County | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$0                             | \$499                     |          |          |
| <b>Total:</b>  | <b>\$4,400,008</b> | <b>At Least \$8,000,004</b> |                         | <b>\$150,006</b>                | <b>At Least \$600,999</b> |          |          |

[Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**In A Section Requiring Harkey To Disclose If She Owned At Least 10% Interest In 7 Argonaut, Harkey Listed Point Center Financial, Inc. As Providing At Least \$10,000 Or More In Income.** [Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

### Schedule C: Income, Loans, & Business Positions

**2010: Harkey Reported Between \$500 And \$1,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions**

**2010: Harkey Reported Between \$500 And \$1,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions.** [Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

| 2010 Harkey Schedule C: Income, Loans, & Business Positions |                          |              |                |               |                            |
|---|--------------------------|--------------|----------------|---------------|----------------------------|
| Source  | Business Activity        | Gross Income |                | Consideration | Note                       |
|   |                          | Min          | Max            |               |                            |
| National Financial Lending, LLC                             | Mortgage Pool Investment | \$500        | \$1,000        |               | Member Share in LLC Income |
| <b>Total:</b>   |                          | <b>\$500</b> | <b>\$1,000</b> |               |                            |

[Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

**2010: Harkey Reported She Had No Business Position With National Financial Lending.** [Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

### Schedule D: Income – Gifts

**2010: Harkey Reported Receiving \$262.30 Worth Of Gifts**

**2010: Harkey Reported Receiving \$262.30 Worth Of Gifts.** [Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

| 2010 Harkey Schedule D: Income – Gifts |  |        |                      |                 |
|--|--|--------|----------------------|-----------------|
| Source                                 | Business Activity                                | Date   | Description          | Value           |
| California Healthcare Institute        | CHI California Biomedical Industry Report Launch | 2/2/10 | Dinner and Reception | \$205.30        |
| California State Protocol Foundation   | Sutter Club Luncheon                             | 1/6/10 | Lunch                | \$35.47         |
| Governor Arnold Schwarzenegger         | Sutter Club Luncheon                             | 1/6/10 | Lunch                | \$21.53         |
| <b>Total:</b>                          |  |        |                      | <b>\$262.30</b> |

[Harkey 2010 Annual Statement of Economic Interests, filed [2/28/11](#)]

## 2009 – State Annual Statement of Economic Interests

*NOTE: The documents Harkey filled for her California’s Annual Statement of Economic Interests did not provide a liability section, making Harkey’s net worth undeterminable. The documents Harkey in her Annual Statement of Economic Interests also did not have an earned income section, transactions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Annual Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2009: The Annual Statement of Economic Interests Covered Between January 1, 2009 And December 31, 2009.** [Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

### Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)

**2009: Harkey Reported Between \$0 And \$500 In Unearned Income From Her And/Or Her Husband’s Investments**

**2009: Harkey Reported Between \$0 And \$500 In Unearned Income From Her And/Or Her Husband’s Investments.** [Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

| 2009 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |   |                      |                   |                  |                  |              |
|---|---|----------------------|-------------------|------------------|------------------|--------------|
| Asset   | Description                               | Nature of Investment | Fair Market Value |                  | Amount Of Income |              |
|   |   |                      | Min               | Max              | Min              | Max          |
| National Financial Lending, LLC   | Membership Interests in Mortgage Pool LLC | Partnership          | \$10,001          | \$100,000        | \$0              | \$500        |
| Bank of America   | Own stock in lending institution          | Stock                | \$2,000           | \$10,000         |                  |              |
| <b>Total:</b>   |   |                      | <b>\$12,001</b>   | <b>\$110,000</b> | <b>\$0</b>       | <b>\$500</b> |

[Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

### Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)

**2009: Harkey Reported Between \$100,001 And At Least \$100,500 In Unearned Income From Her And/Or Her Husband’s Business Entities/Trusts**

**2009: Harkey Reported Between \$100,001 And At Least \$100,500 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

| 2009 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                   |                 |                        |                           |                                 |                          |                 |                  |
|---|-------------------|-----------------|------------------------|---------------------------|---------------------------------|--------------------------|-----------------|------------------|
| Asset   | Fair Market Value |                 | Amount Of Gross Income |                           | Asset's Property                | Type                     | Property Value  |                  |
|   | Min               | Max             | Min                    | Max                       |                                 |                          | Min             | Max              |
| Point Center Financial, Inc.  | \$2,000           | \$10,000        | \$100,001              | No Max                    | National Financial Lending, LLC | Mortgage Pool Investment | \$10,001        | \$100,000        |
| The Harkey Family Trust   |                   |                 | \$0                    | \$499                     |                                 |                          |                 |                  |
| <b>Total:</b>   | <b>\$2,000</b>    | <b>\$10,000</b> | <b>\$100,001</b>       | <b>At Least \$100,500</b> |                                 |                          | <b>\$10,001</b> | <b>\$100,000</b> |

[Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**2009: Harkey Wrote She Had No Business Position With Point Center Financial, Inc. And Wrote "Community Property Interest."** [Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

**2009: Harkey Reported That Point Center Financial Had Between \$5,520,011 And At Least \$10,200,004 Worth Of Interests In Real Property**

**2009: Harkey Reported That Point Center Financial Had Between \$5,520,011 And At Least \$10,200,004 Worth Of Interests In Real Property.** [Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

| 2009 Harkey Interests In Real Property Held By Point Center Financial |                    |                              |
|---|--------------------|------------------------------|
| Location of Property  | Fair Market Value  |                              |
|   | Min                | Max                          |
| 14.22 Acres, Van Buren Street, Grand Terrace, CA                      | \$100,001          | \$1,000,000                  |
| 391 Acres, Volta Road and I5, Los Banos, CA                           | \$100,001          | \$1,000,000                  |
| Calhoun & 54 <sup>th</sup> , Coachella, CA                            | \$1,000,001        | No Max                       |
| Winano & 7 <sup>th</sup> , Victorville, CA                            | \$1,000,001        | No Max                       |
| 3415 6 <sup>th</sup> Avenue, San Diego, CA                            | \$100,001          | \$1,000,000                  |
| 26 Lots, Apple Valley, CA   | \$1,000,001        | No Max                       |
| 2 Lots, Phase 3, Ladera Ranch, CA                                     | \$100,001          | \$1,000,000                  |
| 24490, 24500, 24520 Washington Avenue, Murrieta, CA                   | \$10,001           | \$100,000                    |
| Vacant Land, Beaumont, CA   | \$1,000,001        | No Max                       |
| Jack Rabbit Trail & Hwy 60, Beaumont, CA                              | \$100,001          | \$1,000,000                  |
| 10 Mission Ridge, Ladera Ranch, CA                                    | \$10,001           | \$100,000                    |
| 52 Lots, Patterson, CA  | \$1,000,000        | No Max                       |
| <b>Total:</b>   | <b>\$5,520,011</b> | <b>At Least \$10,200,004</b> |

[Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

### Schedule B: Interests In Real Property

**2009: Harkey Reported Between \$4,400,006 And At Least \$8,000,004 Worth Of Property And Between \$150,006 And At Least \$600,999 In Gross Income From Her And/Or Her Husband's Rental Property**



**2009: Harkey Reported Between \$4,400,006 And At Least \$8,000,004 Worth Of Property And Between \$150,006 And At Least \$600,999 In Gross Income From Her And/Or Her Husband's Rental Property.**

[Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

| 2009 Harkey Schedule B: Interests In Real Property                     |                    |                             |                         |                                 |                           |          |          |
|--|--------------------|-----------------------------|-------------------------|---------------------------------|---------------------------|----------|----------|
| Address  | Fair Market Value  |                             | Nature of Interest      | Gross Income If Rental Property |                           | Date     |          |
|  | Min                | Max                         |                         | Min                             | Max                       | Acquired | Disposed |
| 33791 Violet Lantern, Dana Point, CA 92629                             | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 34021/23 Cooper Lantern, Dana Point, CA 92629                          | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 33931 Cooper Lantern, Dana Point, CA 92629                             | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 33941 Silver Lantern, Dana Point, CA 92629                             | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 1321 Calle Avanzado, San Clemente, CA 92673                            | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$0                             | \$499                     |          |          |
| 7 Argonaut, Aliso Viejo, CA 92656                                      | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$100,001                       | No Max                    |          |          |
| 31212 Paseo Mira Loma, San Juan Capistrano, CA 92575                   | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 75.95% Undivided Ownership – 130 Lot Subdivision San Bernardino County | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$0                             | \$499                     |          |          |
| <b>Total:</b>  | <b>\$4,400,008</b> | <b>At Least \$8,000,004</b> |                         | <b>\$150,006</b>                | <b>At Least \$600,999</b> |          |          |

[Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**In A Section Requiring Harkey To Disclose If She Owned At Least 10% Interest In 7 Argonaut, Harkey Listed Point Center Financial, Inc. As Providing At Least \$10,000 Or More In Income.** [Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

**Schedule C: Income, Loans, & Business Positions**

**2009: Harkey Reported Between \$500 And \$1,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions**

**2009: Harkey Reported Between \$500 And \$1,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions.** [Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

| 2009 Harkey Schedule C: Income, Loans, & Business Positions |                          |              |                |               |                            |
|---|--------------------------|--------------|----------------|---------------|----------------------------|
| Source  | Business Activity        | Gross Income |                | Consideration | Note                       |
|   |                          | Min          | Max            |               |                            |
| National Financial Lending, LLC                             | Mortgage Pool Investment | \$500        | \$1,000        |               | Member Share in LLC Income |
| <b>Total:</b>   |                          | <b>\$500</b> | <b>\$1,000</b> |               |                            |

[Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

**2009: Harkey Reported She Had No Business Position With National Financial Lending.** [Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

**Schedule D: Income – Gifts****2009: Harkey Reported Receiving \$678.39 Worth Of Gifts**

**2009: Harkey Reported Receiving \$678.39 Worth Of Gifts.** [Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

| 2009 Harkey Schedule D: Income – Gifts              |   |         |                       |                 |
|---|---|---------|-----------------------|-----------------|
| Source  | Business Activity                         | Date    | Description           | Value           |
| CCTA  | Reception at the Sheraton Grand           | 5/4/09  | reception             | \$63.23         |
| Counsel for Legislative Excellence                  | Join Legislative Summit                   | 12/1/09 | Jacket, bag, bracelet | \$311.74        |
| Various healthcare/life science entities            | Healthcare and life sciences              | 1/28/09 | Reception/dinner      | \$216.88        |
| Various natural resource and environmental entities | Natural resource and environmental issues | 1/28/09 | Reception             | \$86.54         |
| <b>Total:</b>                                       |   |         |                       | <b>\$678.39</b> |

[Harkey 2009 Annual Statement of Economic Interests, filed [2/26/10](#)]

**2008 – State Leaving Office Statement of Economic Interests**

*NOTE: The documents Harkey filled for her California's Leaving Office Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Leaving Office Statement of Economic Interests also did not have an earned income section, transactions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Leaving Office Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2008: The Leaving Office Statement of Economic Interests Covered Between January 1, 2008 And November 18, 2008.** [Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

**2008: Harkey Filed This Statement Of Economic Interests Form For Her Position On The Dana Point City Council As Well As Her Position As A Board Member On The Foothill/Eastern Transportation Corridor Agency, Alternate On The San Joaquin Transportation Corridor Agency, And Alternate On the Transportation Corridor System.** [Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

**Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)**

**202008: Harkey Reported Between \$20,002 And \$200,000 Worth Of Investments Where She And/Or Her Husband Had Less Than 10% Ownership Interest In**

**2008: Harkey Reported Between \$20,002 And \$200,000 Worth Of Investments Where She And/Or Her Husband Had Less Than 10% Ownership Interest In.** [Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

| 2008 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |                                       |                      |                   |           |                  |     |
|---|---------------------------------------|----------------------|-------------------|-----------|------------------|-----|
| Asset   | Description                           | Nature of Investment | Fair Market Value |           | Amount Of Income |     |
|   |                                       |                      | Min               | Max       | Min              | Max |
| National Financial Lending, LLC   | Membership Interests in Mortgage Pool | LLC Member Interests | \$10,001          | \$100,000 |                  |     |

|                 |                                  |               |                 |                  |  |  |
|-----------------|----------------------------------|---------------|-----------------|------------------|--|--|
| Bank of America | Own stock in lending institution | Stock         | \$10,001        | \$100,000        |  |  |
|                 |                                  | <b>Total:</b> | <b>\$20,002</b> | <b>\$200,000</b> |  |  |

[Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

**Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)**

**2008: Harkey Reported Between \$100,001 And \$1,000,000 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2008: Harkey Reported Between \$100,001 And \$1,000,000 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

| 2008 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                   |                    |                        |              |                                 |                      |                 |                  |
|---|-------------------|--------------------|------------------------|--------------|---------------------------------|----------------------|-----------------|------------------|
| Asset   | Fair Market Value |                    | Amount Of Gross Income |              | Asset's Property                | Type                 | Property Value  |                  |
|   | Min               | Max                | Min                    | Max          |                                 |                      | Min             | Max              |
| Point Center Financial, Inc.  | \$100,001         | \$1,000,000        | \$0                    | \$499        | National Financial Lending, LLC | LLC Member Interests | \$10,001        | \$100,000        |
| The Harkey Family Trust   |                   |                    | \$0                    | \$499        |                                 |                      |                 |                  |
| <b>Total:</b>   | <b>\$100,001</b>  | <b>\$1,000,000</b> | <b>\$0</b>             | <b>\$998</b> |                                 |                      | <b>\$10,001</b> | <b>\$100,000</b> |

[Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

**2008: Harkey Wrote She Had No Business Position With Point Center Financial, Inc.** [Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

**Schedule B: Interests In Real Property**

**2008: Harkey Reported Between \$3,500,008 And At Least \$8,000,003 Worth Of Property And Between \$150,006 And At Least \$600,999 In Gross Income From Her And/Or Her Husband's Rental Property**

**2008: Harkey Reported Between \$3,500,008 And At Least \$8,000,003 Worth Of Property And Between \$150,006 And At Least \$600,999 In Gross Income From Her And/Or Her Husband's Rental Property.** [Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

| 2008 Harkey Schedule B: Interests In Real Property |                   |             |                         |                                 |           |          |          |
|--|-------------------|-------------|-------------------------|---------------------------------|-----------|----------|----------|
| Address  | Fair Market Value |             | Nature of Interest      | Gross Income If Rental Property |           | Date     |          |
|  | Min               | Max         |                         | Min                             | Max       | Acquired | Disposed |
| 33791 Violet Lantern, Dana Point, CA 92629         | \$1,000,001       | No Max      | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 34021/23 Cooper Lantern, Dana Point, CA 92629      | \$1,000,001       | No Max      | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 33931 Cooper Lantern, Dana Point, CA 92629         | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 33941 Silver Lantern, Dana Point, CA 92629         | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 1321 Calle Avanzado, San Clemente, CA 92673        | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$0                             | \$499     |          |          |
| 7 Argonaut, Aliso Viejo, CA 92656                  | \$1,000,001       | No Max      | Ownership/Deed of Trust | \$100,001                       | No Max    |          |          |

|   |                    |                                 |                            |                  |                               |  |  |
|---|--------------------|---------------------------------|----------------------------|------------------|-------------------------------|--|--|
| 31212 Paseo Mira Loma,<br>San Juan Capistrano, CA<br>92575                      | \$100,001          | \$1,000,000                     | Ownership/Deed of<br>Trust | \$10,001         | \$100,000                     |  |  |
| 75.98% Undivided<br>Ownership – 130 Lot<br>Subdivision<br>San Bernardino County | \$100,001          | \$1,000,000                     | Ownership/Deed of<br>Trust | \$0              | \$499                         |  |  |
| <b>Total:</b>   | <b>\$3,500,008</b> | <b>At Least<br/>\$8,000,003</b> |                            | <b>\$150,006</b> | <b>At Least<br/>\$600,999</b> |  |  |

[Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**In A Section Requiring Harkey To Disclose If She Owned At Least 10% Interest In 7 Argonaut, Harkey Listed Point Center Financial, Inc. As Providing At Least \$10,000 Or More In Income.** [Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

### Schedule C: Income, Loans, & Business Positions

**2008: Harkey Reported Between \$1,001 And \$10,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions**

**2008: Harkey Reported Between \$1,001 And \$10,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions.** [Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

| 2008 Harkey Schedule C: Income, Loans, & Business Positions |                   |                |                 |               |                            |
|---|-------------------|----------------|-----------------|---------------|----------------------------|
| Source  | Business Activity | Gross Income   |                 | Consideration | Note                       |
|   |                   | Min            | Max             |               |                            |
| National Financial Lending, LLC                             | Mortgage Lending  | \$1,001        | \$10,000        |               | Member Share in LLC Income |
| <b>Total:</b>   |                   | <b>\$1,001</b> | <b>\$10,000</b> |               |                            |

[Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

**2008: Harkey Reported She Had No Business Position With National Financial Lending.** [Harkey 2008 Leaving Office Statement of Economic Interests, filed 11/18/08]

### 2007 – State Annual Statement of Economic Interests

*NOTE: The documents Harkey filled for her California's Annual Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Annual Statement of Economic Interests also did not have an earned income section, transactions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Annual Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2007: The Annual Statement of Economic Interests Covered Between January 1, 2007 And December 31, 2007.** [Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

**2007: Harkey Filed This Statement Of Economic Interests Form For Her Position On The Dana Point City Council As Well As Her Position As A Board Member On The Foothill/Eastern Transportation Corridor Agency, Alternate On The San Joaquin Transportation Corridor Agency, And Alternate On the Transportation Corridor System.** [Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

**Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)**

**202007: Harkey Reported Between \$20,002 And \$200,000 Worth Of Investments Where She And/Or Her Husband Had Less Than 10% Ownership Interest In**

**2007: Harkey Reported Between \$20,002 And \$200,000 Worth Of Investments Where She And/Or Her Husband Had Less Than 10% Ownership Interest In.** [Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

| 2007 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |                                       |                      |                   |                  |                  |     |
|---|---------------------------------------|----------------------|-------------------|------------------|------------------|-----|
| Asset   | Description                           | Nature of Investment | Fair Market Value |                  | Amount Of Income |     |
|   |                                       |                      | Min               | Max              | Min              | Max |
| National Financial Lending, LLC   | Membership Interests in Mortgage Pool | LLC Member Interests | \$10,001          | \$100,000        |                  |     |
| Bank of America   | Own stock in lending institution      | Stock                | \$10,001          | \$100,000        |                  |     |
| <b>Total:</b>   |                                       |                      | <b>\$20,002</b>   | <b>\$200,000</b> |                  |     |

[Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

**Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)**

**2007: Harkey Reported Between \$100,001 And \$1,000,000 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2007: Harkey Reported Between \$100,001 And \$1,000,000 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

| 2007 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                              |                    |                        |              |                  |      |                 |                                 |
|---|------------------------------|--------------------|------------------------|--------------|------------------|------|-----------------|---------------------------------|
| Asset   | Fair Market Value            |                    | Amount Of Gross Income |              | Asset's Property | Type | Property Value  |                                 |
|   | Min                          | Max                | Min                    | Max          |                  |      | Min             | Max                             |
|   | Point Center Financial, Inc. | \$100,001          | \$1,000,000            | \$0          |                  |      | \$499           | National Financial Lending, LLC |
| The Harkey Family Trust   |                              |                    | \$0                    | \$499        |                  |      |                 |                                 |
| <b>Total:</b>   | <b>\$100,001</b>             | <b>\$1,000,000</b> | <b>\$0</b>             | <b>\$998</b> |                  |      | <b>\$10,001</b> | <b>\$100,000</b>                |

[Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

**2007: Harkey Wrote She Had No Business Position With Point Center Financial, Inc.** [Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

**Schedule B: Interests In Real Property**

**2007: Harkey Reported Between \$3,500,008 And At Least \$8,000,003 Worth Of Property And Between \$150,006 And At Least \$600,999 In Gross Income From Her And/Or Her Husband's Rental Property**



**2007: Harkey Reported Between \$3,500,008 And At Least \$8,000,003 Worth Of Property And Between \$150,006 And At Least \$600,999 In Gross Income From Her And/Or Her Husband's Rental Property.**

[Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

| 2007 Harkey Schedule B: Interests In Real Property                     |                    |                             |                         |                                 |                           |          |          |
|--|--------------------|-----------------------------|-------------------------|---------------------------------|---------------------------|----------|----------|
| Address  | Fair Market Value  |                             | Nature of Interest      | Gross Income If Rental Property |                           | Date     |          |
|  | Min                | Max                         |                         | Min                             | Max                       | Acquired | Disposed |
| 33791 Violet Lantern, Dana Point, CA 92629                             | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 34021/23 Cooper Lantern, Dana Point, CA 92629                          | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 33931 Cooper Lantern, Dana Point, CA 92629                             | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 33941 Silver Lantern, Dana Point, CA 92629                             | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 1321 Calle Avanzado, San Clemente, CA 92673                            | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$0                             | \$499                     |          |          |
| 7 Argonaut, Aliso Viejo, CA 92656                                      | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$100,001                       | No Max                    |          |          |
| 31212 Paseo Mira Loma, San Juan Capistrano, CA 92575                   | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000                 |          |          |
| 75.98% Undivided Ownership – 130 Lot Subdivision San Bernardino County | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$0                             | \$499                     |          |          |
| <b>Total:</b>  | <b>\$3,500,008</b> | <b>At Least \$8,000,003</b> |                         | <b>\$150,006</b>                | <b>At Least \$600,999</b> |          |          |

[Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**In A Section Requiring Harkey To Disclose If She Owned At Least 10% Interest In 7 Argonaut, Harkey Listed Point Center Financial, Inc. As Providing At Least \$10,000 Or More In Income.** [Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

**Schedule C: Income, Loans, & Business Positions**

**2007: Harkey Reported Between \$1,001 And \$10,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions**

**2007: Harkey Reported Between \$1,001 And \$10,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions.** [Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

| 2007 Harkey Schedule C: Income, Loans, & Business Positions |                   |                |                 |               |                             |
|---|-------------------|----------------|-----------------|---------------|-----------------------------|
| Source  | Business Activity | Gross Income   |                 | Consideration | Note                        |
|   |                   | Min            | Max             |               |                             |
| National Financial Lending, LLC                             | Mortgage Lending  | \$1,001        | \$10,000        |               | Member share of LLC profits |
| <b>Total:</b>   |                   | <b>\$1,001</b> | <b>\$10,000</b> |               |                             |

[Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

**2007: Harkey Reported She Had No Business Position With National Financial Lending.** [Harkey 2007 Annual Statement of Economic Interests, filed 3/28/08]

## 2006 – State Annual Statement of Economic Interests

*NOTE: The documents Harkey filled for her California's Annual Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Annual Statement of Economic Interests also did not have an earned income section, transactions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Annual Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2006: The Annual Statement of Economic Interests Covered Between January 1, 2006 And December 31, 2006.** [Harkey 2006 Annual Statement of Economic Interests, filed 3/30/07]

**2006: Harkey Filed This Statement Of Economic Interests Form For Her Position On The Dana Point City Council As Well As Her Position As A Board Member On The Foothill/Eastern Transportation Corridor Agency, Alternate On The San Joaquin Transportation Corridor Agency, And Alternate On the Transportation Corridor System.** [Harkey 2006 Annual Statement of Economic Interests, filed 3/30/07]

### Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)

**202006: Harkey Reported Between \$20,002 And \$200,000 Worth Of Investments Where She And/Or Her Husband Had Less Than 10% Ownership Interest In**

**2006: Harkey Reported Between \$20,002 And \$200,000 Worth Of Investments Where She And/Or Her Husband Had Less Than 10% Ownership Interest In.** [Harkey 2006 Annual Statement of Economic Interests, filed 3/30/07]

| 2006 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |                                       |                      |                   |                  |                  |     |
|---|---------------------------------------|----------------------|-------------------|------------------|------------------|-----|
| Asset   | Description                           | Nature of Investment | Fair Market Value |                  | Amount Of Income |     |
|   |                                       |                      | Min               | Max              | Min              | Max |
| National Financial Lending, LLC   | Membership Interests in Mortgage Pool | LLC Member Interests | \$10,001          | \$100,000        |                  |     |
| Bank of America   | Own stock in lending institution      | Stock                | \$10,001          | \$100,000        |                  |     |
| <b>Total:</b>   |                                       |                      | <b>\$20,002</b>   | <b>\$200,000</b> |                  |     |

[Harkey 2006 Annual Statement of Economic Interests, filed 3/30/07]

### Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)

**2006: Harkey Reported Between \$210,002 And At Least \$300,001 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2006: Harkey Reported Between \$210,002 And At Least \$300,001 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2006 Annual Statement of Economic Interests, filed 3/30/07]

| 2006 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                   |     |                        |     |                  |      |                |     |
|---|-------------------|-----|------------------------|-----|------------------|------|----------------|-----|
| Asset   | Fair Market Value |     | Amount Of Gross Income |     | Asset's Property | Type | Property Value |     |
|   | Min               | Max | Min                    | Max |                  |      | Min            | Max |

|                              |                    |                             |                  |                           |  |  |                 |                  |
|------------------------------|--------------------|-----------------------------|------------------|---------------------------|--|--|-----------------|------------------|
| Point Center Financial, Inc. | \$1,000,001        | No Max                      | \$100,001        | No Max                    | National Financial Lending, LLC; PC Mtg. Fund I, LLC | LLC Member Interests that buys Notes & Trust Deeds | \$10,001        | \$100,000        |
| Escrow Professionals, Inc.   | \$10,001           | \$100,000                   | \$10,001         | \$100,000                 | Sold the business to Beverly Maili                   |  |                 |                  |
| The Harkey Family Trust      |                    |                             | \$100,000        | No Max                    |  |  |                 |                  |
| <b>Total:</b>                | <b>\$1,010,002</b> | <b>At Least \$1,100,001</b> | <b>\$210,002</b> | <b>At Least \$300,001</b> |  |  | <b>\$10,001</b> | <b>\$100,000</b> |

[Harkey 2006 Annual Statement of Economic Interests, filed 3/30/07]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**2006: Harkey Wrote She Had No Business Position With Point Center Financial, Inc. But That The Harkey Family Trust Received At Least \$10,000 In Income From Point Center Financial, Inc.** [Harkey 2006 Annual Statement of Economic Interests, filed 3/30/07]

### Schedule B: Interests In Real Property

**2006: Harkey Reported Between \$3,200,005 And At Least \$5,000,003 Worth Of Property And Between \$40,004 And \$400,499 In Gross Income From Her And/Or Her Husband's Rental Property**

**2006: Harkey Reported Between \$3,200,005 And At Least \$5,000,003 Worth Of Property And Between \$40,004 And \$400,499 In Gross Income From Her And/Or Her Husband's Rental Property.** [Harkey 2006 Annual Statement of Economic Interests, filed 3/30/07]

| 2006 Harkey Schedule B: Interests In Real Property   |                    |                             |                         |                                 |                  |          |          |
|--|--------------------|-----------------------------|-------------------------|---------------------------------|------------------|----------|----------|
| Address  | Fair Market Value  |                             | Nature of Interest      | Gross Income If Rental Property |                  | Date     |          |
|  | Min                | Max                         |                         | Min                             | Max              | Acquired | Disposed |
| 33791 Violet Lantern, Dana Point, CA 92629           | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$0                             | \$499            |          |          |
| 34021/23 Cooper Lantern, Dana Point, CA 92629        | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000        |          |          |
| 33931 Cooper Lantern, Dana Point, CA 92629           | \$100,001          | \$1,000,000                 | Ownership/Deed of Trust | \$10,001                        | \$100,000        |          |          |
| 33941 Silver Lantern, Dana Point, CA 92629           | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$10,001                        | \$100,000        |          |          |
| 31212 Paseo Mira Loma, San Juan Capistrano, CA 92575 | \$1,000,001        | No Max                      | Ownership/Deed of Trust | \$10,001                        | \$100,000        |          |          |
| <b>Total:</b>  | <b>\$3,200,005</b> | <b>At Least \$5,000,003</b> |                         | <b>\$40,004</b>                 | <b>\$400,499</b> |          |          |

[Harkey 2006 Annual Statement of Economic Interests, filed 3/30/07]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

### Schedule C: Income, Loans, & Business Positions

**2006: Harkey Reported Between \$1,001 And \$10,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions**

**2006: Harkey Reported Between \$1,001 And \$10,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions.** [Harkey 2006 Annual Statement of Economic Interests, filed 3/30/07]

| 2006 Harkey Schedule C: Income, Loans, & Business Positions |                   |                |                 |               |                             |
|---|-------------------|----------------|-----------------|---------------|-----------------------------|
| Source  | Business Activity | Gross Income   |                 | Consideration | Note                        |
|   |                   | Min            | Max             |               |                             |
| National Financial Lending, LLC                             | Mortgage Lending  | \$1,001        | \$10,000        |               | Member share of LLC profits |
| <b>Total:</b>   |                   | <b>\$1,001</b> | <b>\$10,000</b> |               |                             |

[Harkey 2006 Annual Statement of Economic Interests, filed [3/30/07](#)]

**2006: Harkey Reported She Had No Business Position With National Financial Lending.** [Harkey 2006 Annual Statement of Economic Interests, filed 3/30/07]

## 2005 – State Annual and Candidate Statement of Economic Interests

*NOTE: The documents Harkey filled for her California's Annual and Candidate Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Annual and Candidate Statement of Economic Interests also did not have an earned income section, transactions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Annual and Candidate Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2005: The Annual And Candidate Statement of Economic Interests Covered Between January 1, 2005 And December 31, 2005.** [Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 3/31/06]

**2005: Harkey Filed This Statement Of Economic Interests Form For Her Position On The Dana Point City Council As Well As Her 2006 Bid For State Senate.** [Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 3/31/06]

### Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)

**202005: Harkey Reported Between \$20,002 And \$200,000 Worth Of Investments Where She And/Or Her Husband Had Less Than 10% Ownership Interest In**

**2005: Harkey Reported Between \$20,002 And \$200,000 Worth Of Investments Where She And/Or Her Husband Had Less Than 10% Ownership Interest In.** [Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 3/31/06]

| 2005 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |                                       |                      |                   |                  |                  |     |
|---|---------------------------------------|----------------------|-------------------|------------------|------------------|-----|
| Asset   | Description                           | Nature of Investment | Fair Market Value |                  | Amount Of Income |     |
|   |                                       |                      | Min               | Max              | Min              | Max |
| National Financial Lending, LLC   | Membership Interests in Mortgage Pool | LLC Member Interests | \$10,001          | \$100,000        |                  |     |
| Bank of America   | Own stock in lending institution      | Stock                | \$10,001          | \$100,000        |                  |     |
| <b>Total:</b>   |                                       |                      | <b>\$20,002</b>   | <b>\$200,000</b> |                  |     |

[Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 3/31/06]

**Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)**

**2005: Harkey Reported Between \$210,002 And At Least \$200,501 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2005: Harkey Reported At Least \$210,002 And At Least \$200,501 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 3/31/06]

| 2005 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                    |                             |                        |                           |                                 |  |                 |                  |
|---|--------------------|-----------------------------|------------------------|---------------------------|---------------------------------|--|-----------------|------------------|
| Asset   | Fair Market Value  |                             | Amount Of Gross Income |                           | Asset's Property                | Type   | Property Value  |                  |
|   | Min                | Max                         | Min                    | Max                       |                                 |  | Min             | Max              |
| Point Center Financial, Inc.  | \$1,000,001        | No Max                      | \$100,001              | No Max                    | National Financial Lending, LLC | LLC Member Interests that buys Notes & Trust Deeds | \$10,001        | \$100,000        |
| Escrow Professionals, Inc.  | \$10,001           | \$100,000                   | \$0                    | \$499                     |                                 |  |                 |                  |
| The Harkey Family Trust   |                    |                             | \$100,001              | No Max                    |                                 |  |                 |                  |
| <b>Total:</b>   | <b>\$1,010,002</b> | <b>At Least \$1,100,001</b> | <b>\$200,002</b>       | <b>At Least \$200,501</b> |                                 |  | <b>\$10,001</b> | <b>\$100,000</b> |

[Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 3/31/06]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**2005: Harkey Wrote She Had No Business Position With Point Center Financial, Inc. But That The Harkey Family Trust Received At Least \$10,000 In Income From Point Center Financial, Inc.** [Harkey 2005 Annual and Candidate Statement of Economic Interests, 3/31/06]

**Schedule B: Interests In Real Property**

**2005: Harkey Reported Between \$500,005 And \$5,000,000 Worth Of Property And Between \$40,004 And \$400,499 In Gross Income From Her And/Or Her Husband's Rental Property**

**2005: Harkey Reported Between \$500,005 And \$5,000,000 Worth Of Property And Between \$40,004 And \$400,499 In Gross Income From Her And/Or Her Husband's Rental Property.** [Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 3/31/06]

| 2005 Harkey Schedule B: Interests In Real Property |                   |             |                         |                                 |           |          |          |
|--|-------------------|-------------|-------------------------|---------------------------------|-----------|----------|----------|
| Address  | Fair Market Value |             | Nature of Interest      | Gross Income If Rental Property |           | Date     |          |
|  | Min               | Max         |                         | Min                             | Max       | Acquired | Disposed |
| 33791 Violet Lantern, Dana Point, CA 92629         | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$0                             | \$499     |          |          |
| 34021/23 Cooper Lantern, Dana Point, CA 92629      | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 33931 Cooper Lantern, Dana Point, CA 92629         | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 33941 Silver Lantern, Dana Point, CA 92629         | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |



|  |                  |                    |                            |                 |                  |  |  |
|--|------------------|--------------------|----------------------------|-----------------|------------------|--|--|
| 31212 Paseo Mira Loma,<br>San Juan Capistrano, CA<br>92575 | \$100,001        | \$1,000,000        | Ownership/Deed of<br>Trust | \$10,001        | \$100,000        |  |  |
| <b>Total:</b>  | <b>\$500,005</b> | <b>\$5,000,000</b> |                            | <b>\$40,004</b> | <b>\$400,499</b> |  |  |

[Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 3/31/06]

### Schedule C: Income, Loans, & Business Positions

#### 2005: Harkey Reported Between \$1,001 And \$10,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions

**2005: Harkey Reported Between \$1,001 And \$10,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions.** [Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 3/31/06]

| 2005 Harkey Schedule C: Income, Loans, & Business Positions |                   |                |                 |               |                             |
|---|-------------------|----------------|-----------------|---------------|-----------------------------|
| Source  | Business Activity | Gross Income   |                 | Consideration | Note                        |
|   |                   | Min            | Max             |               |                             |
| National Financial Lending, LLC                             | Mortgage Lending  | \$1,001        | \$10,000        |               | Member share of LLC profits |
| <b>Total:</b>   |                   | <b>\$1,001</b> | <b>\$10,000</b> |               |                             |

[Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 3/31/06]

**2005: Harkey Reported She Had No Business Position With National Financial Lending.** [Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 3/31/06]

### 2004 – State Amended Assuming Office Statement of Economic Interests

*NOTE: The documents Harkey filled for her California's Amended Assuming Office Statement of Economic Interests did not provide a liability section, making Harkey's net worth undeterminable. The documents Harkey in her Amended Assuming Office Statement of Economic Interests also did not have an earned income section, transactions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Amended Assuming Office Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2004: The Amended Assuming Office Statement of Economic Interests Covered Harkey's Assets When She Joined The Dana Point City Council.** [Harkey 2004 Amended Assuming Office Statement of Economic Interests, filed 1/14/05]

### Differences

**2004: On Her Amended Form, Harkey Included At Least \$100,001 Worth Of Income From The Sale Of Her Primary Residence That She Did Not Previously Disclose**

**2004: On Her Amended Form, Harkey Included At Least \$100,001 Worth Of Income From The Sale Of Her Primary Residence That She Did Not Previously Disclose.** [Harkey 2004 Amended Assuming Office Statement of Economic Interests, filed 1/14/05; filed 1/6/05]

### Schedule C: Income, Loans, & Business Positions

**2004: Harkey Reported At Least \$100,001 In Gross Income From The Sale Of Her Primary Residence**

**2004: Harkey Reported At Least \$100,001 In Gross Income From The Sale Of Her Primary Residence.**  
 [Harkey 2004 Amended Assuming Office Statement of Economic Interests, filed 1/14/05]

| 2004 Harkey Schedule C: Income, Loans, & Business Positions |   |                  |                           |               |                           |
|---|---|------------------|---------------------------|---------------|---------------------------|
| Source  | Business Activity                                 | Gross Income     |                           | Consideration | Note                      |
|   |   | Min              | Max                       |               |                           |
| Robert J & Bernarda Neal                                    | Owner – Hager Pacific Properties, Newport Bch, CA | \$100,001        | No Max                    |               | Sale of Primary Residence |
| <b>Total:</b>   |   | <b>\$100,001</b> | <b>At Least \$100,001</b> |               |                           |

[Harkey 2004 Amended Assuming Office Statement of Economic Interests, filed 1/14/05]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**2004 – State Assuming Office Statement of Economic Interests**

*NOTE: The documents Harkey filled for her California’s Assuming Office Statement of Economic Interests did not provide a liability section, making Harkey’s net worth undeterminable. The documents Harkey in her Assuming Office Statement of Economic Interests also did not have an earned income section, transactions section, and an agreements section.*

*NOTE: California required elected officials disclose the assets and investments of their spouse on the Assuming Office Statement of Economic Interests forms, the rules can be found [here](#), but the forms do not specify who owned the assets.*

**2004: The Assuming Office Statement of Economic Interests Covered Harkey’s Assets When She Joined The Dana Point City Council.** [Harkey 2004 Assuming Office Statement of Economic Interests, filed 1/6/05]

**Schedule A-1: Investments: Stocks, Bonds, And Other Interests (Ownership Interest Is Less Than 10%)**

**202005: Harkey Reported Between \$20,002 And \$200,000 Worth Of Investments Where She And/Or Her Husband Had Less Than 10% Ownership Interest In**

**2005: Harkey Reported Between \$110,002 And \$1,100,000 Worth Of Investments Where She And/Or Her Husband Had Less Than 10% Ownership Interest In.** [Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 1/6/05]

| 2005 Harkey Schedule A-1: Investments: Stocks, Bonds, And Other Interests |                                       |                      |                   |                    |                  |     |
|---|---------------------------------------|----------------------|-------------------|--------------------|------------------|-----|
| Asset   | Description                           | Nature of Investment | Fair Market Value |                    | Amount Of Income |     |
|   |                                       |                      | Min               | Max                | Min              | Max |
| National Financial Lending, LLC   | Membership Interests in Mortgage Pool | LLC Member Interests | \$100,001         | \$1,000,000        |                  |     |
| Bank of America   | Own stock in lending institution      | Stock                | \$10,001          | \$100,000          |                  |     |
| <b>Total:</b>   |                                       |                      | <b>\$110,002</b>  | <b>\$1,100,000</b> |                  |     |

[Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 1/6/05]

**Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts (Ownership Interest Is 10% Or Greater)**

**2005: Harkey Reported Between \$200,002 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts**

**2005: Harkey Reported At Least \$200,002 In Unearned Income From Her And/Or Her Husband's Business Entities/Trusts.** [Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 1/6/05]

| 2005 Harkey Schedule A-2: Investments, Income, And Assets Of Business Entities/Trusts |                   |                    |                        |                           |                                 |  |                 |                  |
|---|-------------------|--------------------|------------------------|---------------------------|---------------------------------|--|-----------------|------------------|
| Asset   | Fair Market Value |                    | Amount Of Gross Income |                           | Asset's Property                | Type   | Property Value  |                  |
|   | Min               | Max                | Min                    | Max                       |                                 |  | Min             | Max              |
| Point Center Financial, Inc.  | \$100,001         | \$1,000,000        | \$100,001              | No Max                    | National Financial Lending, LLC | LLC Member Interests that buys Notes & Trust Deeds | \$10,001        | \$100,000        |
| Escrow Professionals, Inc.  | \$100,001         | \$1,000,000        | \$100,001              | No Max                    |                                 |  |                 |                  |
| <b>Total:</b>   | <b>\$200,002</b>  | <b>\$2,000,000</b> | <b>\$200,002</b>       | <b>At Least \$200,002</b> |                                 |  | <b>\$10,001</b> | <b>\$100,000</b> |

[Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 1/6/05]

*NOTE: In instances in which no maximum value was listed, totals were calculated using the minimum value.*

**2005: Harkey Wrote She Had No Business Position With Point Center Financial, Inc.** [Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 1/6/05]

**Schedule B: Interests In Real Property**

**2005: Harkey Reported Between \$502,005 And \$5,010,000 Worth Of Property And Between \$50,005 And \$500,000 In Gross Income From Her And/Or Her Husband's Rental Property**

**2005: Harkey Reported Between \$502,005 And \$5,010,000 Worth Of Property And Between \$50,005 And \$500,000 In Gross Income From Her And/Or Her Husband's Rental Property.** [Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 1/6/05]

| 2005 Harkey Schedule B: Interests In Real Property   |                   |             |                         |                                 |           |          |          |
|--|-------------------|-------------|-------------------------|---------------------------------|-----------|----------|----------|
| Address  | Fair Market Value |             | Nature of Interest      | Gross Income If Rental Property |           | Date     |          |
|  | Min               | Max         |                         | Min                             | Max       | Acquired | Disposed |
| 31212 Paseo Mira Loma, San Juan Capistrano, CA 92575 | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 33941 Silver Lantern, Dana Point, CA 92629           | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 33791 Violet Lantern, Dana Point, CA 92629           | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 34021/23 Cooper Lantern, Dana Point, CA 92629        | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 33931 Cooper Lantern, Dana Point, CA 92629           | \$100,001         | \$1,000,000 | Ownership/Deed of Trust | \$10,001                        | \$100,000 |          |          |
| 26871 Ortega Highway, San Juan Capistrano, CA 92675  | \$2,000           | \$10,000    | Deed of Trust           |                                 |           |          |          |

|               |                  |                    |  |                 |                  |  |  |
|---------------|------------------|--------------------|--|-----------------|------------------|--|--|
| <b>Total:</b> | <b>\$502,005</b> | <b>\$5,010,000</b> |  | <b>\$50,005</b> | <b>\$500,000</b> |  |  |
|---------------|------------------|--------------------|--|-----------------|------------------|--|--|

[Harkey 2005 Annual and Candidate Statement of Economic Interests, filed 1/6/05]

**Schedule C: Income, Loans, & Business Positions**

**2004: Harkey Reported Between \$1,001 And \$10,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions**

**2004: Harkey Reported Between \$1,001 And \$10,000 In Gross Income From Her And/Or Her Husband's Income, Loans, & Business Positions.** [Harkey 2004 Assuming Office Statement of Economic Interests, filed 1/6/05]

| <b>2004 Harkey Schedule C: Income, Loans, &amp; Business Positions</b> |                          |                     |                 |                      |  |
|--|--------------------------|---------------------|-----------------|----------------------|--|
| <b>Source</b>  | <b>Business Activity</b> | <b>Gross Income</b> |                 | <b>Consideration</b> | <b>Note</b>                                  |
|  |                          | <i>Min</i>          | <i>Max</i>      |                      |  |
| National Financial Lending, LLC  | Mortgage Lending         | \$1,001             | \$10,000        |                      | Member Share of Profits from Interest Income |
| <b>Total:</b>  |                          | <b>\$1,001</b>      | <b>\$10,000</b> |                      |  |

[Harkey 2004 Assuming Office Statement of Economic Interests, filed 1/6/05]

## Appendix II – Campaign Finance

### Items of Interest

- ✓ Harkey has raised \$4,305,698 or raised \$3,244,763.55 and spent \$3,432,784.62 depending on the campaign finance search tool from the California Secretary of State for her state campaigns.
- ✓ As of January 2018, the FEC did not have any financial data for Diane Harkey for Congress in 2017-2018.
- ✓ Harkey’s state campaign committees have donated \$372,048.00 to state-level political candidates and committees.
- ✓ Harkey has directly given \$1,421,566.48 in loans, monetary contributions, and non-monetary contributions to her political campaigns.
- ✓ 2004: Harkey’s campaign finance reports listed expenditures and accrued expenses to Point Center Financial, Inc.

### Toplines

*NOTE: As of February 2018, the FEC detailed that Harkey’s sole authorized committee was Diane Harkey for Congress and did not list a leadership PAC. [FEC, accessed [2/27/18](#)]*

*NOTE: As of February 2018, the Center for Responsive Politics did not have data on Diane Harkey. [Center for Responsive Politics, accessed [2/27/18](#)]*

*NOTE: California had two separate campaign finance search tools, Power Search and Cal-Access. Both Cal-Access and Power Search reported differing campaign finance numbers for Harkey but the reason for this difference is unclear. Power Search’s expenditure search tool also was not working as of February 2018.*

### Campaign Totals

#### **Harkey Has Raised \$4,305,698 Or Raised \$3,244,763.55 And Spent \$3,432,784.62 Depending On The Campaign Finance Search Tool From The California Secretary Of State For Her State Campaigns**

According to the California Secretary of State’s Power Search and documents from the City of Dana Point, Harkey raised \$4,305,698 in her bids for State Senate, State Assembly, and the Board of Equalization.

| Harkey State Campaign Finance History |  |                    |
|---------------------------------------|--|--------------------|
| Cycle                                 | Candidate (Office Sought) or Committee   | Raised             |
| 2018                                  | Harkey for Board of Equalization 2018    | \$469,506.33       |
| 2014                                  | Harkey for Board of Equalization 2014    | \$884,741.62       |
| 2014                                  | Harkey for Senate 2014                   | \$70,100.00        |
| 2012                                  | Harkey for Assembly 2012                 | \$508,344.43       |
| 2010                                  | Harkey for Assembly 2010                 | \$360,061.59       |
| 2008                                  | Diane Harkey for Assembly                | \$711,616.08       |
| 2006                                  | Diane Harkey for State Senate            | \$1,144,340.21     |
| 2004                                  | Diane Harkey for Dana Point City Council | \$156,988.00       |
| <b>Total:</b>                         |  | <b>\$4,305,698</b> |



[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#); City of Dana Point, Campaign Disclosure Statement, [10/19/04](#); Late Contribution Report, [10/29/04](#)]

According to the California Secretary of State's Cal-Access and documents from the City of Dana Point, Harkey raised \$3,244,763.55 and spent \$3,432,784.62 in her bids for City Council, State Senate, State Assembly, and the Board of Equalization and with her campaign committees.

| <b>Harkey State Campaign Finance History</b> |   |                       |                       |
|--|---|-----------------------|-----------------------|
| <b>Cycle</b>                                 | <b>Candidate (Office Sought) or Committee</b> | <b>Raised</b>         | <b>Spent</b>          |
| 2018   | Harkey for Board of Equalization 2018         | \$163,552.96          | \$97,199.74           |
| 2018   | Harkey for Board of Equalization 2014         | \$22,200.00           | \$1,619.70            |
| 2016   | Harkey for Board of Equalization 2018         | \$229,249.53          | \$65,789.76           |
| 2016   | Harkey for Board of Equalization 2014         | \$46,169.40           | \$1,849.90            |
| 2014   | Harkey for Assembly 2012                      | \$0.00                | \$14,907.62           |
| 2014   | Harkey for Senate 2014                        | \$4,200.00            | \$81,018.86           |
| 2014   | Harkey for Board of Equalization 2014         | \$602,257.00          | \$741,982.36          |
| 2012   | Harkey for Assembly 2010                      | \$0.00                | \$3,908.33            |
| 2012   | Harkey for Assembly 2012                      | \$259,721.47          | \$315,094.95          |
| 2012   | Harkey for Senate 2014                        | \$70,000.00           | \$2,346.78            |
| 2012   | Harkey for Board of Equalization 2014         | \$167,250.00          | \$60,437.39           |
| 2010   | Harkey for Dana Point City Council, Diane     | \$5,600.00            | \$509.38              |
| 2010   | Harkey for Assembly 2010                      | \$189,260.06          | \$281,464.82          |
| 2010   | Harkey for Assembly 2012                      | \$3,900.00            | \$1,034.79            |
| 2010   | Harkey for Assembly, Diane                    | \$50,000.00           | \$1,937.90            |
| 2008   | Harkey for Dana Point City Council, Diane     | \$5,900.00            | \$1,608.00            |
| 2008   | Harkey for Assembly 2010                      | \$0.00                | \$2,467.15            |
| 2008   | Harkey for Assembly, Diane                    | \$299,050.00          | \$491,635.31          |
| 2006   | Harkey for Dana Point City Council, Diane     | \$5,500.00            | \$6,884.00            |
| 2006   | Harkey for State Senate, Diane                | \$963,965.13          | \$1,138,952.37        |
| 2004   | Diane Harkey for Dana Point City Council      | \$156,988.00          | \$120,135.51          |
| <b>Total:</b>                                |   | <b>\$3,244,763.55</b> | <b>\$3,432,784.62</b> |

[California Secretary of State, Cal-Access, accessed [2/27/18](#); City of Dana Point, Campaign Disclosure Statement, [10/19/04](#); Late Contribution Report, [10/29/04](#)]

According to the California Secretary of State's Cal-Access, Harkey had \$81,609.24 worth of late independent expenditures by outside groups affecting her campaigns.

| <b>Late Independent Expenditures Affecting Harkey</b> |   |                 |                                 |                    |
|---|---|-----------------|---------------------------------|--------------------|
| <b>Date</b>   | <b>Name</b>   | <b>Position</b> | <b>Description</b>              | <b>Amount</b>      |
| 05/27/08  | Peace Officers Research Association Of California PAC (PORAC PAC) | Support         | Paid Phones                     | \$10,000.00        |
| 4/10/06   | Fieldstead & Company  | Support         | Phone Banks                     | \$2,649.54         |
| 4/10/06   | Fieldstead & Company  | Support         | Data                            | \$1,106.65         |
| 4/5/06  | Lincoln Club Of Orange County Federal PAC                         | Support         | Printing & Mailing Costs        | \$6,658.66         |
| 4/5/06  | Lincoln Club Of Orange County Federal PAC                         | Support         | Postage                         | \$3,710.32         |
| 4/3/06  | Lincoln Club Of Orange County Federal PAC                         | Support         | Printing Mailing & Design Costs | \$15,543.65        |
| 4/3/06  | Lincoln Club Of Orange County Federal PAC                         | Support         | Postage                         | \$11,733.61        |
| 3/30/06   | Lincoln Club Of Orange County Federal PAC                         | Support         | Postage                         | \$16,325.00        |
| 3/30/06   | Lincoln Club Of Orange County Federal PAC                         | Support         | Printing & Mail House Costs     | \$10,554.81        |
| 3/29/06   | Lincoln Club Of Orange County Federal PAC                         | Support         | Polling Costs                   | \$3,327.00         |
| <b>Total</b>  |   |                 |                                 | <b>\$81,609.24</b> |

[California Secretary of State, Cal-Access, Late Independent Expenditures, accessed [3/1/18](#)]

**As Of January 2018, The FEC Did Not Have Any Financial Data For Diane Harkey For Congress In 2017-2018**

According to the FEC, as of January 2018, the FEC did not have any financial data for Diane Harkey for Congress in 2017-2018 because Harkey announced in January 2018 and had not yet reached a campaign finance deadline. [FEC, accessed [1/16/18](#)]

## Campaign Committees

### Harkey's State Campaign Committees Have Donated \$372,048.00 To State-Level Political Candidates And Committees

According to the California Secretary of State's Power Search, Harkey's state campaign committees have donated \$372,048.00 to state-level political candidates and committees.

| Harkey's State Campaign Committees' State Political Contributions |                                       |   |       |             |
|---|---------------------------------------|---|-------|-------------|
| Date  | Contributor Name                      | Recipient Committee   | Party | Amount      |
| 2/16/2018   | Harkey for Board of Equalization 2018 | Republican Party of San Diego County                                      | R     | \$5,000.00  |
| 2/15/2018   | Harkey for Board of Equalization 2018 | Republican Party of Orange County (State Acct.)                           | R     | \$5,000.00  |
| 2/2/2018  | Harkey for Board of Equalization 2018 | Republican Party of San Diego County                                      | R     | \$5,000.00  |
| 2/1/2018  | Harkey for Board of Equalization 2018 | Republican Party of Orange County (State Acct.)                           | R     | \$5,000.00  |
| 2/1/2018  | Harkey for Board of Equalization 2018 | Travis Allen for Governor 2018  | R     | \$5,000.00  |
| 1/16/2018   | Harkey for Board of Equalization 2018 | Give Voters A Voice - Representatives and Taxpayers Against Tax Increases |       | \$10,000.00 |
| 9/18/2017   | Harkey for Board Equalization 2018    | California Republican Party - State                                       | R     | \$90.00     |
| 9/13/2017   | Harkey for Board Equalization 2018    | California Republican Party - State                                       | R     | \$5,000.00  |
| 8/3/2017  | Harkey for BOE 2018                   | California Women's Leadership Association PAC                             |       | \$1,000.00  |
| 7/30/2017   | Harkey for Board of Equalization 2014 | Riverside County Party (State Acct)                                       | R     | \$5,000.00  |
| 6/16/2017   | Harkey for Board of Equalization 2014 | Riverside County Party (State Acct)                                       | R     | \$1,500.00  |
| 5/12/2017   | Harkey for Board of Equalization 2018 | Republican Party of San Diego County                                      | R     | \$5,000.00  |
| 4/28/2017   | Harkey for Board of Equalization 2018 | Republican Party of Orange County (State Acct.)                           | R     | \$7,500.00  |
| 4/28/2017   | Harkey for Board of Equalization 2018 | Republican Party of Orange County (State Acct.)                           | R     | \$2,500.00  |
| 4/14/2017   | Harkey for BOE 2018                   | Bill Brough State Assembly 2018   | R     | \$1,500.00  |
| 1/24/2017   | Harkey for Board Equalization 2018    | California Republican Party - State                                       | R     | \$2,500.00  |
| 9/22/2016   | Harkey for Board Equalization 2018    | California Republican Party State   | R     | \$1,250.00  |
| 9/22/2016   | Harkey for Board Equalization 2018    | California Republican Party State   | R     | \$1,250.00  |
| 6/15/2016   | Harkey for BOE 2018                   | California Women's Leadership Association PAC                             |       | \$500.00    |
| 2/26/2016   | Harkey for Board of Equalization 2018 | Republican Party of San Diego County                                      | R     | \$5,000.00  |
| 5/12/2015   | Harkey for Board of Equalization 2018 | Republican Party of San Diego County                                      | R     | \$2,500.00  |
| 10/4/2014   | Harkey for Senate 2014                | Vidak for Senate 2013   | R     | \$2,000.00  |
| 10/3/2014   | Harkey for Board of Equalization 2014 | Republican Party of San Diego County                                      | R     | \$10,000.00 |

|            |                                       |  |   |             |
|------------|---------------------------------------|--|---|-------------|
| 9/12/2014  | Harkey for Board of Equalization 2014 | Riverside County Party (State Acct)                    | R | \$500.00    |
| 5/30/2014  | Harkey for Board of Equalization 2014 | Republican Party of San Diego County                   | R | \$10,000.00 |
| 5/7/2014   | Harkey for Board of Equalization 2014 | Republican Party of San Diego County                   | R | \$10,000.00 |
| 4/14/2014  | Harkey for Assembly 2012              | Republican Party of San Diego County                   | R | \$5,000.00  |
| 4/14/2014  | Harkey for Board of Equalization 2014 | Republican Party of San Diego County                   | R | \$5,000.00  |
| 12/7/2013  | Harkey For Assembly 2012              | Republican Party of Orange County (State Acct.)        | R | \$500.00    |
| 10/10/2013 | Harkey for Assembly 2012              | Riverside County Party (State Acct)                    | R | \$1,000.00  |
| 7/24/2013  | Harkey for Assembly 2012              | CALIFORNIA REPUBLICAN PARTY                            | R | \$2,500.00  |
| 5/28/2013  | Harkey for Senate 2014                | Republican Party of Orange County (State Acct.)        | R | \$500.00    |
| 4/29/2013  | Harkey for Senate 2014                | Republican Party of Orange County (State Acct.)        | R | \$2,500.00  |
| 4/26/2013  | Harkey for Senate 2014                | Vidak for Senate 2013                                  | R | \$2,000.00  |
| 4/24/2013  | Harkey for Senate 2014                | Republican Party of San Diego County                   | R | \$2,500.00  |
| 4/10/2013  | Harkey for Assembly 2012              | Republican Party of San Diego County                   | R | \$2,500.00  |
| 4/4/2013   | Harkey For Assembly 2012              | Republican Party of Orange County (State Acct.)        | R | \$120.00    |
| 2/27/2013  | Harkey For Assembly 2012              | Republican Party of Orange County (State Acct.)        | R | \$300.00    |
| 1/23/2013  | Harkey for Assembly 2012              | California Republican Party                            | R | \$2,500.00  |
| 11/30/2012 | Harkey for Assembly 2012              | Republican Party of San Diego County                   | R | \$12,000.00 |
| 10/5/2012  | Harkey for Assembly 2012              | Norby for Assembly 2012                                | R | \$2,000.00  |
| 8/31/2012  | Harkey for Assembly 2012              | Republican Central Committee of San Luis Obispo County | R | \$10,000.00 |
| 8/21/2012  | Harkey for Assembly 2012              | Republican Party of San Diego County                   | R | \$2,500.00  |
| 5/24/2012  | Harkey for Assembly 2012              | Republican Central Committee of San Luis Obispo County | R | \$20,000.00 |
| 5/22/2012  | Harkey For Assembly 2012              | Republican Party of Orange County (State Acct.)        | R | \$5,000.00  |
| 3/30/2012  | Harkey For Assembly 2012              | Republican Party of Orange County (State Acct.)        | R | \$2,500.00  |
| 3/12/2012  | Harkey for Assembly 2012              | Tim Donnelly for Assembly 2012                         | R | \$1,900.00  |
| 2/28/2012  | Harkey for Assembly 2012              | Republican Party of San Diego County                   | R | \$2,500.00  |
| 1/26/2012  | Harkey for Assembly 2012              | California Republican Party/V10                        | R | \$2,500.00  |
| 12/26/2011 | DIANE HARKEY FOR ASSEMBLY             | BILL BERRYHILL FOR SENATE 2012                         | R | \$2,000.00  |
| 12/26/2011 | Harkey for Assembly 2012              | Sherry Hodges for State Assembly 2012                  | R | \$2,000.00  |
| 10/20/2011 | Harkey for Assembly 2012              | Tim Donnelly for Assembly 2012                         | R | \$2,000.00  |
| 10/19/2011 | Harkey for Assembly 2012              | California Republican Party                            | R | \$140.00    |
| 10/12/2011 | Harkey For Assembly 2012              | Republican Party of Orange County (State Acct.)        | R | \$500.00    |
| 7/21/2011  | Harkey For Assembly 2012              | Republican Party of Orange County (State Acct.)        | R | \$2,500.00  |
| 5/7/2011   | Harkey for Assembly 2012              | Republican Party of San Diego County                   | R | \$2,500.00  |
| 4/5/2011   | Harkey for Assembly 2010              | California Republican Party                            | R | \$1,000.00  |
| 4/5/2011   | Harkey for Assembly 2010              | California Republican Party                            | R | \$2,500.00  |
| 3/31/2011  | Harkey for Assembly 2012              | Republican Party of San Diego County                   | R | \$198.00    |
| 12/15/2010 | Harkey for Assembly 2010              | Diane Harkey for Assembly                              | R | \$30,000.00 |
| 10/22/2010 | Harkey for Assembly                   | MINTZ FOR ASSEMBLY 2010, NATHAN                        | R | \$3,000.00  |
| 10/14/2010 | Diane Harkey for Assembly 2010        | Shoemaker For Assembly 2010                            | R | \$2,000.00  |
| 10/13/2010 | Harkey For Assembly 2010              | Stoker for Assembly 2010                               | R | \$3,000.00  |
| 10/8/2010  | Harkey for Assembly 2010              | California Republican Party                            | R | \$5,000.00  |
| 9/29/2010  | Harkey for Assembly 2010              | Allan Mansoor for Assembly 2010                        | R | \$1,900.00  |
| 9/27/2010  | Harkey for Assembly 2010              | Wilson for State Assembly 2010                         | R | \$3,900.00  |
| 9/27/2010  | Harkey for Assembly 2010              | Friends of Jack Sieglock for Assembly 2010             | R | \$2,000.00  |
| 9/7/2010   | Harkey for Assembly 2010              | Allan Mansoor for Assembly 2010                        | R | \$2,000.00  |
| 8/18/2010  | Harkey for Assembly 2010              | California Women's Leadership Association PAC          |   | \$1,000.00  |
| 7/24/2010  | Harkey for Assembly 2010              | Blakeslee for Senate 2010                              | R | \$3,900.00  |
| 6/2/2010   | Diane Harkey for Assembly             | Republican Party of Orange County (State Acct.)        | R | \$2,500.00  |
| 5/28/2010  | Harkey for Assembly 2010              | Taxpayers for Etta Waterfield, Assembly 2010           | R | \$2,500.00  |

|              |                           |  |   |                     |
|--------------|---------------------------|--|---|---------------------|
| 5/11/2010    | Harkey for Assembly 2010  | StopProp15.com, a coalition of taxpayers, governmental advocates, and small businesses |   | \$5,700.00          |
| 4/30/2010    | Harkey for Assembly 2010  | California Republican Party / v8   | R | \$30,000.00         |
| 4/19/2010    | Harkey for Assembly 2010  | Republican Party of San Diego County   | R | \$2,500.00          |
| 4/14/2010    | Harkey For Assembly 2010  | Stoker for Assembly 2010   | R | \$2,500.00          |
| 3/30/2010    | Harkey for Assembly 2010  | Amante for Assembly 2010   | R | \$3,900.00          |
| 3/24/2010    | Diane Harkey For Assembly | California Republican Party / v8   | R | \$2,500.00          |
| 3/16/2010    | Harkey for Assembly 2010  | Mimi Walters for Treasurer 2010  | R | \$2,000.00          |
| 12/31/2009   | Harkey for Assembly 2010  | Wilson for State Assembly 2010   | R | \$2,000.00          |
| 11/3/2009    | Harkey for Assembly 2010  | Republican Party of San Diego County   | R | \$2,000.00          |
| 10/27/2008   | DIANE HARKEY FOR ASSEMBLY | BILL BERRYHILL FOR ASSEMBLY  | R | \$3,600.00          |
| 10/26/2008   | Diane Harkey for Assembly | Sieglock for Assembly  | R | \$3,600.00          |
| 10/18/2008   | Diane Harkey for Assembly | John McCann for Assembly   | R | \$3,600.00          |
| 10/10/2008   | Diane Harkey For Assembly | California Republican Party / V8   | R | \$30,200.00         |
| 4/4/2008     | Diane Harkey for Assembly | Republican Party of Orange County (State Acct.)  | R | \$2,500.00          |
| <b>Total</b> |                           |  |   | <b>\$372,048.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#)]

### Harkey Has Had Eight Separate Campaign Committees

According to the California Secretary of State's Cal-Access and documents from the City of Dana Point, Harkey raised \$3,244,763.55 and spent \$3,432,784.62 in her bids for City Council, State Senate, State Assembly, and the Board of Equalization and with her campaign committees.

| Harkey State Campaign Committees          |                        |                 |                      |                       |                       |
|---|------------------------|-----------------|----------------------|-----------------------|-----------------------|
| Committee                                 | Cycles Active          | Date Terminated | Link                 | Amount Raised         | Amount Spent          |
| Harkey for Board of Equalization 2018     | 2016, 2018             | Active          | <a href="#">Link</a> | \$392,802.49          | \$162,989.50          |
| Harkey for Board of Equalization 2014     | 2012, 2014, 2016, 2018 | 7/7/17          | <a href="#">Link</a> | \$837,876.40          | \$805,889.35          |
| Harkey for Senate 2014                    | 2012, 2014             | 5/17/14         | <a href="#">Link</a> | \$74,200.00           | \$83,365.64           |
| Harkey for Assembly 2012                  | 2010, 2012, 2014       | 5/17/14         | <a href="#">Link</a> | \$263,621.47          | \$331,037.36          |
| Harkey for Assembly 2010                  | 2008, 2010, 2012       | 4/29/11         | <a href="#">Link</a> | \$189,260.06          | \$287,840.30          |
| Harkey for Assembly, Diane                | 2008, 2010             | 12/31/10        | <a href="#">Link</a> | \$349,050.00          | \$493,573.21          |
| Harkey for State Senate, Diane            | 2006                   | 12/14/06        | <a href="#">Link</a> | \$963,965.13          | \$1,138,952.37        |
| Harkey for Dana Point City Council, Diane | 2006, 2008, 2010       | 2/6/09          | <a href="#">Link</a> | \$17,000.00           | \$9,001.38            |
| Diane Harkey for Dana Point City Council  | 2004                   |                 |                      | \$156,988.00          | \$120,135.51          |
| <b>Total</b>                              |                        |                 |                      | <b>\$3,244,763.55</b> | <b>\$3,432,784.62</b> |

[California Secretary of State, Cal-Access, accessed [2/27/18](#); City of Dana Point, Campaign Disclosure Statement, [10/19/04](#); Late Contribution Report, [10/29/04](#)]

*NOTE: Diane Harkey for Dana Point City Council is counted with Harkey for Dana Point City Council, Diane but listed separately as the campaign finance numbers came from different sources.*

### Self-Financing

### Harkey Has Directly Given \$1,421,566.48 In Loans, Monetary Contributions, And Non-Monetary Contributions To Her Political Campaigns

According to the California Secretary of State's Power Search, Harkey has given \$1,421,566.48 in loans, monetary contributions, and non-monetary contributions to her political campaigns.

| <b>Harkey's Contributions To Her Campaigns</b> |   |                       |
|--|---|-----------------------|
| <b>Date</b>                                    | <b>Candidate (Office Sought) or Committee</b> | <b>Amount</b>         |
| 4/30/2014                                      | Harkey for Board of Equalization 2014         | \$40,000.00           |
| 4/17/2014                                      | Harkey for Board of Equalization 2014         | \$15,000.00           |
| 12/30/2013                                     | Harkey for Board of Equalization 2014         | \$50,000.00           |
| 3/6/2012                                       | Harkey for Assembly 2012                      | \$250.00              |
| 12/19/2011                                     | Harkey for Assembly 2012                      | \$571.03              |
| 4/1/2011                                       | Harkey for Board of Equalization 2014         | \$100,000.00          |
| 1/29/2009                                      | Harkey for Assembly 2010                      | \$3,000.00            |
| 12/5/2008                                      | Diane Harkey for Assembly                     | \$20,000.00           |
| 11/3/2008                                      | Diane Harkey for Assembly                     | \$30,000.00           |
| 11/15/2007                                     | Diane Harkey for Assembly                     | \$1,167.58            |
| 6/29/2007                                      | Diane Harkey for Assembly                     | \$50,000.00           |
| 4/16/2007                                      | Diane Harkey for Assembly                     | \$794.07              |
| 1/17/2007                                      | Diane Harkey for Assembly                     | \$50,000.00           |
| 6/29/2006                                      | Diane Harkey for State Senate                 | \$15,000.00           |
| 5/8/2006                                       | Diane Harkey for State Senate                 | \$100,000.00          |
| 4/10/2006                                      | Diane Harkey for State Senate                 | \$150,000.00          |
| 4/6/2006                                       | Diane Harkey for State Senate                 | \$25,000.00           |
| 3/31/2006                                      | Diane Harkey for State Senate                 | \$20,000.00           |
| 3/28/2006                                      | Diane Harkey for State Senate                 | \$100,000.00          |
| 3/12/2006                                      | Diane Harkey for State Senate                 | \$100,000.00          |
| 3/2/2006                                       | Diane Harkey for State Senate                 | \$100,000.00          |
| 2/21/2006                                      | Diane Harkey for State Senate                 | \$150,000.00          |
| 2/21/2006                                      | Diane Harkey for State Senate                 | \$500.00              |
| 2/8/2006                                       | Diane Harkey for State Senate                 | \$1,008.80            |
| 12/30/2005                                     | Diane Harkey for State Senate                 | \$75,000.00           |
| 10/25/2005                                     | Diane Harkey for State Senate                 | \$100,000.00          |
| 2004   | Diane Harkey for Dana Point City Council      | \$124,275.00          |
| <b>Total:</b>                                  |   | <b>\$1,421,566.48</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#); City of Dana Point, Campaign Disclosure Statement, [10/19/04](#); Late Contribution Report, [10/29/04](#)]

### **The Harkey Family Trust Has Donated \$4,000 To Harkey's Campaigns**

According to the California Secretary of State's Power Search, Diane Harkey and Dan Harkey used the Harkey Family Trust to donate \$4,000.00 to Harkey's campaign for state assembly.

| <b>Harkey Political Giving History - State</b> |   |                          |                   |
|--|---|--------------------------|-------------------|
| <b>Date</b>                                    | <b>Candidate (Office Sought) or Committee</b> | <b>Amount</b>            |                   |
| 10/15/2010                                     | Harkey Family Trust - Diane L. Harkey         | Harkey for Assembly 2010 | \$1,000.00        |
| 10/15/2010                                     | Harkey Family Trust - Dan J. Harkey           | Harkey for Assembly 2010 | \$1,000.00        |
| 9/15/2010                                      | Harkey Family Trust - Diane L. Harkey         | Harkey for Assembly 2010 | \$1,000.00        |
| 9/15/2010                                      | Harkey Family Trust - Dan J. Harkey           | Harkey for Assembly 2010 | \$1,000.00        |
| <b>Total:</b>                                  |   |                          | <b>\$4,000.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#)]

### **Top Overall Contributors**

*NOTE: As of February 2018, the Center for Responsive Politics did not have data on Diane Harkey.* [Center for Responsive Politics, accessed [2/27/18](#)]



*NOTE: The National Institute of Money in State Politics did not include campaign finance data from Harkey's 2006 State Senate campaign or her 2004 City Council race.*

| <b>Harkey Career Top Contributors</b>             |                            |                          |                            |
|---|----------------------------|--------------------------|----------------------------|
| <b>Contributor</b>                                | <b>Type Of Contributor</b> | <b>Number Of Records</b> | <b>Total Contributions</b> |
| Harkey, Diane                                     | Individual                 | 13                       | \$157,783.00               |
| California Association Of Realtors                | Non-Individual             | 12                       | \$48,800.00                |
| Pechanga Band Of Luiseno Mission Indians          | Non-Individual             | 14                       | \$36,400.00                |
| AT&T  | Non-Individual             | 21                       | \$33,175.00                |
| Altria  | Non-Individual             | 6                        | \$22,800.00                |
| California Medical Association                    | Non-Individual             | 16                       | \$18,800.00                |
| Townsend, Michele                                 | Individual                 | 7                        | \$18,500.00                |
| Sempra Energy                                     | Non-Individual             | 12                       | \$18,300.00                |
| California Mortgage Bankers Association           | Non-Individual             | 15                       | \$18,000.00                |
| California Cable & Telecommunications Association | Non-Individual             | 17                       | \$17,100.00                |
| Czech, Susan                                      | Individual                 | 8                        | \$17,050.00                |
| Cooperative Of American Physicians                | Non-Individual             | 13                       | \$16,800.00                |
| Barona Band Of Mission Indians                    | Non-Individual             | 8                        | \$16,600.00                |
| Cox Communications                                | Non-Individual             | 14                       | \$16,375.00                |
| Southern Wine & Spirits                           | Non-Individual             | 9                        | \$16,300.00                |

[National Institute of Money in State Politics, accessed [3/1/18](#)]

### **Top Overall Industries**

*NOTE: As of February 2018, the Center for Responsive Politics did not have data on Diane Harkey. [Center for Responsive Politics, accessed [2/27/18](#)]*

*NOTE: The National Institute of Money in State Politics did not include campaign finance data from Harkey's 2006 State Senate campaign or her 2004 City Council race.*

| <b>Harkey Career Top Contributors</b> |                                     |                          |                            |
|---------------------------------------|-------------------------------------|--------------------------|----------------------------|
| <b>Contributor</b>                    | <b>Type Of Contributor</b>          | <b>Number Of Records</b> | <b>Total Contributions</b> |
| Uncoded                               | Uncoded                             | 865                      | \$515,173.00               |
| Real Estate                           | Finance, Insurance & Real Estate    | 159                      | \$172,977.00               |
| Candidate Contributions               | Candidate Contributions             | 19                       | \$164,233.00               |
| Insurance                             | Finance, Insurance & Real Estate    | 98                       | \$115,025.00               |
| Tribal Governments                    | Government Agencies/Education/Other | 47                       | \$112,362.00               |
| Oil & Gas                             | Energy & Natural Resources          | 71                       | \$88,774.00                |
| Telecom Services & Equipment          | Communications & Electronics        | 59                       | \$80,075.00                |
| Health Professionals                  | Health                              | 63                       | \$53,745.00                |
| Pharmaceuticals & Health Products     | Health                              | 52                       | \$53,500.00                |
| Automotive                            | Transportation                      | 40                       | \$47,550.00                |
| Beer, Wine & Liquor                   | General Business                    | 31                       | \$40,550.00                |
| Public Sector Unions                  | Labor                               | 31                       | \$38,700.00                |
| Electric Utilities                    | Energy & Natural Resources          | 29                       | \$38,300.00                |
| Lawyers & Lobbyists                   | Lawyers & Lobbyists                 | 77                       | \$37,284.00                |

|                  |                                  |    |             |
|------------------|----------------------------------|----|-------------|
| Commercial Banks | Finance, Insurance & Real Estate | 30 | \$33,000.00 |
|------------------|----------------------------------|----|-------------|

[National Institute of Money in State Politics, accessed [3/1/18](#)]

## 2018 – California’s 49<sup>th</sup> Congressional District

### Harkey’s Campaign Raised \$X And Spent \$X

*NOTE: According to the FEC, as of January 2018, the FEC did not have any financial data for Diane Harkey for Congress in 2017-2018 because Harkey announced in January 2018 and had not yet reached a campaign finance deadline. [FEC, accessed [2/27/18](#)]*

## 2018 And 2016 Cycles – California State Board Of Equalization

### 2018 Cycle: Harkey’s Campaign Raised \$469,506.33 Or Raised \$461,171.89 And Spent \$166,459.10 Depending On The Source

| Harkey 2018 Campaign Committee Funds         |       |                                       |                     |                     |
|--|-------|---------------------------------------|---------------------|---------------------|
| Source                                       | Cycle | Committees                            | Contributions       | Disbursements       |
| California Secretary of State’s Cal-Access   | 2018  | Harkey for Board of Equalization 2018 | \$163,552.96        | \$97,199.74         |
|  |       | Harkey for Board of Equalization 2014 | \$22,200.00         | \$1,619.70          |
|  | 2016  | Harkey for Board of Equalization 2018 | \$229,249.53        | \$65,789.76         |
|  |       | Harkey for Board of Equalization 2014 | \$46,169.40         | \$1,849.90          |
| <b>Total</b>                                 |       |                                       | <b>\$461,171.89</b> | <b>\$166,459.10</b> |
| California Secretary of State’s Power Search | 2018  | Harkey for Board of Equalization 2018 | \$469,506.33        |                     |
|  |       | <b>Total</b>                          |                     |                     |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

[California Secretary of State, Cal-Access, accessed [2/27/18](#)]

## 2014 – California State Assembly

### 2014 Cycle: Harkey’s Campaign Raised \$954,841.62 Or Raised \$606,457.00 And Spent \$837,908.84 Depending On The Source

| Harkey 2014 Campaign Committee Funds         |                                       |                     |                     |
|--|---------------------------------------|---------------------|---------------------|
| Source                                       | Committee                             | Contributions       | Disbursements       |
| California Secretary of State’s Cal-Access   | Harkey for Assembly 2012              | \$0.00              | \$14,907.62         |
|  | Harkey for Senate 2014                | \$4,200.00          | \$81,018.86         |
|  | Harkey for Board of Equalization 2014 | \$602,257.00        | \$741,982.36        |
| <b>Total</b>                                 |                                       | <b>\$606,457.00</b> | <b>\$837,908.84</b> |
| California Secretary of State’s Power Search | Harkey for Board of Equalization 2014 | \$884,741.62        |                     |
|  | Harkey for Senate 2014                | \$70,100.00         |                     |
| <b>Total</b>                                 |                                       | <b>\$954,841.62</b> |                     |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

[California Secretary of State, Cal-Access, accessed [2/27/18](#)]

### 2014 Cycle: Harkey Contributed \$105,000 To Her Board Of Equalization Campaign

| Harkey’s Contributions To Her Campaigns |  |             |
|---|--|-------------|
| Date                                    | Candidate (Office Sought) or Committee | Amount      |
| 4/30/2014                               | Harkey for Board of Equalization 2014  | \$40,000.00 |
| 4/17/2014                               | Harkey for Board of Equalization 2014  | \$15,000.00 |

|            |                                       |                            |
|------------|---------------------------------------|----------------------------|
| 12/30/2013 | Harkey for Board of Equalization 2014 | \$50,000.00                |
|            |                                       | <b>Total: \$105,000.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#)]

## 2012 – California State Assembly

**2012 Cycle: Harkey’s Campaign Raised \$508,344.43 Or Raised \$496,971.47 And Spent \$381,787.45 Depending On The Source**

| Harkey 2012 Campaign Committee Funds         |                                       |                     |                     |
|--|---------------------------------------|---------------------|---------------------|
| Source                                       | Committee                             | Contributions       | Disbursements       |
| California Secretary of State’s Cal-Access   | Harkey for Assembly 2010              | \$0.00              | \$3,908.33          |
|  | Harkey for Assembly 2012              | \$259,721.47        | \$315,094.95        |
|  | Harkey for Senate 2014                | \$70,000.00         | \$2,346.78          |
|  | Harkey for Board of Equalization 2014 | \$167,250.00        | \$60,437.39         |
| <b>Total</b>                                 |                                       | <b>\$496,971.47</b> | <b>\$381,787.45</b> |
| California Secretary of State’s Power Search | Harkey for Assembly 2012              | \$508,344.43        |                     |
| <b>Total</b>                                 |                                       | <b>\$508,344.43</b> |                     |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

[California Secretary of State, Cal-Access, accessed [2/27/18](#)]

**2012 Cycle: Harkey Contributed \$100,821.03 To Her Campaigns**

| Harkey’s Contributions To Her Campaigns |  |                     |
|---|--|---------------------|
| Date                                    | Candidate (Office Sought) or Committee | Amount              |
| 3/6/2012                                | Harkey for Assembly 2012               | \$250.00            |
| 12/19/2011                              | Harkey for Assembly 2012               | \$571.03            |
| 4/1/2011                                | Harkey for Board of Equalization 2014  | \$100,000.00        |
| <b>Total:</b>                           |  | <b>\$100,821.03</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#)]

## 2010 – California State Assembly

**2010 Cycle: Harkey’s Campaign Raised \$360,061.59 Or Raised \$248,760.06 And Spent \$284,946.89 Depending On The Source**

| Harkey 2010 Campaign Committee Funds         |   |                     |                     |
|--|---|---------------------|---------------------|
| Source                                       | Committee                                 | Contributions       | Disbursements       |
| California Secretary of State’s Cal-Access   | Harkey for Dana Point City Council, Diane | \$5,600.00          | \$509.38            |
|  | Harkey for Assembly 2010                  | \$189,260.06        | \$281,464.82        |
|  | Harkey for Assembly 2012                  | \$3,900.00          | \$1,034.79          |
|  | Harkey for Assembly, Diane                | \$50,000.00         | \$1,937.90          |
| <b>Total</b>                                 |   | <b>\$248,760.06</b> | <b>\$284,946.89</b> |
| California Secretary of State’s Power Search | Harkey for Assembly 2010                  | \$360,061.59        |                     |
| <b>Total</b>                                 |   | <b>\$360,061.59</b> |                     |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

[California Secretary of State, Cal-Access, accessed [2/27/18](#)]

**2010 Cycle: Harkey Contributed \$3,000.00 To Her State Assembly Campaign**

### Harkey’s Contributions To Her Campaigns

| Date          | Candidate (Office Sought) or Committee | Amount            |
|---------------|--|-------------------|
| 1/29/2009     | Harkey for Assembly 2010               | \$3,000.00        |
| <b>Total:</b> |  | <b>\$3,000.00</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#)]

## 2008 – California State Assembly

**2008 Cycle: Harkey's Campaign Raised \$711,616.08 Or Raised \$304,950.00 And Spent \$495,710.46 Depending On The Source**

| Harkey 2008 Campaign Committee Funds         |   |                     |                     |
|--|---|---------------------|---------------------|
| Source                                       | Committee                                 | Contributions       | Disbursements       |
| California Secretary of State's Cal-Access   | Harkey for Dana Point City Council, Diane | \$5,900.00          | \$1,608.00          |
|  | Harkey for Assembly 2010                  | \$0.00              | \$2,467.15          |
|  | Harkey for Assembly, Diane                | \$299,050.00        | \$491,635.31        |
| <b>Total</b>                                 |   | <b>\$304,950.00</b> | <b>\$495,710.46</b> |
| California Secretary of State's Power Search | Diane Harkey for Assembly                 | \$711,616.08        |                     |
| <b>Total</b>                                 |   | <b>\$711,616.08</b> |                     |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

[California Secretary of State, Cal-Access, accessed [2/27/18](#)]

**2008 Cycle: Harkey Contributed \$151,961.65 To Her State Assembly Campaign**

| Harkey's Contributions To Her Campaigns |  |                     |
|---|--|---------------------|
| Date                                    | Candidate (Office Sought) or Committee | Amount              |
| 12/5/2008                               | Diane Harkey for Assembly              | \$20,000.00         |
| 11/3/2008                               | Diane Harkey for Assembly              | \$30,000.00         |
| 11/15/2007                              | Diane Harkey for Assembly              | \$1,167.58          |
| 6/29/2007                               | Diane Harkey for Assembly              | \$50,000.00         |
| 4/16/2007                               | Diane Harkey for Assembly              | \$794.07            |
| 1/17/2007                               | Diane Harkey for Assembly              | \$50,000.00         |
| <b>Total:</b>                           |  | <b>\$151,961.65</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#)]

## 2006 – California State Senate

**2006 Cycle: Harkey's Campaign Raised \$1,144,340.21 Or Raised \$969,465.13 And Spent \$1,145,836.37 Depending On The Source**

| Harkey 2006 Campaign Committee Funds         |   |                       |                       |
|--|---|-----------------------|-----------------------|
| Source                                       | Committee                                 | Contributions         | Disbursements         |
| California Secretary of State's Cal-Access   | Harkey for Dana Point City Council, Diane | \$5,500.00            | \$6,884.00            |
|  | Harkey for State Senate, Diane            | \$963,965.13          | \$1,138,952.37        |
| <b>Total</b>                                 |   | <b>\$969,465.13</b>   | <b>\$1,145,836.37</b> |
| California Secretary of State's Power Search | Diane Harkey for State Senate             | \$1,144,340.21        |                       |
| <b>Total</b>                                 |   | <b>\$1,144,340.21</b> |                       |

[California Secretary of State, Power Search, Contributions, accessed [2/27/18](#)]

[California Secretary of State, Cal-Access, accessed [2/27/18](#)]

**2006 Cycle: Harkey Contributed \$936,508.80 To Her State Senate Campaign**

| <b>Harkey's Contributions To Her Campaigns</b> |   |                     |
|--|---|---------------------|
| <b>Date</b>                                    | <b>Candidate (Office Sought) or Committee</b> | <b>Amount</b>       |
| 6/29/2006                                      | Diane Harkey for State Senate                 | \$15,000.00         |
| 5/8/2006                                       | Diane Harkey for State Senate                 | \$100,000.00        |
| 4/10/2006                                      | Diane Harkey for State Senate                 | \$150,000.00        |
| 4/6/2006                                       | Diane Harkey for State Senate                 | \$25,000.00         |
| 3/31/2006                                      | Diane Harkey for State Senate                 | \$20,000.00         |
| 3/28/2006                                      | Diane Harkey for State Senate                 | \$100,000.00        |
| 3/12/2006                                      | Diane Harkey for State Senate                 | \$100,000.00        |
| 3/2/2006                                       | Diane Harkey for State Senate                 | \$100,000.00        |
| 2/21/2006                                      | Diane Harkey for State Senate                 | \$150,000.00        |
| 2/21/2006                                      | Diane Harkey for State Senate                 | \$500.00            |
| 2/8/2006                                       | Diane Harkey for State Senate                 | \$1,008.80          |
| 12/30/2005                                     | Diane Harkey for State Senate                 | \$75,000.00         |
| 10/25/2005                                     | Diane Harkey for State Senate                 | \$100,000.00        |
| <b>Total:</b>                                  |   | <b>\$936,508.80</b> |

[California Secretary of State, Power Search, Contributions, accessed [3/1/18](#)]

## 2004 – Dana Point City Council

### 2004 Cycle: Harkey's Campaign Raised \$156,988.00 And Spent \$120,135.51

| <b>Harkey 2004 Campaign Committee Funds</b> |  |                      |                      |
|---|--|----------------------|----------------------|
| <b>Source</b>                               | <b>Committee</b>                         | <b>Contributions</b> | <b>Disbursements</b> |
| City of Dana Point                          | Diane Harkey for Dana Point City Council | \$156,988.00         | \$120,135.51         |
| <b>Total</b>                                |  | <b>\$156,988.00</b>  | <b>\$120,135.51</b>  |

[City of Dana Point, Campaign Disclosure Statement, 10/19/04; Late Contribution Report, 10/29/04]

### 2004 Cycle: Harkey Contributed \$124,275.00 To Her State Senate Campaign

| <b>Harkey's Contributions To Her Campaigns</b> |   |                     |
|--|---|---------------------|
| <b>Date</b>                                    | <b>Candidate (Office Sought) or Committee</b> | <b>Amount</b>       |
| 2004   | Diane Harkey for Dana Point City Council      | \$124,275.00        |
| <b>Total:</b>                                  |   | <b>\$124,275.00</b> |

[City of Dana Point, Campaign Disclosure Statement, 10/19/04; Late Contribution Report, 10/29/04]

## Expenditures

**July 2004: Harkey's Campaign Reported An Expenditure To Point Center Financial \$2,368.03 For Campaign Literature And Mailings.** [City of Dana Point, 7/21/04]

**July 2004: Harkey's Campaign Reported An Accrued Expense, Or Unpaid Bill, With Point Center Financial As \$2,368.85 For Campaign Literature And Mailings.** [City of Dana Point, 7/21/04]

**October 2004: Harkey's Campaign Reported Three Expenditures To Point Center Financial For \$2,368.85, \$2,364.87, And \$2,367.03, All For Campaign Literature And Mailings But It Was Unclear If These Payments From Those Mentioned In The July 2004 Report.** [City of Dana Point, 10/4/04]

**October 2004: Harkey's Campaign Reported Two Accrued Expenses, Or Unpaid Bills, With Point Center Financial As \$2,368.85 For Campaign Literature And Mailings And One For \$3,326.95 For Fundraising Events.** [City of Dana Point, 10/4/04]

**October 2004: Harkey's Campaign Reported An Accrued Expense, Or Unpaid Bills, With Point Center Financial As \$3,326.95 For Fundraising Events.** [City of Dana Point, 10/19/04]





## Appendix III – Revolving Door

### Top Lines

#### Harkey Had 22 Staffers During Her Time In The California State Assembly

| Harkey – Employees And Salary For Dec-2008 To Nov-2014 |                      |                    |                  |
|--|----------------------|--------------------|------------------|
| Full Name  | Effective Start Date | Effective End Date | Last Salary Rate |
| Andrew, George John                                    | 12/01/08             | 11/30/09           | \$4,166          |
| Babowal, Roger Michael                                 | 06/21/10             | 10/05/10           | \$6,666          |
| Broker, Kacilyn Anne                                   | 10/08/14             | 11/30/14           | \$13/hr          |
| Brough, William P.                                     | 01/03/12             | 02/15/13           | \$7,000          |
| Corless, Jeffrey D.                                    | 12/01/08             | 04/30/09           | \$6,651          |
| De Leon, Christine Joy                                 | 10/07/09             | 07/01/10           | \$1,834          |
| Folchi, Gino Umberto                                   | 11/02/09             | 11/30/14           | \$4,770          |
| Foster, Gregory Lawrence                               | 02/19/13             | 11/30/14           | \$1,302          |
| Fromm, Andrew Richard                                  | 02/12/14             | 11/30/14           | \$2,500          |
| Gonsalves, Sharon Kumari                               | 12/01/08             | 04/08/12           | \$4,181          |
| Hewitt, Christine Angela                               | 12/01/08             | 10/16/09           | \$3,000          |
| Hodges, Sherry Marie                                   | 02/04/11             | 11/30/14           | \$6,250          |
| La Motte, Steven<br>Christopher                        | 07/19/10             | 11/30/14           | \$3,191          |
| Masingdale, Katie Louise<br>Phillips                   | 01/04/11             | 12/02/12           | \$2,875          |
| McElhinney, Andrew David                               | 01/04/10             | 11/30/14           | \$3,805          |
| Pagan, Sherry Marie                                    | 02/04/11             | 11/30/14           | \$6,250          |
| Phillips, Katie Louise                                 | 01/04/11             | 12/02/12           | \$2,875          |
| Picciano, Lauren M.                                    | 12/01/08             | 09/30/09           | \$3,000          |
| Rusch, Calvin Stuart                                   | 01/03/11             | 12/20/11           | \$10/hr          |
| Smith, Justin Tyler                                    | 04/29/09             | 01/07/11           | \$1,833          |
| Vaughn, Jody Ann                                       | 01/05/09             | 11/30/14           | \$3,710          |
| Wescott, Allison Ainslie                               | 01/02/13             | 12/22/13           | \$3,010          |

[California State Assembly, 2/15/18]

## Appendix V – Bill Sponsorships & Amendments

### Toplines

| Harkey Sponsorship Toplines           |                   |              |
|---------------------------------------|-------------------|--------------|
| Congress                              | # of Sponsorships | # Became Law |
| California State Assembly (2013-2014) | 19                | 3            |
| California State Assembly (2011-2012) | 23                | 3            |
| California State Assembly (2009-2010) | 25                | 6            |
| <b>TOTAL</b>                          |                   |              |

[California Legislative Information, accessed [3/7/18](#); [3/7/18](#); [3/7/18](#)]

| Harkey Career Sponsorships By Subject |                      |              |
|---------------------------------------|----------------------|--------------|
| Subject                               | # Of Bills Sponsored | # Became Law |
| Taxes                                 | 16                   | 3            |
| Government                            | 7                    |              |
| Housing                               | 5                    | 3            |
| Infrastructure                        | 5                    |              |
| Elections                             | 4                    | 1            |
| Judicial System                       | 4                    |              |
| Symbolic                              | 4                    | 2            |
| Water                                 | 4                    |              |
| Budget                                | 3                    |              |
| Public Safety                         | 3                    | 2            |
| Business                              | 2                    |              |
| Environment                           | 2                    |              |
| Veterans                              | 2                    | 1            |
| Disaster Relief                       | 1                    |              |
| Economy                               | 1                    |              |
| Education                             | 1                    |              |
| Health Care                           | 1                    |              |
| National Security                     | 1                    |              |
| Retirement                            | 1                    |              |

[California Legislative Information, accessed [3/7/18](#); [3/7/18](#); [3/7/18](#)]

### California State Assembly (2013-2014)

#### Harkey Authored 19 Pieces Of Legislation, 3 Of Which Became Law

**Harkey Authored 19 Bills In The California State Assembly (2013-2014), 3 Of Which Became Law.**

[California Legislative Information, accessed [3/7/18](#)]

#### It Is Not Known How Many Amendments Harkey Authored

*NOTE: California's Legislative Information did not have a section regarding amendment sponsorships.*

#### Authored Bills By Subject

| California State Assembly (2013-2014) Authorships By Subject |                     |              |
|--|---------------------|--------------|
| Subject  | # Of Bills Authored | # Became Law |

|               |   |   |
|---------------|---|---|
| Tax           | 9 | 1 |
| Business      | 2 |   |
| Symbolic      | 2 | 1 |
| Government    | 2 |   |
| Education     | 1 |   |
| Budget        | 1 |   |
| Public Safety | 1 |   |
| Election      | 1 | 1 |

[California Legislative Information, accessed [3/7/18](#)]

### Harkey Bills Authored With Floor Consideration Or More

#### Harkey Authored 5 Pieces Of Legislation That Passed The California State Assembly (2013-2014)

Harkey Authored 5 Pieces Of Legislation That Passed The California State Assembly (2013-2014). [California Legislative Information, accessed [3/7/18](#)]

| Harkey California State Assembly (2013-2014) Authored With Floor Consideration Or More |                         |   |  |                                |
|--|-------------------------|---|--|--------------------------------|
| Date   | Bill #                  | Subject   | Last Action  | Last Action/<br>Effective Date |
| 2/21/13  | <a href="#">AB-672</a>  | Tax administration: tax clearance certificates.   | Chaptered  | 9/6/13                         |
| 2/22/13  | <a href="#">AB-1316</a> | Election ballots: identical candidate names.      | Chaptered  | 8/13/13                        |
| 3/25/14  | <a href="#">ACR-123</a> | Arthritis Awareness Month.                        | Chaptered  | 5/30/14                        |
| 2/21/13  | <a href="#">AB-833</a>  | Tax information: administration.                  | Senate - Died - Appropriations                     | 11/30/14                       |
| 2/12/14  | <a href="#">AB-1679</a> | Escrow companies: Fidelity Corporation: hearings. | Senate - Died - Banking and Financial Institutions | 11/30/14                       |

[California Legislative Information, accessed [3/7/18](#)]

### Harkey Bills Authored With No Floor Consideration

#### Harkey Authored 14 Pieces Of Legislation With No Floor Consideration

Harkey Authored 14 Pieces Of Legislation With No Floor Consideration In The California State Assembly (2013-2014). [California Legislative Information, accessed [3/7/18](#)]

| Harkey California State Assembly (2013-2014) Bills Authored With No Floor Consideration |                         |  |  |
|---|-------------------------|--|--|
| Date Intro.   | Bill #                  | Subject  | Last Action  |
| 2/20/13   | <a href="#">AB-542</a>  | Sales and use tax.   | Assembly - Died  |
| 2/20/13   | <a href="#">AB-573</a>  | Sales and use tax.   | Assembly - Died  |
| 2/22/13   | <a href="#">AB-1224</a> | Postsecondary education.   | Assembly - Died  |
| 2/13/14   | <a href="#">AB-1713</a> | Limited liability companies: dissolution.                                    | Assembly - Died  |
| 3/19/13   | <a href="#">ACR-37</a>  | Dr. Martin Luther King, Jr. Memorial Bridge.                                 | Assembly - Died  |
| 2/22/13   | <a href="#">AB-962</a>  | State government: survey of local assessment procedures.                     | Assembly - Died - Accountability and Administrative Review |
| 2/19/14   | <a href="#">AB-1984</a> | Income taxes: net operating losses: carrybacks: overpayments: estimated tax. | Assembly - Died - Appropriations                           |
| 2/21/14   | <a href="#">AB-2576</a> | Income tax: health savings accounts.   | Assembly - Died - Appropriations                           |
| 2/19/14   | <a href="#">AB-1861</a> | Committee on Budget. Budget Act of 2013                                      | Assembly - Died - Budget                                   |
| 2/21/13   | <a href="#">AB-738</a>  | Public entity liability: bicycles.   | Assembly - Died - Judiciary                                |

|         |                         |  |  |
|---------|-------------------------|--|--|
| 2/22/13 | <a href="#">AB-1049</a> | State Board of Equalization: administration: interest.                     | Assembly - Died - Revenue and Taxation |
| 2/19/14 | <a href="#">AB-1954</a> | Fire prevention fee: State Board of Equalization: appeal.                  | Assembly - Died - Revenue and Taxation |
| 2/21/14 | <a href="#">AB-2358</a> | Taxation: cancellation of indebtedness: mortgage debt forgiveness.         | Assembly - Died - Revenue and Taxation |
| 2/21/14 | <a href="#">AB-2691</a> | Sales and use taxes: wireless communication devices: bundled transactions. | Assembly - Died - Revenue and Taxation |

[California Legislative Information, accessed [3/7/18](#)]

## Amendments

*NOTE: California's Legislative Information did not have a section regarding amendment sponsorships.*

## California State Assembly (2011-2012)

### Harkey Authored 23 Pieces Of Legislation, 3 Of Which Became Law

**Harkey Authored 23 Bills In The California State Assembly (2011-2012), 3 Of Which Became Law.**

[California Legislative Information, accessed [3/7/18](#)]

### It Is Not Known How Many Amendments Harkey Authored

*NOTE: California's Legislative Information did not have a section regarding amendment sponsorships.*

## Authored Bills By Subject

| California State Assembly (2011-2012) Authorships By Subject |                     |              |
|--|---------------------|--------------|
| Subject  | # Of Bills Authored | # Became Law |
| Judicial System  | 4                   |              |
| Government   | 4                   |              |
| Infrastructure   | 4                   |              |
| Water  | 2                   |              |
| Symbolic   | 2                   | 1            |
| Tax  | 2                   | 1            |
| Public Safety  | 1                   | 1            |
| Environment  | 1                   |              |
| Housing  | 1                   |              |
| Veterans   | 1                   |              |
| Budget   | 1                   |              |

[California Legislative Information, accessed [3/7/18](#)]

### Harkey Bills Authored With Floor Consideration Or More

### Harkey Authored 6 Pieces Of Legislation That Passed The California State Assembly (2011-2012)

**Harkey Authored 6 Pieces Of Legislation That Passed The California State Assembly (2011-2012).** [California Legislative Information, accessed [3/7/18](#)]

### Harkey California State Assembly (2011-2012) Authored With Floor Consideration Or More



| Date    | Bill #                  | Subject   | Last Action               | Last Action/<br>Effective Date |
|---------|-------------------------|---|---------------------------|--------------------------------|
| 2/24/12 | <a href="#">AB-2270</a> | Sales and use tax: use tax: administration.           | Chaptered                 | 8/27/12                        |
| 3/7/11  | <a href="#">ACR-32</a>  | Child sexual abuse awareness.                         | Chaptered                 | 7/28/11                        |
| 3/7/11  | <a href="#">ACR-33</a>  | Officer Richard T. Steed Memorial Highway.            | Chaptered                 | 8/23/11                        |
| 2/16/11 | <a href="#">AB-649</a>  | Public postsecondary education: veteran's enrollment. | Senate - Died - Education | 11/30/12                       |
| 2/15/11 | <a href="#">AB-505</a>  | Housing programs: audits.                             | Senate - Died - Rules     | 11/30/12                       |
| 2/24/12 | <a href="#">AB-2385</a> | Probation.  | Senate - Failed           | 8/30/12                        |

[California Legislative Information, accessed [3/7/18](#)]

## Harkey Bills Authored With No Floor Consideration

### Harkey Authored 17 Pieces Of Legislation With No Floor Consideration

**Harkey Authored 17 Pieces Of Legislation With No Floor Consideration In The California State Assembly (2011-2012).** [California Legislative Information, accessed [3/7/18](#)]

| Harkey California State Assembly (2011-2012) Bills Authored With No Floor Consideration |                         |   |  |  |
|---|-------------------------|---|--|--|
| Date Intro.   | Bill #                  | Subject   | Last Action  |  |
| 2/17/11   | <a href="#">AB-786</a>  | State finance: debt reduction.  | Assembly - Died  |  |
| 2/18/11   | <a href="#">AB-1096</a> | Courts: official reporters.   | Assembly - Died  |  |
| 2/18/11   | <a href="#">AB-1123</a> | State projects: risk analysis.  | Assembly - Died  |  |
| 2/18/11   | <a href="#">AB-1138</a> | State policies.   | Assembly - Died  |  |
| 2/23/12   | <a href="#">AB-2079</a> | Government liability.   | Assembly - Died  |  |
| 2/24/12   | <a href="#">AB-2448</a> | Tort Claims Act: definitions.   | Assembly - Died  |  |
| 2/24/12   | <a href="#">AB-2524</a> | Tort Claims Act: public entities.   | Assembly - Died  |  |
| 2/7/11  | <a href="#">AB-262</a>  | California regional water quality control boards: boundaries.                             | Assembly - Died - Environmental Safety and Toxic Materials         |  |
| 2/18/11   | <a href="#">AB-1048</a> | Water quality in the San Diego region: recycled water and wastewater: fluoride.           | Assembly - Died - Environmental Safety and Toxic Materials         |  |
| 2/24/12   | <a href="#">ACR-116</a> | Sea Scouts Centennial.  | Assembly - Died - Judiciary  |  |
| 1/27/11   | <a href="#">AB-206</a>  | Fireworks displays: California Environmental Quality Act: California Coastal Act of 1976. | Assembly - Died - Natural Resources                                |  |
| 2/21/12   | <a href="#">AB-1815</a> | Retirement: Orange County Board of Supervisors.   | Assembly - Died - Public Employees, Retirement and Social Security |  |
| 2/23/12   | <a href="#">AB-2175</a> | Taxation: state tax liens.  | Assembly - Died - Revenue and Taxation                             |  |
| 12/22/10  | <a href="#">AB-76</a>   | High-speed rail.  | Assembly - Died - Transportation                                   |  |
| 2/24/11   | <a href="#">AB-385</a>  | High-speed rail.  | Assembly - Died - Transportation                                   |  |
| 1/9/12  | <a href="#">AB-1455</a> | High-speed rail.  | Assembly - Died - Transportation                                   |  |
| 2/18/11   | <a href="#">AB-977</a>  | Harbors and ports: loans: OC Dana Point Harbor.   | Assembly - Died - Water, Parks and Wildlife                        |  |

[California Legislative Information, accessed [3/7/18](#)]

## State Issues

**2011: Harkey Sponsored Legislation To Require A Statewide Policy On Standard Levels Of Fluoride In Recycled Water And Wastewater**

**2011: Harkey Sponsored Legislation To Require A Statewide Policy On Standard Levels Of Fluoride In Recycled Water And Wastewater.** "AB 1048 -- Assemblywoman Diane Harkey (R-Laguna Niguel). Requires the

Water Resources Control Board by July 1, 2012, to adopt a statewide policy setting standards for levels of fluoride in recycled water and wastewater. Also requires the board to provide direction to the regional water boards to revise their respective regional water quality plans to ensure consistency with that statewide policy.” [Inside Cal/EPA, 3/4/11]

---

### **Harkey Sponsored Legislation To Revise The Description Of The Boundaries Between The Santa Ana And San Diego Regional Water Boards**

---

**2011: Harkey Sponsored Legislation To Revise The Description Of The Boundaries Between The Santa Ana And San Diego Regional Water Boards.** “AB 262 -- Assemblywoman Diane Harkey (R-Laguna Niguel). Revises the description of the boundaries of the Santa Ana and San Diego regional water boards. Harkey authored a nearly identical bill last year that would have moved a portion of the San Diego regional board area in Orange County into the Santa Ana board's jurisdiction.” [Inside Cal/EPA, 3/4/11]

---

### **Transportation Issues**

---

---

#### **January 2012: Harkey Introduced A Bill To Forbid The Use Of Voter Approved State Bond Sales To Fund The High-Speed Rail Project**

---

**January 2012: Harkey Introduced A Bill To Forbid The Use Of Voter Approved State Bond Sales To Fund The High-Speed Rail Project.** “Also Monday, Assemblywoman Diane Harkey, R-Dana Point, announced her introduction of a bill that would forbid the use of state bond sale proceeds to finance the project. If signed by the governor, the bill would essentially kill the project, approved by state voters in 2008. Harkey's announcement follows an assessment released last week by a state-appointed peer review group that the project is not financially feasible. Two local state lawmakers said they supported Harkey's move.” [Bakersfield Californian, 1/10/12]

**Harkey's Legislation, AB 1455, Once Again Sought To Stop The Bond Sale Voters Approved In Proposition 1A.** “Opposition to California's high-speed rail line is accelerating, even as the agency planning the controversial \$98.5 billion bullet train narrows down options for the train's route. A Republican from Southern California yesterday offered legislation to block funding for the train. Assemblywoman Diane Harkey's A.B. 1455 would halt the sale of bonds that were authorized by 2008's Proposition 1A. That measure approved \$9.95 billion in financing for a train between San Francisco and Los Angeles.” [Greenwire, 1/10/12]

**Harkey: “The Verdict Is Clear, It's Time For California To Move Forward And Derail This Ill-Conceived Project.”** ““The verdict is clear, it's time for California to move forward and derail this ill-conceived project,” Harkey said. ‘Lack of future federal funding, oversight, accountability and inconsistency in route and planning should sound a strong signal to pull the plug. Our governor is asking for long-term tax increases, while recommending cuts to education and public safety.’” [Greenwire, 1/10/12]

---

#### **2011: Harkey Introduced Legislation To Limit The Amount Of Debt The High-Speed Rail Project Could Accrue And Another To Require An Investment Analysis**

---

**2011: Harkey Introduced Legislation To Limit The Amount Of Debt The High-Speed Rail Project Could Accrue And Another To Require An Investment Analysis.** “Assemblywoman Diane Harkey, R-Oceanside, has six bills, including one that would limit the amount of debt allowed by the state's high-speed rail project and one to require the massive project to undergo an investment analysis.” [North County Times, 2/23/11]

---

#### **2011: Harkey Sponsored A Bill To Defund The High-Speed Rail Project That Died In Committee**

---

**2011: Harkey Sponsored A Bill To Defund The High-Speed Rail Project That Died In Committee.** “A move seeking to scuttle California's high speed rail program in the state Assembly was thwarted by pro-rail forces, keeping the Golden State's HSR efforts in the forefront of U.S. possibilities and offering, perhaps, a sign of ‘pushback’ from advocates of HSR and higher-speed rail (HrSR) stung by recent political setbacks. The California

bill to defund HSR, sponsored by Republican Assemblywoman Diane Harkey (pictured) died in committee. ‘What are the risks of the project? We don't even know,’ said Harkey, referring to the state's HSR program, currently projected to cost \$44 billion for roughly 700 miles of right-of-way, the majority of it grade-separated. ‘It could be \$66 [billion] to \$100 billion and that's without the trainsets and without the operating expenses.’” [Railway Age, 5/1/11]

## Amendments

*NOTE: California's Legislative Information did not have a section regarding amendment sponsorships.*

## California State Assembly (2009-2010)

### Harkey Authored 25 Pieces Of Legislation, 6 Of Which Became Law

**Harkey Authored 25 Bills In The California State Assembly (2009-2010), 6 Of Which Became Law.**  
[California Legislative Information, accessed [3/7/18](#)]

### It Is Not Known How Many Amendments Harkey Authored

*NOTE: California's Legislative Information did not have a section regarding amendment sponsorships.*

### Authored Bills By Subject

| California State Assembly (2009-2010) Authorships By Subject |                     |              |
|--|---------------------|--------------|
| Subject  | # Of Bills Authored | # Became Law |
| Housing  | 4                   | 3            |
| Taxes  | 4                   | 1            |
| Elections  | 3                   |              |
| Water  | 2                   |              |
| Infrastructure   | 1                   |              |
| Environment  | 1                   |              |
| Public Safety  | 1                   | 1            |
| Tax  | 1                   |              |
| Veterans   | 1                   | 1            |
| Health Care  | 1                   |              |
| Disaster Relief  | 1                   |              |
| Retirement   | 1                   |              |
| Government   | 1                   |              |
| Budget   | 1                   |              |
| Economy  | 1                   |              |
| National Security  | 1                   |              |

[California Legislative Information, accessed [3/7/18](#)]

### Harkey Bills Authored With Floor Consideration Or More

### Harkey Authored 8 Pieces Of Legislation That Passed The California State Assembly (2009-2010)

**Harkey Authored 8 Pieces Of Legislation That Passed The California State Assembly (2009-2010).** [California Legislative Information, accessed [3/7/18](#)]

### Harkey California State Assembly (2009-2010) Authored With Floor Consideration Or More

| Date    | Bill #                  | Subject   | Last Action                                 | Last Action/<br>Effective Date |
|---------|-------------------------|---|---|--------------------------------|
| 2/18/10 | <a href="#">AB-2121</a> | High-speed rail.  | Senate - Died - Rules                       | 11/30/10                       |
| 2/27/09 | <a href="#">AB-1253</a> | Coastal resources: California Coastal Act of 1976: development: fireworks displays. | Senate - Died - Natural Resources and Water | 11/30/10                       |
| 2/25/09 | <a href="#">AB-634</a>  | Hazardous recreational activities.  | Chaptered                                   | 7/15/10                        |
| 2/26/09 | <a href="#">AB-824</a>  | Property taxation: assessment procedures.   | Chaptered                                   | 10/11/09                       |
| 2/12/10 | <a href="#">AB-1867</a> | Land use: local planning: housing element program.                                  | Chaptered                                   | 9/27/10                        |
| 2/17/10 | <a href="#">AB-2001</a> | Building standards: State Department of Public Health: regulations.                 | Chaptered                                   | 9/24/10                        |
| 2/19/10 | <a href="#">AB-2327</a> | Affordable housing: risk retention pool.  | Chaptered                                   | 9/27/10                        |
| 6/29/10 | <a href="#">AJR-46</a>  | Autism in military families: funding Intensive Behavioral Interventions.            | Chaptered                                   | 9/16/10                        |

[California Legislative Information, accessed [3/7/18](#)]

### Harkey Bills Authored With No Floor Consideration

### Harkey Authored 17 Pieces Of Legislation With No Floor Consideration

### Harkey Authored 17 Pieces Of Legislation With No Floor Consideration In The California State Assembly (2009-2010). [California Legislative Information, accessed [3/7/18](#)]

| Harkey California State Assembly (2009-2010) Bills Authored With No Floor Consideration |                         |  |  |  |
|---|-------------------------|--|--|--|
| Date Intro.   | Bill #                  | Subject  | Last Action  |  |
| 8/17/10   | <a href="#">HR-35</a>   | Health Care  | Assembly - Passed  |  |
| 2/26/09   | <a href="#">AB-876</a>  | Income and corporation taxes: capital gains: exclusion.                    | Assembly - Died - Revenue and Taxation                             |  |
| 2/2/10  | <a href="#">AB-1719</a> | Sales and use taxes: exemption: business equipment.                        | Assembly - Died - Revenue and Taxation                             |  |
| 2/4/10  | <a href="#">AB-1735</a> | Income tax credits: education and training.                                | Assembly - Died - Revenue and Taxation                             |  |
| 2/9/10  | <a href="#">AB-1782</a> | Disaster relief.   | Assembly - Died - Revenue and Taxation                             |  |
| 2/18/10   | <a href="#">AB-2250</a> | Public employees' retirement: safety members.                              | Assembly - Died - Public Employees, Retirement and Social Security |  |
| 2/25/09   | <a href="#">AB-594</a>  | Land use: housing element.   | Assembly - Died - Local Government                                 |  |
| 2/17/10   | <a href="#">AB-1978</a> | California regional water quality control boards: ex parte communications. | Assembly - Died - Environmental Safety and Toxic Materials         |  |
| 2/19/10   | <a href="#">AB-2407</a> | California regional water quality control boards: boundaries.              | Assembly - Died - Environmental Safety and Toxic Materials         |  |
| 2/27/09   | <a href="#">AB-1278</a> | Elections: initiatives.  | Assembly - Died - Elections and Redistricting                      |  |
| 2/27/09   | <a href="#">AB-1024</a> | Legislature.   | Assembly - Died - Business, Professions and Consumer Protection    |  |
| 2/27/09   | <a href="#">AB-1277</a> | State bonds: sale.   | Assembly - Died - Appropriations                                   |  |
| 2/27/09   | <a href="#">AB-1137</a> | California tourism.  | Assembly - Died  |  |
| 2/19/10   | <a href="#">AB-2527</a> | Ballot measures.   | Assembly - Died  |  |
| 2/19/10   | <a href="#">AB-2573</a> | Property tax: base year value transfers.                                   | Assembly - Died  |  |
| 2/19/10   | <a href="#">AB-2624</a> | Voter education: citizenship.  | Assembly - Died  |  |
| 2/6/09  | <a href="#">AJR-5</a>   | Camp Pendleton: housing detainees of Guantanamo Bay.                       | Assembly - Died  |  |

[California Legislative Information, accessed [3/7/18](#)]

### Environmental Issues

---

**Harkey Sponsored Legislation To Shield Local Governments And Thee State Lands Commission From Liability Involving Artificial Reefs, Which Reportedly Would Make It Easier To Build Reefs**

---

**Harkey Sponsored Legislation To Shield Local Governments And Thee State Lands Commission From Liability Involving Artificial Reefs, Which Reportedly Would Make It Easier To Build Reefs.** “Legislation passed this week should make the process of building artificial reefs and sinking ships for fishing and diving off the coast much smoother. Such a reef is in the works again for just off the North Jetty of Humboldt Bay, a cooperative effort between local anglers and the Humboldt Bay Harbor, Recreation and Conservation District. The bill signed by Gov. Arnold Schwarzenegger essentially shields local governments and the State Lands Commission from liability related to the injury or death of a diver swimming around an artificial reef. [...] The bill was sponsored by Assemblywoman Diane Harkey, R-Dana Point, where a Ships to Reefs Project is in the works. Ships to Reefs Vice President Dean Rewerts said that the bill's passage goes a long way toward helping the fishing economy and ecology on the California coast.” [Eureka Times Standard, 7/24/10]

---

**Harkey Sponsored Legislation To Exempt Pyrotechnic Displays From Coastal Development Permits From The Coastal Commission**

---

**Harkey Sponsored Legislation To Exempt Pyrotechnic Displays From Coastal Development Permits As She Said “I Really Believe Fireworks Are As American As Apple Pie And The Flag.”** “Assemblywoman Diane Harkey, R-Dana Point, is trying to rescue coastal fireworks from what she sees as over-regulation of a national tradition. Her newly introduced bill would exempt pyrotechnic displays along the shoreline from coastal development permits, as long as they are done by public agencies. However, a local environmental lawyer said the bill would not exempt the shows from water pollution permits being developed by the San Diego Regional Water Quality Control Board. ‘Up and down the coast, fireworks are being severely restricted or even outlawed,’ said Harkey, whose district includes Oceanside, Camp Pendleton and a slice of southern Orange County. ‘I really believe fireworks are as American as apple pie and the flag.’ Under the Coastal Act of 1976, special development permits are needed for construction, waste discharges, grading and other activities near the coast.” [San Diego Union-Tribune, 2/5/11]

---

**States Issues**

---

---

**Harkey Sponsored Legislation To Revise The Description Of The Boundaries Between The Santa Ana And San Diego Regional Water Boards**

---

**2010: Harkey Sponsored Legislation To Revise The Description Of The Boundaries Between The Santa Ana And San Diego Regional Water Boards.** “Southern California Regional Board Boundaries AB 2407 - Assemblywoman Diane Harkey (R-Laguna Niguel). Would revise the description of the boundaries of the Santa Ana and San Diego regional water boards. Status: Awaits referral to an Assembly policy committee.” [Inside Cal/EPA, 2/26/10]

---

**Tax Issues**

---

---

**Harkey Sponsored Legislation To Exempt Business From Paying Sales Tax On Equipment They Purchase For Their Business And To Create An Education Tax Credit For Employers**

---

**Harkey Sponsored Legislation To Exempt Business From Paying Sales Tax On Equipment They Purchase For Their Business.** “This week legislative committee hearings will begin on a package of bills proposed by Assembly Republicans to create California jobs, jumpstart the economy, and make the state competitive once again. Assembly Republicans have introduced 17 bills to provide tax and job creation incentives, make state regulations more rational, and curb frivolous lawsuit abuse. [...] Business Equipment Sales Tax Exemption (Harkey, Assembly Bill 1719) Assembly Bill 1719, by Assemblywoman Diane Harkey, R-Dana Point, will exempt businesses from paying the sales tax on equipment they purchase for their businesses. This measure will help alleviate expensive



regulatory burdens required by AB 32, such as diesel and farm equipment engine retrofits. Status: Assembly Revenue and Taxation hearing on April 12” [California State Assembly Republican Caucus, press release, 3/22/10]

**Harkey Sponsored Legislation To Create An Education Tax Credit For Employers.** “This week legislative committee hearings will begin on a package of bills proposed by Assembly Republicans to create California jobs, jumpstart the economy, and make the state competitive once again. Assembly Republicans have introduced 17 bills to provide tax and job creation incentives, make state regulations more rational, and curb frivolous lawsuit abuse. [...] Education tax credit (Harkey, Assembly Bill 1735) Assembly Bill 1735, by Assemblywoman Harkey, would create a tax credit for employers and employees for 50 percent of the costs of job training or advanced education. This will help employees attain higher pay and career advancement, while helping employers develop a highly-skilled workforce. Status: Assembly Revenue and Taxation hearing on April 12” [California State Assembly Republican Caucus, press release, 3/22/10]

## Amendments

*NOTE: California’s Legislative Information did not have a section regarding amendment sponsorships.*

---

### **Harkey Co-Sponsored An Amendment To Exempt A Medical Center From Earthquake Safety Standards If It Attempted To Raise Funds For Improvement Even If It Failed**

---

**A Local Medical Center Had Towers That Did Not Meet Earthquake-Safety Standards, Which Threatened To Close Significant Portions Of The Center.** “Tri-City Medical Center officials are waging dual battles to prevent the forced closure of major portions of the Oceanside public hospital in just a few years. As things stand, the south and central towers -- which contain about half the hospital's 300 beds and services such as the intensive care unit -- do not meet state earthquake-safety standards and could be shut down in 2013. [...] Now hospital district officials are: \* Asking state officials to re-evaluate the condition of the buildings so they would have until 2030 to make the fixes. \* Getting the support of state legislators for a bill that would give public hospital districts such as Tri-City the same exemption already permitted city and county-owned hospitals. That exemption would give the hospital until 2020 to make its seismic retrofits.” [San Diego Union-Tribune, 4/2/09]

**Harkey Co-Sponsored An Amendment To Exempt The Medical Center From The Standard If It Attempted, Even If It Failed, To Fund The Improvements As She Said Its Closure Would Have “Devastating Impacts.”** “Assemblyman Martin Garrick, R-Solana Beach, has sponsored an amendment to that effect on his Assembly Bill 411, introduced in February. The amendment, also sponsored by Assemblywoman Diane Harkey, R-Dana Point, adds public-hospital districts to the exemption given city and county hospitals if they have made an effort, even if unsuccessful, to fund the necessary improvements. ‘AB 411's change of the seismic-retrofit deadline will help ensure no interruption in critical medical services for northern San Diego County,’ Harkey said. ‘Closing Tri-City Medical Center would have devastating impacts on access to emergency services and other health care needs for Oceanside and the entire region.’” [San Diego Union-Tribune, 4/2/09]

## **Appendix VI – Bill Co-Sponsorships**

*NOTE: California's Legislative Information did not readily provide information regarding amendment co-sponsorships or California's equivalent.*

## Appendix VII – Office Expenditures

### Career

#### Top Lines

*NOTE: A public records request to the Board of Equalization and the California Rules Committee for office expenditure reports has been filed but was not fulfilled by the time this book was completed. The Board of Equalization replied that the request would be fulfilled no later than April 6, 2018.*

| Harkey Office Expenditures – Career |                     |                               |                     |                               |                              |                   |                   |                     |
|-------------------------------------|---------------------|-------------------------------|---------------------|-------------------------------|------------------------------|-------------------|-------------------|---------------------|
| Year                                | Staff Salary        | Travel<br>(Member &<br>Staff) | Vehicle<br>Expenses | Rent,<br>Comms.,<br>Utilities | Supplies<br>and<br>Materials | Mail              | Other<br>Services | Total               |
| 2018                                |                     |                               |                     |                               |                              |                   |                   |                     |
| 2017                                |                     |                               |                     |                               |                              |                   |                   |                     |
| 2016                                |                     |                               |                     |                               |                              |                   |                   |                     |
| 2015                                |                     |                               |                     |                               |                              |                   |                   |                     |
| 2014                                | \$211,117.58        | \$17,305.05                   | \$37.54             | \$85,520.54                   | \$811.21                     | \$1,854.73        | \$2,414.66        | <b>\$319,061.31</b> |
| 2013                                | \$201,302.07        | \$19,712.20                   | \$0.00              | \$85,180.66                   | \$1,561.79                   | \$3,545.34        | \$3,141.66        | <b>\$314,443.72</b> |
| 2012                                |                     |                               |                     |                               |                              |                   |                   |                     |
| 2011                                |                     |                               |                     |                               |                              |                   |                   |                     |
| 2010                                |                     |                               |                     |                               |                              |                   |                   |                     |
| 2009                                |                     |                               |                     |                               |                              |                   |                   |                     |
| 2008                                |                     |                               |                     |                               |                              |                   |                   |                     |
| 2007                                |                     |                               |                     |                               |                              |                   |                   |                     |
| 2006                                |                     |                               |                     |                               |                              |                   |                   |                     |
| 2005                                |                     |                               |                     |                               |                              |                   |                   |                     |
| 2004                                |                     |                               |                     |                               |                              |                   |                   |                     |
| <b>Career</b>                       | <b>\$412,419.65</b> | <b>\$37,017.25</b>            | <b>\$37.54</b>      | <b>\$170,701.20</b>           | <b>\$2,373.00</b>            | <b>\$5,400.07</b> | <b>\$5,556.32</b> | <b>\$633,505.03</b> |

[California State Assembly, Statement of Assembly Expenditures Printed in Journal, [2/26/15](#); [2/27/14](#); City of Dana Point, received [2/22/18](#)]

**The City Of Dana Point Said They Only Had One Document Relating To Expenditures By Harkey During Her Time On The City Council.** RESEARCHER: “However, I am wondering if there is any other information regarding official expenses from Harkey, including but not limited to, official spending on mailers to constituents or any travel expenses on behalf of the city.” [...] DANA POINT CITY CLERK SPECIALIST: “I will double check with our Finance Department, but I am certain that their search only contained the 1 responsive record that I sent.” [City of Dana Point, Email, [2/23/18](#)]

#### Harkey Personal Reimbursements

#### Harkey Received \$6,971.12 Worth Of Personal Disbursements Over The Course Of Her Career In The California State Assembly

| Disbursements To Harkey – Career |                              |              |                         |          |  |
|----------------------------------|------------------------------|--------------|-------------------------|----------|--|
| Effective Date                   | Expense Type                 | Payee        | Description             | Amount   |  |
| 25-Jun-13                        | MEMBER SESSION TRAVEL        | DIANE HARKEY | 5/31/13 -               | \$214.90 |  |
| 28-Mar-13                        | MEMBER SESSION TRAVEL        | DIANE HARKEY | 2/19/13 -               | \$200.90 |  |
| 27-Feb-13                        | MEMBER SESSION TRAVEL        | DIANE HARKEY | 1/13/2013               | \$230.55 |  |
| 11-Oct-12                        | MEMBER MILEAGE REIMBURSEMENT | DIANE HARKEY | 9/10/12-9/18/12 MILEAGE | \$82.68  |  |
| 18-Sep-12                        | MEMBER SESSION TRAVEL        | DIANE HARKEY | 9/1/12 - AIR FARE       | \$199.80 |  |
| 13-Sep-12                        | MEMBER MILEAGE REIMBURSEMENT | DIANE HARKEY | 8/2/12-8/27/12 MILEAGE  | \$131.15 |  |

|              |                                  |              |  |                   |
|--------------|----------------------------------|--------------|--|-------------------|
| 21-Aug-12    | MEMBER MILEAGE REIMBURSEMENT     | DIANE HARKEY | 7/2/12-7/30/12 MILEAGE                     | \$303.69          |
| 19-Jul-12    | MEMBER MILEAGE REIMBURSEMENT     | DIANE HARKEY | 6/1/12-6/29/12 MILEAGE                     | \$182.85          |
| 27-Jun-12    | MEMBER MILEAGE REIMBURSEMENT     | DIANE HARKEY | 5/3/12-5/29/12 MILEAGE                     | \$179.67          |
| 10-May-12    | MEMBER MILEAGE REIMBURSEMENT     | DIANE HARKEY | 4/3/12-4/30/12 MILEAGE                     | \$239.56          |
| 30-Apr-12    | MEMBER MILEAGE REIMBURSEMENT     | DIANE HARKEY | 3/1/12-3/31/12 MILEAGE                     | \$334.96          |
| 16-Mar-12    | MEMBER MILEAGE REIMBURSEMENT     | DIANE HARKEY | 2/2/12-2/27/12 MILEAGE                     | \$312.70          |
| 16-Feb-12    | MEMBER TRAVEL IN STATE           | DIANE HARKEY | 1/13/12 AIR FARE                           | \$192.80          |
| 13-Feb-12    | MEMBER MILEAGE REIMBURSEMENT     | DIANE HARKEY | 1/4/12-1/27/12 MILEAGE                     | \$245.92          |
| 10-Jan-12    | MEMBER MILEAGE REIMBURSEMENT     | DIANE HARKEY | 12/1/11-12/21/11 MILEAGE                   | \$266.59          |
| 13-Dec-11    | MEMBER TRAVEL IN STATE           | DIANE HARKEY | 11/1/11-11/2/11 - TRAVEL                   | \$383.00          |
| 22-Sep-11    | MEMBER SESSION TRAVEL            | DIANE HARKEY | 8/17/11 -                                  | \$198.70          |
| 22-Jun-11    | MEMBER SESSION TRAVEL            | DIANE HARKEY | HARKEY REIMB<br>6/9/11 SESSION AIRFARE     | \$208.70          |
| 22-Jun-11    | MEMBER SESSION TRAVEL            | DIANE HARKEY | HARKEY REIMB<br>6/3/11 SESSION AIRFARE     | \$199.70          |
| 20-Apr-11    | MEMBER SESSION TRAVEL            | DIANE HARKEY | 3/25/2011                                  | \$187.70          |
| 20-Apr-11    | MEMBER SESSION TRAVEL            | DIANE HARKEY | 4/3/2011                                   | \$187.70          |
| 20-Apr-11    | MEMBER SESSION TRAVEL            | DIANE HARKEY | 3/11/2011                                  | \$187.70          |
| 11-Apr-11    | MEMBER SESSION TRAVEL            | DIANE HARKEY | 3/3/2011                                   | \$173.00          |
| 7-Feb-11     | MEMBER SESSION TRAVEL            | DIANE HARKEY | 1/13/2011                                  | \$171.70          |
| 28-Oct-10    | MEMBER TRAVEL IN STATE           | DIANE HARKEY | 9/23/10-9/24/10 REIMBR FOR<br>AIRFARE ONLY | \$327.40          |
| 26-Jul-10    | MEMBER SESSION TRAVEL            | DIANE HARKEY | 6/3/10 -                                   | \$157.50          |
| 15-Jun-10    | STAFF DISTRICT OFFICE<br>MILEAGE | DIANE HARKEY | 5/13/10 -                                  | \$157.00          |
| 18-May-10    | STAFF DISTRICT OFFICE<br>MILEAGE | DIANE HARKEY | 3/2/5/10                                   | \$157.70          |
| 18-May-10    | STAFF DISTRICT OFFICE<br>MILEAGE | DIANE HARKEY | 4/22/2010                                  | \$156.00          |
| 24-Mar-10    | MEMBER SESSION TRAVEL            | DIANE HARKEY | 2/11/2010                                  | \$157.70          |
| 13-Nov-09    | MEMBER PER DIEM IN STATE         | DIANE HARKEY | 10/6/09-10/7/09                            | \$340.00          |
| 20-Jul-09    | MEMBER SESSION TRAVEL            | DIANE HARKEY | 6/26/09-6/28/09 -                          | \$301.20          |
| <b>Total</b> |                                  |              |  | <b>\$6,971.12</b> |

[California State Assembly, received [3/9/18](#)]

## 2014

### Office Expenditures

#### 2014: Harkey Spent \$319,061.31 Of Taxpayer Money

| 2014 Harkey Office Expenditures |              |                               |                     |                               |                              |            |                   |                     |
|---------------------------------|--------------|-------------------------------|---------------------|-------------------------------|------------------------------|------------|-------------------|---------------------|
|                                 | Staff Salary | Travel<br>(Member &<br>Staff) | Vehicle<br>Expenses | Rent,<br>Comms.,<br>Utilities | Supplies<br>and<br>Materials | Mail       | Other<br>Services | Total               |
| <b>2014</b>                     | \$211,117.58 | \$17,305.05                   | \$37.54             | \$85,520.54                   | \$811.21                     | \$1,854.73 | \$2,414.66        | <b>\$319,061.31</b> |

[California State Assembly, Statement of Assembly Expenditures Printed in Journal, [2/26/15](#)]

---

**It Is Not Known How Much Harkey's Budget Was**

---

**Personal Reimbursements**

**2014: According To An Itemized Expenditure Document For All Of Harkey's Career From The California State Assembly, Harkey Was Not Reimbursed For The Year.** [California State Assembly, received [3/9/18](#)]

**2014: Harkey Paid At Least \$260,712 Assembly Staff Salaries To Full-Time Staffers**

**2014: Harkey Paid At Least \$260,712 Assembly Staff Salaries To Full-Time Staffers**

| 2014 Harkey Assembly Staff Salaries |                           |           |                             |                |           |
|-------------------------------------|---------------------------|-----------|-----------------------------|----------------|-----------|
| Employee                            | Organization Name         | Hire Date | Classification              | Monthly Salary | Time Base |
| Broker, Kacilyn Anne                | Harkey, D-Capitol Office  | 10/08/14  | Executive Secretary         | \$13.00/hr -   | -         |
| Folchi, Gino Umberto                | Harkey, D-Capitol Office  | 11/11/08  | Principal Assistant         | \$4,770.00     | 100%      |
| Foster, Gregory Lawrence            | Harkey, D-District Office | 02/19/13  | Secretary                   | \$1,302.00     | 57%       |
| Fromm, Andrew Richard               | Harkey, D-District Office | 02/12/14  | Legislative Assistant       | \$2,500.00     | 86%       |
| Hodges, Sherry Marie                | Harkey, D-District Office | 02/19/13  | Principal Assistant         | \$6,250.00     | 100%      |
| La Motte, Steven Christopher        | Harkey, D-District Office | 07/19/10  | Senior Field Representative | \$3,191.00     | 100%      |
| McElhinney, Andrew David            | Harkey, D-Capitol Office  | 01/04/10  | Principal Assistant         | \$3,805.00     | 100%      |
| Vaughn, Jody Ann                    | Harkey, D-District Office | 01/05/09  | District Coordinator        | \$3,710.00     | 100%      |

[California State Assembly via Wayback Machine, [11/30/14](#)]

**2013****Office Expenditures**

**2014: Harkey Spent \$314,443.72 Of Taxpayer Money**

| 2013 Harkey Office Expenditures |              |                         |                  |                         |                        |            |                |                     |
|---------------------------------|--------------|-------------------------|------------------|-------------------------|------------------------|------------|----------------|---------------------|
|                                 | Staff Salary | Travel (Member & Staff) | Vehicle Expenses | Rent, Comms., Utilities | Supplies and Materials | Mail       | Other Services | Total               |
| 2013                            | \$201,302.07 | \$19,712.20             | \$0.00           | \$85,180.66             | \$1,561.79             | \$3,545.34 | \$3,141.66     | <b>\$314,443.72</b> |

[California State Assembly, Statement of Assembly Expenditures Printed in Journal, [2/27/14](#)]

---

**It Is Not Known How Much Harkey's Budget Was**

---

**Personal Reimbursements**

**Of Those \$314,443.72, \$646.35 Was Reimbursed To Harkey**

| Disbursements To Harkey – Career |              |       |             |        |
|----------------------------------|--------------|-------|-------------|--------|
| Effective Date                   | Expense Type | Payee | Description | Amount |



|              |                       |              |           |                 |
|--------------|-----------------------|--------------|-----------|-----------------|
| 25-Jun-13    | MEMBER SESSION TRAVEL | DIANE HARKEY | 5/31/13 - | \$214.90        |
| 28-Mar-13    | MEMBER SESSION TRAVEL | DIANE HARKEY | 2/19/13 - | \$200.90        |
| 27-Feb-13    | MEMBER SESSION TRAVEL | DIANE HARKEY | 1/13/2013 | \$230.55        |
| <b>Total</b> |                       |              |           | <b>\$646.35</b> |

[California State Assembly, received [3/9/18](#)]

## 2012

### Personal Reimbursements

**\$3,055.37 Was Reimbursed To Harkey**

| Disbursements To Harkey – Career |                              |              |                          |                   |
|----------------------------------|------------------------------|--------------|--------------------------|-------------------|
| Effective Date                   | Expense Type                 | Payee        | Description              | Amount            |
| 11-Oct-12                        | MEMBER MILEAGE REIMBURSEMENT | DIANE HARKEY | 9/10/12-9/18/12 MILEAGE  | \$82.68           |
| 18-Sep-12                        | MEMBER SESSION TRAVEL        | DIANE HARKEY | 9/1/12 - AIR FARE        | \$199.80          |
| 13-Sep-12                        | MEMBER MILEAGE REIMBURSEMENT | DIANE HARKEY | 8/2/12-8/27/12 MILEAGE   | \$131.15          |
| 21-Aug-12                        | MEMBER MILEAGE REIMBURSEMENT | DIANE HARKEY | 7/2/12-7/30/12 MILEAGE   | \$303.69          |
| 19-Jul-12                        | MEMBER MILEAGE REIMBURSEMENT | DIANE HARKEY | 6/1/12-6/29/12 MILEAGE   | \$182.85          |
| 27-Jun-12                        | MEMBER MILEAGE REIMBURSEMENT | DIANE HARKEY | 5/3/12-5/29/12 MILEAGE   | \$179.67          |
| 10-May-12                        | MEMBER MILEAGE REIMBURSEMENT | DIANE HARKEY | 4/3/12-4/30/12 MILEAGE   | \$239.56          |
| 30-Apr-12                        | MEMBER MILEAGE REIMBURSEMENT | DIANE HARKEY | 3/1/12-3/31/12 MILEAGE   | \$334.96          |
| 16-Mar-12                        | MEMBER MILEAGE REIMBURSEMENT | DIANE HARKEY | 2/2/12-2/27/12 MILEAGE   | \$312.70          |
| 16-Feb-12                        | MEMBER TRAVEL IN STATE       | DIANE HARKEY | 1/13/12 AIR FARE         | \$192.80          |
| 13-Feb-12                        | MEMBER MILEAGE REIMBURSEMENT | DIANE HARKEY | 1/4/12-1/27/12 MILEAGE   | \$245.92          |
| 10-Jan-12                        | MEMBER MILEAGE REIMBURSEMENT | DIANE HARKEY | 12/1/11-12/21/11 MILEAGE | \$266.59          |
| 13-Dec-11                        | MEMBER TRAVEL IN STATE       | DIANE HARKEY | 11/1/11-11/2/11 - TRAVEL | \$383.00          |
| <b>Total</b>                     |                              |              |                          | <b>\$3,055.37</b> |

[California State Assembly, received [3/9/18](#)]

## 2011

### Personal Reimbursements

**\$1,514.90 Was Reimbursed To Harkey**

| Disbursements To Harkey – Career |                       |              |                                       |          |
|----------------------------------|-----------------------|--------------|---------------------------------------|----------|
| Effective Date                   | Expense Type          | Payee        | Description                           | Amount   |
| 22-Sep-11                        | MEMBER SESSION TRAVEL | DIANE HARKEY | 8/17/11 -                             | \$198.70 |
| 22-Jun-11                        | MEMBER SESSION TRAVEL | DIANE HARKEY | HARKEY REIMB<br>6/9/11SESSION AIRFARE | \$208.70 |
| 22-Jun-11                        | MEMBER SESSION TRAVEL | DIANE HARKEY | HARKEY REIMB<br>6/3/11SESSION AIRFARE | \$199.70 |
| 20-Apr-11                        | MEMBER SESSION TRAVEL | DIANE HARKEY | 3/25/2011                             | \$187.70 |
| 20-Apr-11                        | MEMBER SESSION TRAVEL | DIANE HARKEY | 4/3/2011                              | \$187.70 |

|              |                       |              |           |                   |
|--------------|-----------------------|--------------|-----------|-------------------|
| 20-Apr-11    | MEMBER SESSION TRAVEL | DIANE HARKEY | 3/11/2011 | \$187.70          |
| 11-Apr-11    | MEMBER SESSION TRAVEL | DIANE HARKEY | 3/3/2011  | \$173.00          |
| 7-Feb-11     | MEMBER SESSION TRAVEL | DIANE HARKEY | 1/13/2011 | \$171.70          |
| <b>Total</b> |                       |              |           | <b>\$1,514.90</b> |

[California State Assembly, received [3/9/18](#)]

## 2010

### Personal Reimbursements

**\$1,514.90 Was Reimbursed To Harkey**

| Disbursements To Harkey – Career |                               |              |   |                   |
|----------------------------------|-------------------------------|--------------|---|-------------------|
| Effective Date                   | Expense Type                  | Payee        | Description                             | Amount            |
| 28-Oct-10                        | MEMBER TRAVEL IN STATE        | DIANE HARKEY | 9/23/10-9/24/10 REIMBR FOR AIRFARE ONLY | \$327.40          |
| 26-Jul-10                        | MEMBER SESSION TRAVEL         | DIANE HARKEY | 6/3/10 -                                | \$157.50          |
| 15-Jun-10                        | STAFF DISTRICT OFFICE MILEAGE | DIANE HARKEY | 5/13/10 -                               | \$157.00          |
| 18-May-10                        | STAFF DISTRICT OFFICE MILEAGE | DIANE HARKEY | 3/2/5/10                                | \$157.70          |
| 18-May-10                        | STAFF DISTRICT OFFICE MILEAGE | DIANE HARKEY | 4/22/2010                               | \$156.00          |
| 24-Mar-10                        | MEMBER SESSION TRAVEL         | DIANE HARKEY | 2/11/2010                               | \$157.70          |
| <b>Total</b>                     |                               |              |   | <b>\$1,113.30</b> |

[California State Assembly, received [3/9/18](#)]

## 2009

### Personal Reimbursements

**\$641.20 Was Reimbursed To Harkey**

| Disbursements To Harkey – Career |                          |              |                   |                 |
|----------------------------------|--------------------------|--------------|-------------------|-----------------|
| Effective Date                   | Expense Type             | Payee        | Description       | Amount          |
| 13-Nov-09                        | MEMBER PER DIEM IN STATE | DIANE HARKEY | 10/6/09-10/7/09   | \$340.00        |
| 20-Jul-09                        | MEMBER SESSION TRAVEL    | DIANE HARKEY | 6/26/09-6/28/09 - | \$301.20        |
| 13-Nov-09                        | MEMBER PER DIEM IN STATE | DIANE HARKEY | 10/6/09-10/7/09   | \$340.00        |
| 20-Jul-09                        | MEMBER SESSION TRAVEL    | DIANE HARKEY | 6/26/09-6/28/09 - | \$301.20        |
| 13-Nov-09                        | MEMBER PER DIEM IN STATE | DIANE HARKEY | 10/6/09-10/7/09   | \$340.00        |
| 20-Jul-09                        | MEMBER SESSION TRAVEL    | DIANE HARKEY | 6/26/09-6/28/09 - | \$301.20        |
| <b>Total</b>                     |                          |              |                   | <b>\$641.20</b> |

[California State Assembly, received [3/9/18](#)]

## 2004-2008

### The City Of Dana Point Provided Only One Document Regarding Expenditures By Harkey

The City Of Dana Point Disclosed One Documented Regarding Harkey's Expenditures That Listed A Negative \$714,58 For Professional Services And \$1,259.00 For "Other Gen Gov't Deposits" For A Total Of 544.42. [City of Dana Point, received [2/22/18](#)]

**The City Of Dana Point Said They Only Had One Document Relating To Expenditures By Harkey During Her Time On The City Council.** RESEARCHER: “However, I am wondering if there is any other information regarding official expenses from Harkey, including but not limited to, official spending on mailers to constituents or any travel expenses on behalf of the city.” [...] DANA POINT CITY CLERK SPECIALIST: “I will double check with our Finance Department, but I am certain that their search only contained the 1 responsive record that I sent.” [City of Dana Point, Email, [2/23/18](#)]

## Car Allowance

### Harkey Seemingly Did Not Take A State Car Allowance During Most Of The Years She Was In The State Assembly

**2011: Harkey Declined A State Car.** “VETERAN LAWMAKERS DECLINING STATE CARS Eleven of the 86 veteran legislators do not drive a state car: ASSEMBLY • Martin Garrick, R-Solana Beach • Diane Harkey, R-Dana Point” [Sacramento Bee, 1/20/11]

**April 2014: Harkey Was Not Leasing A State Car.** “Not leasing: The following local Assembly members do not lease state-issued vehicles: Toni Atkins, D-San Diego; Martin Garrick, R-Solana Beach; Diane Harkey, R-Dana Point; and Ben Hueso, D-San Diego. Also not taking a car are Sens. Mark Wyland, R-Solana Beach; and Juan Vargas, D-San Diego.” [San Diego Union-Tribune, [4/14/11](#)]

**2010: Harkey Declined The State Car Allowance.** “Here are the vehicles provided to California lawmakers in their districts, the purchase cost and the amount each lawmaker pays per month above the state subsidized amount. The subsidy, or monthly allowance, is \$287 for senators and \$328 for Assembly members (Assemblyman Ted Lieu reimburses the state for the entire monthly cost of his vehicle). [...] Harkey, Diane, R-Dana Point: none.” [Associated Press via San Diego Union-Tribune, [12/3/10](#)]

**2009: Harkey Declined The State Car Allowance.** “Seventeen lawmakers declined the state car allowance offered to legislators: \* Sen. Dave Cox, R-Fair Oaks \* Assemblyman Roger Niello, R-Fair Oaks \* Assemblywoman Mariko Yamada, D-Davis \* Assemblyman Juan Arambula, D-Fresno \* Assemblyman Marty Block, D-San Diego \* Assemblywoman Connie Conway, R-Tulare \* Assemblyman Chuck DeVore, R-Irvine \* Assemblywoman Jean Fuller, R-Bakersfield \* Assemblyman Martin Garrick, R-Solana Beach \* Assemblywoman Diane Harkey, R-Dana Point.” [Sacramento Bee via Fiona Ma, CPA for State Treasurer, [6/8/09](#)]

## Appendix VIII – Travel Expenditures

### Toplines

#### Harkey Had Spent At Least \$37,017.25 On Travel For Herself And Her Staff

| Harkey Travel - Career |                              |                                  |                    |                    |
|------------------------|------------------------------|----------------------------------|--------------------|--------------------|
| Year                   | Travel & Per Diem (In-State) | Travel & Per Diem (Out Of State) | Staff Travel       | Total              |
| 2018                   |                              |                                  |                    |                    |
| 2017                   |                              |                                  |                    |                    |
| 2016                   |                              |                                  |                    |                    |
| 2015                   |                              |                                  |                    |                    |
| 2014                   | \$12,315.30                  | -                                | \$4,989.75         | \$17,305.05        |
| 2013                   | \$12,003.15                  | -                                | \$7,709.05         | \$19,712.20        |
| 2012                   |                              |                                  |                    |                    |
| 2011                   |                              |                                  |                    |                    |
| 2010                   |                              |                                  |                    |                    |
| 2009                   |                              |                                  |                    |                    |
| 2008                   |                              |                                  |                    |                    |
| 2007                   |                              |                                  |                    |                    |
| 2006                   |                              |                                  |                    |                    |
| 2005                   |                              |                                  |                    |                    |
| 20015                  |                              |                                  |                    |                    |
| <b>Total</b>           | <b>\$24,318.45</b>           | <b>\$0.00</b>                    | <b>\$12,698.80</b> | <b>\$37,017.25</b> |

[California State Assembly, Statement of Assembly Expenditures Printed in Journal, [2/26/15](#); [2/27/14](#)]

### 2011

#### 2011: Harkey Did Not Take Any Privately-Funded Trips

**2011: Harkey Did Not Take Any Privately-Funded Trips.** “A number of San Diego County lawmakers were treated to all-expense-paid treks to Hawaii, Mexico, Israel and Italy last year, according to new disclosure reports. The trips, bundled with meetings and plant tours, were sponsored by nonprofits that receive contributions from Capitol power brokers with a stake in the budget and legislation. [...] Following is a look at where local lawmakers went in 2011 and the cost as reported to the state’s Fair Political Practices Commission: [...] •Sen. Mark Wyland, R-Solana Beach and Assemblywoman Diane Harkey, R-Dana Point, did not report accepting any travel. Assemblyman Martin Garrick, R-Solana Beach, attended the Hawaii conference sponsored by the Independent Voter Network and reported reimbursing the group.” [San Diego Union-Tribune, [3/11/12](#)]

#### 2011: Harkey Attended A Trip To Texas To Examine Texas’ Job Growth With State Officials

**2011: Harkey Attended A Trip To Texas To Examine Texas’ Job Growth With State Officials.** “A bipartisan group of legislators and business leaders will head to Texas next week to figure out why the Lone Star state is creating jobs while California's economy continues to struggle. [...] In addition to Logue, the following lawmakers and elected officials are scheduled to make the trip to Texas: Lt. Gov. Gavin Newsom, Assembly members Cathleen Galgiani (D-Tracy), Martin Garrick (R-Carlsbad), Shannon Grove (R-Bakersfield), Diane Harkey (R-Laguna Nigel), Brian Jones (R-Santee), Steve Knight (R-Lancaster), Mike Morrell (R-Rancho Cucamonga), Donald Wagner (R-Irvine) and Senator Mark Wyland (R-Escondido).” [Sacramento Business Journal, [4/6/11](#)]

### 2010

**Between July 2009 And September 2010, Harkey Took 36 Trips During The Legislative Session Totaling \$12,939**

**Between July 2009 And September 2010, Harkey Took 36 Trips During The Legislative Session Totaling \$12,939.** “Lawmakers from San Diego County spent \$188,000 flying on more than 520 round trips in the 15 months ending in September, but most details of the travel are secret. [...] Generally, lawmakers are allowed one round trip per week, which is paid out of the general legislative account. Legislators can use their individual office budget to pay for one other trip per week as long as it is for official business, such as speeches or meetings, and is approved by the leadership. Travel for San Diego County delegation July 2009 through September 2010 [...] Assembly member Number of round trips\* Cost [...] Diane Harkey (R) 36 \$12,839 [...] \* Number of Assembly trips excludes travel outside the legislative session, although such trips are included in the total cost” [San Diego Union-Tribune, [11/27/10](#)]

**2009**

**By June 2009, As A State Legislator, Harkey Had Spent \$7,1116 Of Taxpayer Money On Travel**

**By June 2009, As A State Legislator, Harkey Had Spent \$6,671, \$445, And \$0 Of Taxpayer Money On Travel During The Legislature’s Regular Session, Other Travel Within California, And Out-Of-State Travel, Respectively.** “Here is the cost to taxpayers for air travel by each California lawmaker, according to records obtained by The Associated Press from the Assembly and Senate rules committees. The information covers a 2 1/2-year period through last June, the end of the last fiscal year. Three categories are listed: travel during the Legislature's regular session; other travel within California; and out-of-state travel. [...] Harkey, Diane, R-Dana Point: \$6,671; \$445; \$0.” [Associated Press, 3/17/10]

**2007**

**2007: Harkey Attended The 2007 Mayors And Council Members Academy Leadership Institute, Hosted By The California League Of Cities**

**2007: Harkey Attended The 2007 Mayors And Council Members Academy Leadership Institute, Hosted By The California League Of Cities.** “Earlier this month, several city employees and City Council members attended the 2007 Mayors and Council Members Academy Leadership Institute, hosted by the California League of Cities. The purpose of the conference is to give an overview of the role of a City Council member and for Dana Point city officials to talk with other city officials about business. The conference began on Jan. 10 and ran through Jan. 12 in Sacramento. Seven city representatives attended the conference, including City Manager Doug Chotkevys, City Attorney Patrick Muñoz, City Clerk Kathy Ward, Mayor Diane Harkey and Council Members Steven Weinberg, Joel Bishop and Lisa Bartlett. Registration for the conference was \$510 per person, or \$3,570 for all seven attendees, and included all meals on Thursday and events on Wednesday and Friday as well. Expense reports including travel costs such as hotel reservations or airline tickets have not yet been submitted.” [Orange County Register, 1/25/07]

## Appendix X – Vote Statistics

### Attendance Record

#### Harkey Has Missed More Than 1,500 Assembly Votes And Committee Votes Over The Course Of Her Career In The State Assembly

| Harkey State Assembly Floor Votes |                |              |                   |                  |
|-----------------------------------|----------------|--------------|-------------------|------------------|
| Session                           | Votes Eligible | Missed Votes | Percentage Missed | Percentage Voted |
| 2012-2014                         | 3700           | 508          | 13.73%            | 86.27%           |
| 2010-2012                         | 3585           | 275          | 7.67%             | 92.33%           |
| 2008-2010                         | 4080           | 434          | 10.64%            | 89.36%           |
| <b>Total</b>                      | <b>11365</b>   | <b>1217</b>  | <b>10.71%</b>     | <b>89.29%</b>    |

[California State Assembly, Daily Journals, accessed [3/19/18](#)]

| Harkey State Assembly Committee Votes |                |              |                   |                  |
|---------------------------------------|----------------|--------------|-------------------|------------------|
| Session                               | Votes Eligible | Missed Votes | Percentage Missed | Percentage Voted |
| 2013-2014                             | 1160           | 153          | 13.19%            | 86.81%           |
| 2011-2012                             | 1968           | 182          | 9.25%             | 90.75%           |
| 2009-2010                             | 2073           | 200          | 9.65%             | 90.35%           |
| <b>Total</b>                          | <b>5201</b>    | <b>535</b>   | <b>10.29%</b>     | <b>89.71%</b>    |

[California State Assembly, Daily Journals, accessed [3/19/18](#)]

#### Harkey Was Absent Or Had Her Attendance Waived For 78 Days

**Harkey Was Absent Or Had Her Attendance Waived For 78 Days.** [California State Assembly, received 3/9/18]

**Harkey Was Paid For 1,151 Days Out Of 1,229 Days The Assembly Was In Session.** [California State Assembly, received 3/9/18]



## Appendix XI – Votes – Board Of Equalization

### Political Career

#### Key Votes

##### Chair Of The Board

**February 2016: Harkey Lost A By A 3-2 To Become Chair Of The Board Of Equalization.** “As the meeting began on Tuesday, Horton, chairman for the past five years, had issued a press release saying, ‘It’s time to allow other members an opportunity to chair the board.’ The announcement was surprising because Horton had previously indicated he wanted to remain in the chair, and apparently reflected his acceptance that Ma had the votes to replace him. Nevertheless, Horton nominated Republican Diane Harkey to succeed him, but his motion gained support only from Harkey and himself, while Ma, Republican George Runner and Yvette Stowers, the surrogate for Controller Betty Yee, opposed it.” [Sacramento Bee, [2/25/16](#)]

**Following That Vote, Harkey Voted For A New Policy To Rotate The Chairmanship Every Year.** “The same 3-2 lineup later elected Ma, but the Horton-Harkey faction gained Runner’s support for a new policy saying the chairmanship would rotate each year after Ma had served her term - albeit with another squabble over how the rotation would proceed.” [Sacramento Bee, [2/25/16](#)]

#### Other Votes

### Ethics

#### Key Votes

##### Reform Of The Board Of Equalization

**Harkey Voted For Removing Elected Members From Most Hiring Decisions.** “The board unanimously adopted two policies suggested by member George Runner. They: ▪ Remove elected members from any Board of Equalization hiring decisions, except for choosing an executive director and a chief counsel. ▪ Demand new annual training for employees on how to comply with a budget law that bans so called ‘revenue-generating’ employees – tax collectors – from working on projects that are not directly related to the collection of taxes and fees.” [Sacramento Bee, [5/23/17](#)]

**Harkey Voted For Demanding Annual Training To Comply With A Budget Law Preventing “Revenue-Generating” Employees From Working On Projected Unrelated To Their Positions.** “The board unanimously adopted two policies suggested by member George Runner. They: ▪ Remove elected members from any Board of Equalization hiring decisions, except for choosing an executive director and a chief counsel. ▪ Demand new annual training for employees on how to comply with a budget law that bans so called ‘revenue-generating’ employees – tax collectors – from working on projects that are not directly related to the collection of taxes and fees.” [Sacramento Bee, [5/23/17](#)]

**Harkey Voted For A Moratorium On Large-Scale Conferences But Allowed For Exceptions For Smaller Events That Do Not Involve Tax Auditors Or Tax Technicians.** “A state tax board on Tuesday temporarily banned flashy conferences for would-be entrepreneurs a month after an audit suggested that the agency’s largest events had sapped public resources and strayed from its mission to collect taxes. The Board of Equalization unanimously voted for a moratorium on large-scale conferences until it can develop a new policy for so-called education and outreach activities. It’s allowing exceptions for smaller events that do not involve tax auditors or tax technicians.” [Sacramento Bee, [4/25/17](#)]

**Harkey Voted For Limiting The Amount Board Members Could Spent On Education And Outreach Programs To \$800,000 When There Previously Was No Limit.** “Prompted by a series of conferences that blurred the lines between taxpayer education and political showmanship, California’s Board of Equalization on Wednesday took steps toward limiting how often its elected members can promote their work with public funds in their districts. For the next six months, the four elected members of the board who represent geographic districts will have \$800,000 to spend on so-called education and outreach programs. Previously, there was no limit on how much money could be used for mailers and events that were developed using taxpayer funds at the request of elected members. Last year, the board spent \$1.6 million on those programs. The unanimous vote marked the second time in two months that the board adopted a good-government policy limiting public outreach directed by its elected members.” [Sacramento Bee, [1/22/17](#)]

## Other Votes

### Regional Offices

**Harkey Voted For A New Office Move To Which Harkey Said, “We're Just Moving From An Older Building In Need Of Serious Repairs To One Where We Have A Nice Facility.”** “Ma and her colleagues unanimously voted to approve the move in September because the state could not renegotiate a lease at the Norwalk site, and because the Board of Equalization had outgrown its original office with 160 employees working in a space designed for 120. The board’s discussion at the public meeting showed that its members believed they were voting to move employees and equipment from one site to the other. An early draft of the proposal written in 2014 by the agency showed that it planned to spend \$2.5 million moving furniture and staff. ‘We’re just moving from an older building in need of serious repairs to one where we have a nice facility,’ board member Diane Harkey said at the September meeting.” [Sacramento Bee, [6/26/17](#)]

## Board Decisions

### Key Votes

### Other Votes

### Rob Lowe

**February 2016: Harkey Voted To Lower Lowe’s Tax Burden, Which Would Save Him \$514,000, Despite A Lack Of Records For Some Deductions.** “The Lowe email followed a 3-2 vote by the board that reduced the taxable profit on his family’s home sale, despite a lack of records to justify some deductions. The lower figure saves the celebrity couple \$514,000 after a decade of debate with the state. Diane Harkey and George Runner, both Republicans, voted with Democrat Ma to cut Lowe’s tax burden. Yvette Stowers, Democratic Controller Betty Yee’s surrogate on the board, sided with Horton, who is also a Democrat.” [Sacramento Bee, [2/29/16](#)]

**December 2015: Harkey Voted To Rescind A Unanimous November Vote And Reopen A Case Regarding The Sale Of Rob Lowe’s Home And Their Taxable Gain.** “The state Board of Equalization voted unanimously last month to settle a long-running dispute between the Franchise Tax Board and actor Rob Lowe over taxes on the sale of his Montecito home in 2005. Never mind. Late Wednesday, the board voted 3-2 to rescind the action and reopen the Lowe case because of confusion among board members over the exact amount of taxable gain that Lowe and his wife, Sheryl Berkoff, realized from the \$25 million sale. ‘We had some confusion,’ Republican member George Runner said. He, fellow Republican Diane Harkey and Democrat Fiona Ma voted to rescind the November action, opposed by the board’s chairman, Democrat Jerome Horton, and Yvette Stowers, Controller Betty Yee’s surrogate on the board.” [Orange County Register, [12/17/15](#)]

**Harkey Motioned For The Original Unanimous Vote But Said, “There Were A Lot Of Numbers Flying Around.”** “The confusion is over whether Lowe should be given credit for \$1.3 million in interest he paid while he owned the home. Harkey, who made the motion that passed in November, said, ‘There were a lot of numbers flying around.’” [Orange County Register, [12/17/15](#)]

## Tax Issues

### Key Votes

#### Gas Tax

**Harkey Voted To Lower The State Excise Tax By 2.2 Cents.** “California drivers will pay 2.2 cents less for a gallon of gasoline, starting in July, after a divided Board of Equalization voted to cut the state excise tax. ‘Lowering the rate is the right thing to do, and I’m sure Californians will welcome this reduction,’ board Vice Chairman George Runner said in a statement after the agency voted 3 to 2 to pass the reduction. [...] It’s estimated a lower excise tax will reduce the amount of money going to roads and mass transit programs by about \$328 million next year. The board believes the new tax rate will bring just as much money as the old sales tax. Runners was joined in voting for reducing the excise tax by Fiona Ma and Diane Harkey. Board member Jerome Horton and Deputy Controller Yvette Stowers — sitting in for state Controller Betty T. Yee — voted no.” [Los Angeles, [2/25/16](#)]

**Harkey Voted Against Lowering The Gas Tax By Six Cents As She Supported To Lower The Gas Tax By 7.5 Cents Instead.** “Ignoring a recommendation from its staff for a higher number, a divided state Board of Equalization (BOE) voted Tuesday to cut the excise tax California levies on gasoline sales by six cents a gallon, effective July 1. The 3-2 vote bypassed a staff recommendation that the tax be reduced by 7.5 cents, which 1st District Member George Runner, who represents the mountain communities, advocated. ‘I moved for 7.5 but I couldn’t get three votes,’ Runner told the Mountain News. His only support came from 2nd District Member Diane Harkey, a former assemblywoman who represents Orange and Riverside Counties. Runner declined to label the vote—three Democrats against two Republicans—as partisan, saying instead it was ‘an honest disagreement.’” [Mountain News, [2/26/15](#)]

### Other Votes

## Appendix XII – Votes – California State Assembly – 2012-2014

### Agriculture Issues

#### Key Votes

#### Other Votes

### Arts & Quality Of Life Issues

#### Key Votes

#### Other Votes

### Budget Issues

#### Key Votes

#### Other Votes

### Civil Rights & Liberties

#### Key Votes

#### Criminal History

**2013: Harkey Voted Against A Bill That Delayed Job Applicants Revealing Prior Convictions Until After Employers Have Seen Their Qualifications.** In May 2013, Harkey voted against a bill that would prohibit employers from asking about an applicant’s prior convictions, “until the agency has determined the applicant meets the minimum employment qualifications for the position.” The bill passed the Assembly, 48-29-2. [AB 218, [5/30/13](#); California Legislative Information, [10/10/13](#)]

#### Fair Trial

**2014: Harkey Voted Against Requiring Prosecutors To Disclose To Juries When They Have Not Disclosed Exculpatory Evidence.** In August 2014, Harkey voted against a bill that would, “authorize a court in any criminal trial or proceeding in which the court has determined that the prosecuting attorney has intentionally or knowingly failed to disclose certain materials and information, as specified, to instruct the jury that the failure to disclose has occurred and that the jury shall consider the failure to disclose in determining whether reasonable doubt of the defendant’s guilt exists.” The bill passed Senate concurrence, 47-28-4. [AB 885, [8/29/14](#); California Legislative Information, [9/4/14](#)]

#### Voter Registration

**2014: Harkey Voted Against A Bill That Would Protect Voters’ Privacy When Registering To Vote Online And Allow Students To Register Online.** In May 2014, Harkey voted against a bill that would protect voters’ privacy when registering to vote online and allow students to register online. “This bill would require an individual or organization that distributes voter registration cards, a person entrusted with an affidavit of registration from an elector, or an individual or organization that assists with the submission of an affidavit of registration electronically

on the Internet Web site of the Secretary of State to comply with specified requirements relating to the voter registration information. [...] This bill would require each community college and California State University campus that operates an automated class registration system, as specified, to permit students, during the class registration process, to apply to register to vote online by submitting an affidavit of voter registration electronically on the Internet Web site of the Secretary of State. This bill would encourage the University of California to comply with these provisions. This bill would state that it is the intent of the Legislature that every eligible high school and college student receive a meaningful opportunity to apply to register to vote.” The bill passed the Assembly, 55-18-6. [AB 1446, [5/1/14](#); California Legislative Information, [9/26/14](#)]

## Other Votes

### Armenian Genocide

**Harkey Voted For And Spoke In Support Of Legislation Encouraging Schools To Use Oral Histories When Teaching About The Armenian Genocide.** “Despite heavy opposition by pro-Turkey lobbying groups, the California State Assembly voted unanimously to pass Assemblymember Adrin Nazarian’s bill, AB 659, encouraging schools to use oral histories when teaching about the Armenian Genocide. AB 659 will now move on to State Senate for consideration. [...] Other members of the State Assembly who spoke in support of the measure during the floor session today were Assemblymembers Tim Donnelly (R) and Diane Harkey (R).” [Armenpress, [1/30/14](#)]

### Diversity

**2014: Harkey Voted Against A Bill Requiring Various Medical Boards To Report The Demographics Of Their Licensees To The Government.** In August 2014, Harkey voted against a bill requiring various medical boards to report the demographics of their licensees to the government, with race being optional. “This bill would require these boards to collect and report specific demographic data relating to its licensees, subject to a licensee’s discretion to report his or her race or ethnicity, to the Office of Statewide Health Planning and Development. The bill would require these boards to collect this data at least biennially, at the times of both issuing an initial license and issuing a renewal license.” The bill passed Senate concurrence, 54-21-4. [AB 2102, [8/21/14](#); California Legislative Information, [9/18/14](#)]

## Consumer Issues

### Key Votes

#### Domestic Manufacturing

**2013: Harkey Voted For A Bill That Lowered The Threshold For Something To Be “Made In The USA.”** In May 2013, Harkey voted for a bill that, “would eliminate the requirement that any article, unit, or part of the merchandise be substantially manufactured in the United States in order for the merchandise to advertise that it is made in the United States. The bill would deem any merchandise to be substantially made, manufactured, or produced within the United States if specified requirements are met, including that United States manufacturing costs constitute at least 90% of the total manufacturing costs for the merchandise and that the merchandise was last substantially transformed or assembled in the United States.” The bill passed the Assembly, 50-18-11. [AB 890, [5/30/13](#); California Legislative Information, [6/14/13](#)]

#### Consumer Protection

**2014: Harkey Voted For A Bill That Extended Consumer Protections For Public Utilities Users.** In May 2014, Harkey voted for a bill that extended consumer protections for public utilities users. “This bill would require solicitations of customers by a community choice aggregator contain, and communication by the community choice

aggregator to the public or prospective and existing customers to be consistent with, specified information and would require that the implementation plan filed by a community choice aggregator completely describe certain matter required to be disclosed under existing law. The bill would authorize the commission to require that a community choice aggregator, when registering with the commission, provide additional information to ensure compliance with basic consumer protection and other rules and other procedural matters.” The bill passed the Assembly, 51-15-13. [AB 2145, [5/28/14](#); California Legislative Information, [8/19/14](#)]

---

## Credit Reports

---

**2013: Harkey Voted Against A Bill That Would Allow Consumers To Receive Their Credit Report If They Have Been Rejected Due To Poor Credit.** In May 2013, Harkey voted against a bill that would allow consumers to receive their credit report if they have been rejected due to poor credit. “This bill would make it unlawful for a consumer credit reporting agency to prohibit, or to dissuade or attempt to dissuade, a user of a consumer credit report furnished by the credit reporting agency from providing a copy of the consumer’s credit report to the consumer, upon the consumer’s request, if the user has taken adverse action against the consumer based upon the report.” The bill passed the Assembly, 55-21-3. [AB 1220, [5/28/13](#); California Legislative Information, [9/30/13](#)]

---

## Other Votes

---

## Crime & Public Safety Issues

---

## Key Votes

---

---

### Drug Crimes

---

**2014: Harkey Voted Against A Bill That Lessened The Penalties For Cocaine-Related Offenses.** In August 2014, Harkey voted against a bill that increased the threshold and lessened the penalties for cocaine-related offenses. “Existing law generally provides that the interest of any registered owner of a boat, airplane, or any vehicle, except as specified, that has been used to facilitate the manufacture of, or possession for sale or sale of, 14.25 grams or more of cocaine base or 28.5 grams or more of cocaine is subject to forfeiture, as specified. This bill would revise that provision to instead make property that has been used to facilitate the manufacture of, or possession for sale or sale of, 28.5 grams or more of cocaine base or cocaine subject to forfeiture.” “This bill [...] would instead prohibit, except in unusual cases, granting probation or suspending a sentence for persons convicted of possessing for sale or selling a substance containing 28.5 grams or more of cocaine base or 57 grams or more of a substance containing at least 5 grams of cocaine or cocaine base.” The bill passed the Assembly, 50-19-10. [SB 1010, [8/14/14](#); California Legislative Information, [9/28/14](#)]

---

### Fire Safety

---

**2013: Harkey Voted Against A Bill That Would Require The State Fire Marshal To Review Building Fire Safety Standards And Raise Them If Necessary.** In May 2013, Harkey voted against a bill that would require the State Fire Marshal to review building fire safety standards and allow him to raise the standards if necessary. “The bill would require, if deemed appropriate by the State Fire Marshal based on this review, the State Fire Marshal to, by July 1, 2015, propose for consideration by the commission updated insulation flammability standards that accomplish certain things, including maintaining overall building fire safety.” The bill passed the Assembly, 49-26-4. [AB 127, [5/13/13](#); California Legislative Information, [10/5/13](#)]

**2013: Harkey Changed Her Mind And Voted For The Final Version Of The Bill That Would Require The State Fire Marshal To Review Building Fire Safety Standards And Raise Them If Necessary.** In September 2013, Harkey voted for the final version of the bill that would require the state fire marshal to review building fire safety standards and raise them if necessary. The bill passed Senate concurrence, 76-2. [AB 127, [9/12/13](#); California Legislative Information, [10/5/13](#)]



## Other Votes

### Sex Crimes

**2014: Harkey Voted Against A Bill That Would Remove Adults Who Had Consensual Sexual Relationships With Minors From The Sex Offender Registry.** In May 2014, Harkey voted against a bill that would remove adults who had consensual relationships with minors from the sex offender registry. “This bill would conform statutory law to those court decisions by deleting from the list of offenses requiring registration, sodomy, oral copulation, and sexual penetration, if in each case the offender participates in the offense with another person who is under 18 years of age or when the offender is over 21 years of age and participates in the offense with another person who is under 16 years of age.” The bill failed in the Assembly, 29-37-13. [AB 1640, [5/29/14](#); California Legislative Information, [4/2/14](#)]

### Worker Identification

**2014: Harkey Voted Against A Bill Requiring Nongovernmental Workers To Properly Identify Themselves In Matters Of “Public Health And Safety.”** In August 2014, Harkey voted against a bill that, “would prohibit a person, firm, corporation, or association that is a nongovernmental entity and contracts to perform, on or after January 1, 2015, public health and safety labor or services for a public agency from displaying on a vehicle or uniform a logo, as defined, that reasonably could be interpreted as implying that the labor or services are being provided by employees of the public agency, unless the vehicle or uniform conspicuously displays specific disclosures.” The bill passed the Assembly, 43-24-12. [SB 556, [8/25/14](#); California Legislative Information, [9/29/14](#)]

## Defense Issues

### Key Votes

### Other Votes

## Economy & Jobs

### Key Votes

### Business Employees Using Welfare

**2014: Harkey Voted Against A Bill That Required The Government To Generate A Report On Employers Who Have A Sizable Amount Of Their Employees On California’s Medicaid Program.** In August 2014, Harkey voted against a bill that required the government to generate a report on employers who have a large amount of employees enrolled in Medi-Cal. “The bill would require the Employment Development Department to collaborate with the State Department of Health Care Services and the State Department of Social Services to determine the total average cost of state and federally funded benefits provided to each identified employer’s employees, as specified. The bill would define an employer as an individual or organization that employs 100 or more beneficiaries of the Medi-Cal program.” The bill passed Senate concurrence, 53-24-1. [AB 1792, [8/29/14](#); California Legislative Information, [9/30/14](#)]

**2013: Harkey Voted Against A Bill That Would Fine Large Businesses For Each Employee Enrolled In Medi-Cal.** In June 2013, Harkey voted against a bill that would, “require a large employer, as defined, to pay the Employment Development Department an employer responsibility penalty for each covered employee, as defined, enrolled in Medi-Cal based on the average cost of employee-only coverage provided by large employers to their

employees, including both the employer's and employee's share of the premiums, as specified." The bill failed in the Assembly, 46-27-6. [AB 880, [6/27/13](#); California Legislative Information, [6/24/13](#)]

---

## Economic Development

---

**2013: Harkey Voted Against A Bill That Increased Transparency When It Came To Economic Development Subsidies.** In August 2013, Harkey voted against a bill that would, "require each local agency, as defined, to provide specified information to the public before approving an economic development subsidy, as defined, within its jurisdiction, and to review, hold hearings, and report on those subsidies at specified intervals." The bill passed Senate concurrence, 50-23-5. [AB 562, [8/30/13](#); California Legislative Information, [10/11/13](#)]

**2013: Harkey Voted Against A Bill That Would Remove Incentives From Various Economic Development Areas Including Local Agency Military Base Recovery Areas On Its Final Vote.** In June 2013, Harkey voted against a bill that would eliminate tax credits and provisions for, "enterprise zones, manufacturing enhancement areas, targeted tax areas, and local agency military base recovery areas, or LAMBRAs." The bill passed Senate concurrence, 54-16-9. [AB 93, [6/27/13](#); California Legislative Information, [7/11/13](#)]

**2013: Harkey Voted For A Bill That Would Remove Incentives From Various Economic Development Areas Including Local Agency Military Base Recovery Areas On Its First Vote In The Assembly.** In May 2013, Harkey voted for a bill that would eliminate tax credits and provisions for, "enterprise zones, manufacturing enhancement areas, targeted tax areas, and local agency military base recovery areas, or LAMBRAs." The bill passed 51 to 24. [AB 93, [5/13/13](#); California Legislative Information, [7/11/13](#)]

**2013: Harkey Voted Against A Bill Establishing The Sustainable Communities Investment Authority, Which Aimed To Foster Economic Development.** In September 2013, Harkey voted against a bill that, "would authorize certain public entities of a Sustainable Communities Investment Area, as described, to form a Sustainable Communities Investment Authority (authority) to carry out the Community Redevelopment Law in a specified manner. The bill would require the authority to adopt a Sustainable Communities Investment Plan for a Sustainable Communities Investment Area and authorize the authority to include in that plan a provision for the receipt of tax increment funds provided that certain economic development and planning requirements are met. The bill would authorize the legislative body of a city or county forming an authority to dedicate any portion of its net available revenue, as defined, to the authority through its Sustainable Communities Investment Plan." The bill passed the Assembly, 48-28-2. [SB 1, [9/9/13](#); California Legislative Information, [9/3/13](#)]

---

## Minimum Wage

---

**2013: Harkey Voted Against A Bill That Would Gradually Raise The Minimum Wage From \$8.00 To \$10.00.** In September 2013, Harkey voted against a bill that would raise the minimum wage to \$10.00 an hour by 2016. "Existing law requires that, on and after January 1, 2008, the minimum wage for all industries be not less than \$8.00 per hour. This bill would increase the minimum wage, on and after July 1, 2014, to not less than \$9 per hour. The bill would further increase the minimum wage, on and after January 1, 2016, to not less than \$10 per hour." The bill passed Senate concurrence, 52-25-1. [AB 10, [9/12/13](#); California Legislative Information, [9/25/13](#)]

---

## Paid Sick Leave

---

**2014: Harkey Voted Against A Bill Mandating That Employers Give Employees At Least 3 Paid Sick Days Per Year.** In August 2014, Harkey voted against a bill that required employers in the state of California to give their employees at least 3 paid sick days per year. "This bill would enact the Healthy Workplaces, Healthy Families Act of 2014 to provide that an employee who, on or after July 1, 2015, works in California for 30 or more days within a year from the commencement of employment is entitled to paid sick days for prescribed purposes, to be accrued at a rate of no less than one hour for every 30 hours worked. An employee would be entitled to use accrued sick days beginning on the 90th day of employment. The bill would authorize an employer to limit an employee's use of paid sick days to 24 hours or 3 days in each year of employment. The bill would prohibit an employer from

discriminating or retaliating against an employee who requests paid sick days.” The bill passed Senate concurrence, 52-25-2. [AB 1522, [8/30/14](#); California Legislative Information, [9/10/14](#)]

**2013: Harkey Voted Against Expanding The Eligibility For Family Temporary Disability Compensation.** In September 2013, Harkey voted against bill that would, “expand the scope of the family temporary disability program to include time off to care for a seriously ill grandparent, grandchild, sibling, or parent-in-law, as defined. The bill would also make conforming and clarifying changes in provisions relating to family temporary disability compensation.” The bill passed the Assembly, 51-22-5. [SB 770, [9/4/13](#); California Legislative Information, [9/24/13](#)]

## Other Votes

## Education Issues

### Key Votes

#### Primary Education

**2014: Harkey Voted Against A Bill That Would Make Kindergarten Compulsory.** In May 2014, Harkey voted against a bill that would make kindergarten compulsory. “This bill, beginning with the 2016–17 school year, would require a child to have completed one year of kindergarten before he or she may be admitted to the first grade, thereby imposing a state-mandated local program.” The bill passed the Assembly, 54-24-1. [AB 1444, [5/28/14](#); California Legislative Information, [8/22/14](#)]

#### Student Workers

**2014: Harkey Voted Against A Bill That Declared College Student Employees Were Also “Higher Education Employees” Under The Eye Of The Law.** In May 2014, Harkey voted against a bill that declared college student employees were also “higher education employees.” “Under the act, an ‘employee’ or ‘higher education employee’ is defined as any employee of the Regents of the University of California, the Directors of the Hastings College of the Law, or the Trustees of the California State University. The act further authorizes the board to find that student employees whose employment is contingent on their status as students are employees only if the services they provide are unrelated to their educational objectives, or that those educational objectives are subordinate to the services they perform and that coverage under this act would further the purposes of the act. This bill would instead provide that student employees, employees whose employment is contingent upon their status as students, students are employees or and higher education employees for purposes of the act.” The bill passed the Assembly, 53-24-2. [AB 1834, [5/28/14](#); California Legislative Information, [4/24/14](#)]

## Other Votes

#### Classified School Employees

**2013: Harkey Voted Against Urging Local Educational Agencies To Train Their Classified School Employees.** In September 2013, Harkey voted against a bill that would, “require a local educational agency, if it expends funds for professional development for any schoolsite staff, to consider the needs of its classified school employees, as defined, to update their skills and to learn best practices in various optional areas, including, among others, pupil learning and achievement, pupil and campus safety, and special education.” The bill passed the Assembly, 51-24-3. [SB 590, [9/4/13](#); California Legislative Information, [10/10/13](#)]

## Election & Campaign Finance Issues

## Key Votes

### Citizens United

**2014: Harkey Voted Against A Resolution Calling For A Constitutional Amendment Against The Citizens United Decision.** In January 2014, Harkey voted against a resolution that, “would constitute an application to the United States Congress to call a constitutional convention pursuant to Article V of the United States Constitution for the sole purpose of proposing an amendment to the United States Constitution that would limit corporate personhood for purposes of campaign finance and political speech and would further declare that money does not constitute speech and may be legislatively limited.” The bill passed the Assembly, 51-20-9. [AJR 1, [1/30/14](#); California Legislative Information, [6/27/14](#)]

**2014: Harkey Voted Against Putting Overturning Citizens United On The Ballot In The November 2014 Election.** In June 2014, Harkey voted against a bill that would put on the ballot, “an advisory question asking whether the Congress of the United States should propose, and the California Legislature should ratify, an amendment or amendments to the United States Constitution to overturn Citizens United v. Federal Election Commission (2010) 558 U.S. 310, and other applicable judicial precedents, as specified.” The bill passed the Assembly, 52-23-4. [SB 1272, [6/30/14](#); California Legislative Information, [7/22/14](#)]

## Other Votes

### Petition Signing

**2013: Harkey Voted Against A Bill That Would Impose More Restrictions On Gathering Signatures For Petitions.** In September 2013, Harkey voted against a bill that, “would require at least 10% of the signatures that are required to qualify an initiative measure to be solicited by a person who does not receive money or other valuable consideration for the specific purpose of soliciting signatures of electors, and would require that the declaration of such a person include additional content, as specified.” The bill passed Senate concurrence, 51-25-2. [AB 857, [9/11/13](#); California Legislative Information, [9/18/13](#)]

## Energy Issues

### Key Votes

### Other Votes

## Environmental Issues

### Key Votes

### Drinking Water

**2013: Harkey Voted Against A Bill That Would Have Improved Oversight For California’s Drinking Water Program.** In May 2013, Harkey voted against a bill that would have improved oversight for California’s Drinking Water Program. “This bill would transfer to the State Water Resources Control Board the various duties and responsibilities imposed on the department [California’s Department of Public Health] by the state act. The bill would require these provisions to be implemented during the 2014–15 fiscal year.” The bill passed the Assembly, 45-24-10. [AB 145, [5/28/13](#); California Legislative Information, [6/18/13](#)]

**Many Low Income Californians Were Not Given Access To Clean Drinking Water Due To The Misallocation Of Federal Grant Funds.** “[T]he Department of Public Health was not effectively addressing

the safe-drinking-water needs of the state's most at-risk communities. Many Californians (estimates generally range from 200,000 to 2.1 million) lack access to an affordable source of clean drinking water. Those hit hardest reside in small, low-income communities that are solely dependent upon groundwater supplies containing potentially hazardous levels of arsenic, nitrate, or other contaminants. The people least able to absorb extra costs often end up paying twice: once for the questionable water that flows from their faucets and again when they purchase bottled water for drinking and cooking." [LegalPlanet, [1/21/14](#)]

**AB 145 Was Aimed At Revamping The Drinking Water Program That Was Struggling Under The Supervision Of California's Department Of Public Health.** "The California Department of Public Health, which administers the Fund as part of its Drinking Water Program (DWP), had received a Notice of Noncompliance from the U.S. EPA regarding the Department's failure 'to make timely loans or grants using all available drinking water funds to eligible water systems for necessary projects.' The notice identified the lack of 'dedicated accounting and financial staff to track commitments, calculate balances, and plan expenditures' (leading, for example, to failure to take into account 'at least \$260 million in loan capacity' from loan repayment revenues) as one source of problem. Although the DWP submitted, and the EPA accepted, a Corrective Action Plan, many doubt the plan has the power to address ongoing institutional shortcomings. [...] First, in January 2013, California Assembly Members Perea (D-Fresno) and Rendon (D-Lakewood) introduced AB 145. Had the bill become law, it would have transferred implementation of the California Safe Drinking Water Act, enforcement of its federal counterpart, and administration of the SDW SRF from the Department of Public Health to the State Board." [LegalPlanet, [1/21/14](#)]

---

## Fracking

---

**2013: Harkey Voted Against Regulations On Fracking.** In September 2013, Harkey voted against a bill that would allow fracking, but, "require oil and gas companies to apply for a permit to conduct fracking, publicly disclose the fracking chemicals they use, notify neighbors before drilling, and monitor ground water and air quality, among other requirement." The bill passed the Assembly, 54-20-4. [SB 4, [9/11/13](#); California Legislative Information, [9/20/13](#); UC Berkeley, Berkeley Blog, [11/18/13](#)]

---

## Fuel Emissions Standards

---

**2013: Harkey Voted Against Protecting Consumers From Manipulation Of Fuel Manipulations.** In September 2013, Harkey voted against a bill that would, "require the State Energy Resources Conservation and Development Commission, or the commission, upon appropriation by the Legislature of moneys generated by the collection of royalty payments from the oil and gas leases, to identify data currently collected or developed by the commission and to establish a methodology to analyze whether fuel price manipulation has occurred or is occurring. The bill would require the commission to establish a Motor Vehicle Fuel Market Advisory Committee, as specified, to review specific data and provide ongoing comments, insight, and recommendations about fuel market behavior and transactions related to potential market manipulation and methods to deter those activities." The bill passed the Assembly, 41-30-7. [SB 448, [9/11/13](#); California Legislative Information, [9/18/13](#)]

---

## Hazardous Waste

---

**2014: Harkey Voted Against Increasing Regulations On Hazardous Waste Facilities.** In August 2014, Harkey voted against a bill that would, "set deadlines to shut down hazardous waste facilities that continue to violate health and safety laws while operating on expired permits," and, "strengthen the hazardous waste regulatory system, beginning with addressing when final permit decisions must be made by the Department of Toxic Substances Control (DTSC)." The bill passed the Assembly, 48-23-7. [SB 812, [8/27/14](#); California Legislative Information, [9/3/14](#); Senator Kevin De Leon, press release, [1/28/14](#)]

**2013: Harkey Voted Against A Bill That Would Prioritize "Most Impacted Environmental Justice Communities" And Make The Transport Of Hazardous Waste Illegal.** In September 2013, Harkey voted against a bill that would prioritize "most impacted environmental justice communities" and make the transport of



hazardous waste illegal. “This bill would require the department to prioritize an enforcement action affecting communities that have been identified by the California Environmental Protection Agency as being the most impacted environmental justice communities. [...] This bill would instead prohibit a person from transporting hazardous waste, as specified, if the final destination of the transported hazardous waste is a domestic facility outside the jurisdiction of the state unless certain conditions apply to the facility, including whether the facility is subject to a cooperative agreement, as specified. By expanding the scope of a crime, this bill would impose a state-mandated local program.” The bill passed Senate concurrence, 53-25. [AB 1329, [9/6/13](#); California Legislative Information, [10/5/13](#)]

---

## Low Emission Vehicles

---

**2014: Harkey Did Not Vote On Establishing The Charge Ahead California Initiative, Which Aimed To Put 1 Million Near-Zero Emission Cars On The Road By 2023.** In August 2014, Harkey did not vote on a bill that, “would establish the Charge Ahead California Initiative to be administered by the state board, in consultation with the State Energy Resources Conservation and Development Commission, air pollution control and air quality management districts, and the public. The bill would state that the goals of the initiative are to, among other things, place in service at least 1,000,000 zero-emission and near-zero-emission vehicles by January 1, 2023, and to increase access for disadvantaged, low-income, and moderate-income communities and consumers to zero-emission and near-zero-emission vehicles.” The bill passed the Assembly, 53-24-2. [SB 1275, [8/27/14](#); California Legislative Information, [9/21/14](#)]

|                    |
|--------------------|
| <b>Other Votes</b> |
|--------------------|

---

## Cap And Trade

---

**2014: Harkey Voted Against Allocating Funds From The Cap And Trade Program To Transportation, Housing And Sustainable Community Programs.** In June 2014, Harkey voted against the budget trailer bill that allocates money from the cap and trade program. “The budget trailer bill SB 862 outlines the key details: 35% of future cap and trade proceeds are allocated to transit, housing and other sustainable communities programs and projects: 10% for a transit and intercity rail capital program – administered by the California Transportation Commission (CTC) and Caltrans; 5% for transit operations – administered by Caltrans and the Air Resources Board; and, 20% for housing and sustainable communities (including planning, active transportation, transit and other supportive infrastructure, and not less than half for housing) – administered by the Strategic Growth Council and ARB.” The bill passed the Assembly, 53-26. [SB 862, [6/15/14](#); California Legislative Information, [6/20/14](#); National Resources Defense Council, [6/16/14](#)]

---

## Climate Pollutants

---

**2014: Harkey Voted Against Reducing Emissions Of “Short-Lived Climate Pollutants.”** In August 2014, Harkey voted against a bill that, “would require the state board to complete a comprehensive strategy to reduce emissions of short-lived climate pollutants, as defined, in the state.” The bill passed the Assembly, 53-24-2. [SB 605, [8/29/14](#); California Legislative Information, [9/21/14](#)]

---

## Environmental Impact Reports

---

**2013: Harkey Voted Against A Bill Requiring An Environmental And Economic Impact Report Before Building A Superstore In A Neighborhood.** In May 2013, Harkey voted against a bill that would, “require a city, county, or city and county, including a charter city, prior to approving or disapproving a proposed development project that would permit the construction of a superstore retailer, or where a superstore would be the recipient of over \$100,000 in financial assistance, to cause an economic impact report to be prepared, as specified, to be paid for by the project applicant, and that includes specified assessments and projections, including, among other things, an assessment of the effect that the proposed superstore will have on designated economic assistance areas, and an assessment of the effect that the proposed superstore will have on retail operations and employment in the same



market area.” The bill passed the Assembly, 41-31-6. [AB 667, [5/28/13](#); California Legislative Information, [5/20/13](#)]

---

## Environmental Warnings

---

**2014: Harkey Voted Against A Bill That Would Require The Natural Resources Agency To Translate Their Environmental Warning Notices Into Languages Other Than English.** In May 2013, Harkey voted against a bill that would, “establish criteria for a lead agency to assess the need for translating those notices into non-English languages, as specified.” The bill passed Senate concurrence, 52-24-3. [AB 543, [8/25/14](#); California Legislative Information, [8/27/14](#)]

---

## Green Tariff Shared Renewables Program

---

**2013: Harkey Voted Against The Green Tariff Shared Renewables Program.** In September 2013, Harkey voted against a bill that, “would enact the Green Tariff Shared Renewables Program. The program would require a participating utility, defined as being an electrical corporation with 100,000 or more customers in California, to file with the commission an application requesting approval of a green tariff shared renewables program to implement a program enabling ratepayers to participate directly in offsite electrical generation facilities that use eligible renewable energy resources, consistent with certain legislative findings and statements of intent. The bill would require the commission, by July 1, 2014, to issue a decision concerning the participating utility’s application, determining whether to approve or disapprove the application, with or without modifications.” The bill passed the Assembly, 53-22-3. [SB 43, [9/11/13](#); California Legislative Information, [9/28/13](#)]

---

## Low Emission Vehicles

---

**2014: Harkey Voted Against A Bill That Mandated Landlords Allow Tenants To Request Electric Car Charging Stations.** In August 2014, Harkey voted against a bill that would, “require a lessor of a dwelling to approve a written request of a lessee to install an electric vehicle charging station at a parking space allotted for the lessee in accordance with specified requirements and that complies with the lessor’s approval process for modification to the property.” The bill passed Senate concurrence, 52-25-2. [AB 2565, [8/25/14](#); California Legislative Information, [9/21/14](#)]

## FEMA And Disaster Relief Issues

Key Votes

Other Votes

## Foreign Policy Issues

Key Votes

Other Votes

## Gun Issues

Key Votes

---

## Gun Manufacturers

---

**2014: Harkey Voted Against Requiring Gun Manufacturers To Register With The DOJ And Complete A Firearms Eligibility Check Beforehand.** In August 2014, Harkey voted against a bill that would, “require a person who manufactures or assembles a firearm to first apply to the department for a unique serial number or other identifying mark, as provided. The bill would, by January 1, 2017, require any person who, as of July 1, 2016, owns a firearm that does not bear a serial number to likewise apply to the department for a unique serial number or other mark of identification. The bill would prohibit the sale or transfer of ownership of a firearm manufactured or assembled pursuant to these provisions. The bill would prohibit a person from aiding in the manufacture or Assembly of a firearm by a person who is prohibited from possessing a firearm. The bill would make a violation of these provisions a misdemeanor.” Also, it would, “require a person to complete a firearms eligibility check before the department may grant an application for the assignment of a serial number or mark of identification. The bill would exempt this provision from the above prohibition on requiring or requesting an individual to obtain a firearms eligibility check.” The bill passed the Assembly, 46-30-3. [SB 808, [8/29/14](#); California Legislative Information, [9/3/14](#)]

## Other Votes

## Health Care Issues

### Key Votes

#### Affordable Care Act

**2013: Harkey Voted Against Adopting Various Reforms To Comply With The Affordable Care Act, Including Protecting People With Pre-Existing Conditions.** In April 2013, Harkey voted against a bill that would, “establish health insurance market reforms contained in the ACA specific to individual purchasers, such as prohibiting insurers from denying coverage based on preexisting conditions; and makes conforming changes to small employer health insurance laws resulting from new draft federal regulations.” The bill passed Senate concurrence, 52-25-2. [ABX1 2, [4/29/13](#); California Legislative Information, [5/9/13](#); California State Association of Counties, [4/2/13](#)]

**2013: Harkey Voted Against On A Bill That Further Implemented Parts Of The Affordable Care Act.** In September 2013, Harkey voted against a bill that further implemented parts of the Affordable Care Act. “SB 138 will require health plans to honor confidential communications requests when individuals covered under another person’s policy seek sensitive services like birth control, STD tests, mental health care or any service if they feel that disclosure of information to the policy holder could lead to harm. When a confidential communications request is submitted, the individual will give the health plans a way to communicate with them directly about the sensitive services they received instead of sending information to the main policy holder – often a parent or spouse.” The bill passed the Assembly, 51-25-2. [SB 138, [9/9/13](#); California Legislative Information, [10/1/13](#); CFTC.org, [10/2/13](#)]

#### Medicaid

**2013: Harkey Voted Against California’s Medicaid Expansion.** In June 2013, Harkey voted against a bill that would expand the parameters that make people eligible for Medi-Cal, California’s Medicaid program. “This bill would, commencing January 1, 2014, implement various provisions of the federal Patient Protection and Affordable Care Act (Affordable Care Act), as amended, by, among other things, modifying provisions relating to determining eligibility for certain groups. The bill would, in this regard, extend Medi-Cal eligibility to specified adults and would require that income eligibility be determined based on modified adjusted gross income (MAGI), as prescribed. The bill would prohibit the use of an asset or resources test for individuals whose financial eligibility for Medi-Cal is determined based on the application of MAGI. The bill would require that individuals who are enrolled in the Low Income Health Program as of December 31, 2013, under a specified waiver who are at or below 133% of the federal poverty level be transitioned directly to the Medi-Cal program, as prescribed. The bill would provide that the implementation of the optional expansion of Medi-Cal benefits to adults who meet specified eligibility requirements shall be contingent on the federal medical assistance percentage (FMAP) payable to the state under

the Affordable Care Act is not being reduced below specified percentages, as specified.” The bill passed Senate concurrence, 54-24-1. [ABX1 1, [6/15/13](#); California Legislative Information, [6/27/13](#)]

---

## Omnibus

---

**2013: Harkey Voted Against The Omnibus Health Care Trailer Bill For The 2013-2014 Budget.** In May 2013, Harkey voted against “the Omnibus Health Trailer Bill for 2013-14. It contains necessary changes related to the Budget Act of 2013. This bill makes various statutory changes to implement the 2013-14 Budget.” The bill passed the Assembly, 51-24-4. [AB 82, [5/13/13](#); California Legislative Information, [6/27/13](#)]

**2013: Harkey Changed Her Mind And Voted For The Final Version Of The Omnibus Health Care Trailer Bill For The 2013-2014 Budget.** In June 2013, Harkey voted for the final version of the omnibus health care trailer bill for the 2013-2014 budget. The bill passed Senate concurrence, 72-3-4. [AB 82, [6/15/13](#); California Legislative Information, [6/27/13](#)]

**2014: Harkey Voted Against The Omnibus Health Care Trailer Bill For The 2013-2014 Budget.** In June 2014, Harkey voted against “the Omnibus Health Trailer Bill for 2013-14. It contains necessary changes related to the Budget Act of 2014.” The bill passed the Assembly 55-24. [SB 857, [6/15/14](#); California Legislative Information, [6/20/14](#)]

**2013: Harkey Voted Against The Senate’s Version Of The Omnibus Health Care Trailer Bill For The 2013-14 Budget.** In June 2013, Harkey voted against the Senate’s version of, “the Omnibus Health Trailer Bill for 2013-14. It contains necessary changes related to the Budget Act of 2013. This bill makes various statutory changes to implement the 2013-14 Budget.” The bill passed the Assembly, 53-24-2. [SB 77, [6/14/13](#); California Legislative Information, [6/13/13](#)]

---

## Other Votes

---

---

### Community Health

---

**2013: Harkey Voted Against A Bill Requiring Private Hospitals To Perform Community Needs Assessments And Solicit Community Input For How To Improve Their Community Benefits Programs.** In May 2013, Harkey voted against a bill that would require hospitals to, “develop, in collaboration with the community, a community benefits statement, as specified, and a description of the process for approval of the community benefits statement by the hospital’s or clinic’s governing board, as specified. This bill would require the hospital or clinic, prior to adopting a community benefits plan, to complete a community needs assessment, as provided. The bill would authorize the hospital or clinic to create a community benefits advisory committee for the purpose of soliciting community input,” and also, “develop a community benefits plan that includes a summary of the needs assessment and a statement of the community health care needs that will be addressed by the plan, and list the services, as provided, that the hospital or clinic intends to provide in the following year to address community health needs identified in the community health needs assessments.” The bill failed the Assembly, 28-38-12. [AB 975, [5/30/13](#); California Legislative Information, [5/24/13](#)]

---

### In Vitro Fertilization And Infertility

---

**2013: Harkey Voted Against A Bill Protecting People Receiving Infertility Treatments From Discrimination.** In August 2013, Harkey voted against a “bill [that] would require that the coverage for the treatment of infertility be offered and, if purchased, provided without discrimination on the basis of age, ancestry, color, disability, domestic partner status, gender, gender expression, gender identity, genetic information, marital status, national origin, race, religion, sex, or sexual orientation. Because a willful violation of the bill’s provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program.” The bill passed Senate concurrence, 52-25-1. [AB 460, [8/30/13](#); California Legislative Information, [10/8/13](#)]

## Housing Issues

### Key Votes

### Other Votes

## Immigration & Border Issues

### Key Votes

#### DREAMers

**2014: Harkey Voted Against A Bill Establishing A Loan Program Specifically For DREAMers.** In August 2014, Harkey voted against a bill that would, “establish the California DREAM Loan Program. The bill would provide that, commencing with the 2015–16 academic year, a student attending a participating campus of the University of California or California State University may receive a loan, referred to as a DREAM loan, through the program if the student satisfies specified requirements, including a requirement that the student be exempt from paying nonresident tuition or meet equivalent requirements adopted by the regents.” The bill passed the Assembly, 55-20-4. [SB 1210, [8/25/14](#); California Legislative Information, [9/28/14](#)]

#### Sanctuary City/State

**2013: Harkey Voted Against A Bill That Prohibited Local Law Enforcement From Prolonging An ICE Hold.** In September 2013, Harkey voted against a bill that, “would prohibit a law enforcement official, as defined, from detaining an individual on the basis of a United States Immigration and Customs Enforcement hold after that individual becomes eligible for release from custody, unless, at the time that the individual becomes eligible for release from custody, certain conditions are met, including, among other things, that the individual has been convicted of specified crimes.” The bill passed Senate concurrence, 48-25-5. [AB 4, [9/10/13](#); California Legislative Information, [10/5/13](#)]

### Other Votes

#### Workplace Retaliation

**2013: Harkey Voted Against A Bill Protecting Immigrants And Those Who Complain About Not Receiving Fair Wages From Employer-Related Retaliation.** In September 2013, Harkey voted against a bill that would, “prohibit an employer from retaliating or taking adverse action against any employee or applicant for employment because the employee or applicant has engaged in protected conduct. The bill would expand the protected conduct to include a written or oral complaint by an employee that he or she is owed unpaid wages. [...] This bill would make it unlawful for an employer or any other person to engage in, or direct another person to engage in, an unfair immigration-related practice, as defined, against a person for the purpose of, or with the intent of, retaliating against any person for exercising a right protected under state labor and employment laws or under a local ordinance applicable to employees, as specified.” The bill passed Senate concurrence, 54-19-5. [AB 263, [9/10/13](#); California Legislative Information, [10/11/13](#)]

**2013: Harkey Did Not Vote On A Bill Protecting Undocumented Immigrants From Retaliation In The Workplace.** In September 2013, Harkey did not vote on a bill that, “strengthen[s] the California Labor Code’s protections for all workers, by expanding the grounds for a finding of retaliation, increasing penalties for retaliation, and broadening protections for whistleblowers.” The bill passed the Assembly, 52-17-9. [SB 666, [9/9/13](#); California Legislative Information, [10/5/13](#); National Employment Law Project, [10/13](#)]

### Key Votes

---

#### Construction Workers

---

**2014: Harkey Voted Against A Bill That Further Protected The Wages Of Workers At Construction Sites.** In August 2014, Harkey voted against a bill that would, “revise the definition of “construction” to also include work performed during the post construction phases of construction, including, but not limited to, all cleanup work at the jobsite. [...] Existing law makes a willful violation of laws relating to payment of prevailing wages on public works a misdemeanor.” The bill passed the Assembly, 55-22-2. [AB 26, [8/28/14](#); California Legislative Information, [9/30/14](#)]

---

#### Healthcare Professionals

---

**2014: Harkey Did Not Vote On A Bill That Prohibited State Facilities From Forcing Nurses To Work More Than 40 Hours A Week On Its Final Vote.** In August 2014, Harkey did not vote on a bill that, “would, commencing January 1, 2016, prohibit a nurse, defined as a registered nurse or a licensed vocational nurse, or a certified nursing assistant (CNA), employed by the State of California in a state facility, as defined, from being compelled to work in excess of the regularly scheduled workweek or work shift, except under certain circumstances, including the occurrence of a catastrophic event in a state facility. This bill would prohibit a state facility from discriminating, dismissing, discharging, or making an employment decision adverse to the nurse or CNA for his or her refusal to accept those additional hours, and would specify that a refusal to accept those additional hours does not constitute patient abandonment or neglect, as specified. The bill would require management and supervisors to consider employees in a specified order of priority in order to fulfill the additional staffing needs of a facility.” The bill passed Senate concurrence, 56-22-1. [AB 2155, [8/27/14](#); California Legislative Information, [9/3/14](#)]

**2014: Harkey Voted Against A Bill That Prohibited State Facilities From Forcing Nurses To Work More Than 40 Hours A Week On Its First Vote In The Assembly.** In August 2014, Harkey voted against a bill that, “would, commencing January 1, 2016, prohibit a nurse, defined as a registered nurse or a licensed vocational nurse, or a certified nursing assistant (CNA), employed by the State of California in a state facility, as defined, from being compelled to work in excess of the regularly scheduled workweek or work shift, except under certain circumstances, including the occurrence of a catastrophic event in a state facility. This bill would prohibit a state facility from discriminating, dismissing, discharging, or making an employment decision adverse to the nurse or CNA for his or her refusal to accept those additional hours, and would specify that a refusal to accept those additional hours does not constitute patient abandonment or neglect, as specified. The bill would require management and supervisors to consider employees in a specified order of priority in order to fulfill the additional staffing needs of a facility.” The bill passed Senate concurrence, 56-22-1. [AB 2155, [5/28/14](#); California Legislative Information, [9/3/14](#)]

**2014: Harkey Voted Against A Bill That Would Allow Hospital Workers To Receive Worker’s Compensation If They Caught MRSA While On The Job.** In August 2014, Harkey voted against a bill that, “would provide, with respect to hospital employees who provide direct patient care in an acute care hospital, that the term ‘injury’ includes a methicillin-resistant Staphylococcus aureus skin infection (MRSA skin infection) that develops or manifests itself during the period of the person’s employment with the hospital.” The bill passed Senate concurrence, 47-24-8. [AB 2616, [8/22/14](#); California Legislative Information, [8/26/14](#)]

**2014: Harkey Voted Against Protecting Mental Health Workers From Workplace Violence.** In August 2014, Harkey voted against a bill that would require OSHA to adopt standards that required, “specified types of hospitals, including a general acute care hospital or an acute psychiatric hospital, to adopt a workplace violence prevention plan as a part of the hospital’s injury and illness prevention plan to protect health care workers and other facility personnel from aggressive and violent behavior. The bill would require the standards to include prescribed



requirements for a plan.” The bill passed the Assembly, 54-21-4. [SB 1299, [8/20/14](#); California Legislative Information, [9/29/14](#)]

---

## Union Negotiations

---

**2014: Harkey Did Not Vote On A Bill That Allowed Either Party To Call For Mandatory Mediation In Union Negotiations.** In May 2014, Harkey did not vote on a bill that allowed either party to call for mandatory mediation in union negotiations. “This bill instead would permit either party to request mediation and would require the parties to agree upon a mediator, if either party has provided the other with a written notice of declaration of impasse. If the parties cannot agree upon a mediator, the bill would authorize either party to request the board to appoint a mediator. The bill would require the board to appoint a mediator within 5 days after receipt of the party’s request, as prescribed.” The bill passed the Assembly, 54-22-3. [AB 2126, [5/29/14](#); California Legislative Information, [9/4/14](#)]

**2013: Harkey Voted Against A Bill That Established Union Agent-Represented Worker Privilege.** In September 2013, Harkey voted against a bill that established, similar to doctor-patient privilege and attorney-client privilege, that a union agent, as defined, and a represented employee or represented former employee have a privilege to refuse to disclose any confidential communication between the employee or former employee and the union agent while the union agent was acting in his or her representative capacity, except as specified.” The bill passed Senate concurrence, 51-27. [AB 729, [9/6/13](#); California Legislative Information, [9/12/13](#)]

---

## OSHA

---

**2013: Harkey Voted Against A Bill That Would Require Employers To Stop Work If Found In Serious Violation Of OSHA Guidelines, Even In Cases Of Appeal.** In May 2013, Harkey voted against a bill that would require employers to stop work if found in serious violation of OSHA guidelines, even in cases of appeal. “This bill would provide that an appeal of a citation or notice, as specified, that is classified and cited as a serious violation, repeat serious violation, willful serious violation, or failure to abate shall not stay abatement dates and requirements.” The bill passed the Assembly, 47-19-13. [AB 1165, [5/16/13](#); California Legislative Information, [9/18/13](#)]

**2013: Harkey Voted Against The Final Version Of The Bill That Would Require Employers To Stop Work If Found In Serious Violation Of OSHA Guidelines, Even In Cases Of Appeal.** In September 2013, Harkey voted against the final version of the bill that would require employers to stop work if found in serious violation of OSHA guidelines, even in cases of appeal. The bill passed Senate concurrence, 47-27-4. [AB 1165, [9/11/13](#); California Legislative Information, [9/18/13](#)]

**2014: Harkey Voted Against A Bill That Cracked Down On Employers Found In Violation Of OSHA Regulations.** In August 2014, Harkey voted against a bill that would make OSHA tougher on employers who violate regulations. “This bill would prohibit the division from granting, for serious violations, a proposed modification to civil penalties for abatement or credit for abatement unless the employer has abated the violation, as specified, or has submitted a statement to the division in accordance with existing law, and would additionally require supporting evidence with the statement where necessary. The bill would authorize the division to grant such a modification only if the violation has been abated, as specified, or the signed statement and supporting evidence is received within 10 working days after the end of the period fixed for abatement. The bill would generally prohibit the stay or suspension of a requirement to abate the hazards affirmed by the decision or order during the pendency before the appeals board of a petition for reconsideration of a citation for a violation that is classified as a serious violation, repeat serious violation, or willful serious violation.” The bill passed Senate concurrence, 54-25. [AB 1634, [8/28/14](#); California Legislative Information, [9/20/14](#)]

---

## Per Diem Wage

---



**2013: Harkey Voted Against A Bill That Would Allow Public Service Contractors To Receive Per Diem Wage Increases After The Contract Has Been Awarded.** In May 2013, Harkey voted against a bill that would allow public service contractors to receive per diem wage increases after the contract has been awarded. “This bill would instead state that if the director determines, within a semiannual period, that there is a change in any prevailing rate of per diem wages in a locality that determination applies to any public works contract that is awarded or for which notice to bidders is published on or after January 1, 2014. The bill would authorize any contractor, awarding body, or specified representative affected by a change in rates on a particular contract to, within 20 days, file with the director a verified petition to review the determination of that rate, as specified.” The bill passed the Assembly, 54-24-1. [AB 1140, [5/30/13](#); California Legislative Information, [8/28/13](#)]

---

### **Prevailing Wage**

---

**2013: Harkey Voted Against Cutting Off State Funding To Cities That Do Not Abide By Prevailing Wage Provisions.** In September 2013, Harkey voted against a bill that would rescind state funding from charter city projects, “if the city has a charter provision or ordinance that authorizes a contractor to not comply with prevailing wage provisions on any public works contract.” The bill passed the Assembly, 52-22-4. [SB 7, [9/4/13](#); California Legislative Information, [10/13/13](#)]

---

### **Public Workers**

---

**Harkey Voted Against Protecting Public Works Workers From Non-Union Contractors.** In August 2013, Harkey voted against a bill that protected public works workers from non-union contractors. “Under the law, employer payments are a credit against the obligation to pay the general prevailing rate of per diem wages, except credit is not granted for benefits required under state or federal law. Employer payments include the rate of contribution made by the employer to a trustee or 3rd person pursuant to a plan, fund, or program, the rate of actual costs to the employer anticipated in providing benefits to workers pursuant to a specified enforceable commitment, and payments to the California Apprenticeship Council. [...] This bill would prohibit credit from being granted for employer payments made to monitor and enforce laws related to public works if those payments are not required by a collective bargaining agreement.” The bill passed the Assembly, 52-23-3. [SB 776, [8/8/13](#); California Legislative Information, [8/27/13](#)]

---

### **Retirement Plans**

---

**2013: Harkey Voted Against A Bill Requiring More Transparency When Changing Public Employee Retirement Plans.** In May 2013, Harkey voted against a bill that, “would require, whenever a local ordinance or measure qualifies for the ballot that proposes to alter, replace, or eliminate the retirement benefit plan of employees of a local government entity, whether by initiative or legislative action, the governing body of the local government entity to secure the services of an independent actuary to provide a statement, or a summary of the statement, not to exceed 500 words in length, of the actuarial impact of the proposed measure upon future annual costs of the retirement benefit plan, and to have this statement printed in the voter information portion of the sample ballot.” The bill passed the Assembly, 52-19-7. [AB 822, [5/23/13](#); California Legislative Information, [9/16/13](#)]

**2013: Harkey Voted Against The Final Version Of The Bill Requiring More Transparency When Changing Public Employee Retirement Plans.** In September 2013, Harkey voted against the final version of the bill requiring more transparency when changing public employee retirement plans. The bill passed Senate concurrence, 57-19-2 [AB 822, [9/10/13](#); California Legislative Information, [9/16/13](#)]

---

### **School-Teacher Negotiations**

---

**2014: Harkey Voted Against A Bill That Tried To Extend The Length Of School-Teacher Negotiations Before The Implementation Of A Unilateral “Final Offer.”** In August 2014, Harkey voted against a bill that tried to extend the length of school-teacher negotiations before the implementation of a school’s “last, best and final offer.” “This bill would require the public school employer, after impasse procedures have been completed and the

public school employer has made the factfinding panel's recommendations and findings public, to provide written notice to the exclusive representative of the date for the implementation of each of the terms included in the last, best, and final offer of the public school employer at least 30 days before that implementation. By requiring the local public school employer to perform these additional duties, this bill would impose a state-mandated local program." The bill passed Senate concurrence, 54-24-1. [AB 1550, [8/25/14](#); California Legislative Information, [8/27/14](#)]

---

## Unpaid Wages

---

**2014: Harkey Voted Against A Bill That Would Allow Employees To Place Liens On Their Employers For Unpaid Wages.** In May 2014, Harkey voted against a bill that would "authorize an employee, with certain exceptions, to record and enforce specified employees to request that the Labor Commissioner record, on his or her behalf, a wage lien upon real and personal property of an employer, or a property owner, as specified, for unpaid wages and other compensation owed the employee, and certain other penalties, interest, and costs. The bill would prescribe requirements relating to the recording and enforcement of the wage lien and for its extinguishment and removal. The bill would require a notice of lien on real property to be executed under penalty of perjury." The bill passed, 43-27-8. [AB 2416, [5/28/14](#); California Legislative Information, [8/30/14](#)]

---

## Wage Negotiations

---

**2013: Harkey Voted Against A Bill That Would Expedite Wage Negotiations.** In September 2013, Harkey voted against a bill that, "would require that, if a tentative agreement is reached by the parties, the governing body vote to accept or reject that agreement within 30 days of the date it is first considered, as specified." The bill passed Senate concurrence, 53-24-1. [AB 537, [9/12/13](#); California Legislative Information, [10/13/13](#)]

---

## Other Votes

---

---

### Childcare

---

**2013: Harkey Voted Against A Bill That Allowed Childcare Businesses To Form Provider Organizations.** In May 2013, Harkey voted against "This bill establishes the Quality Family Child Care Act, which authorizes family child care providers to form, join, and participate in 'provider organizations' for the purpose of negotiating with state agencies on reimbursements and other matters." The bill passed the Assembly, 51-25-3. [AB 641, [5/30/13](#); California Legislative Information, [7/10/13](#); [5/1/13](#)]

---

### Domestic Workers

---

**2013: Harkey Voted Against Regulating The Hours Of And Granting Overtime Pay To Domestic Workers..** In September 2013, Harkey voted against a bill that would more stringently regulate domestic workers and mandate that they receive overtime pay. "This bill would enact the Domestic Worker Bill of Rights to, until January 1, 2017, regulate the hours of work of certain domestic work employees and provide an overtime compensation rate for those employees. The bill would define various terms for the purposes of the act, including defining domestic work to mean services related to the care of persons in private households or maintenance of private households or their premises, which would include childcare providers, caregivers of people with disabilities, sick, convalescing, or elderly persons, house cleaners, housekeepers, maids, and other household occupations. The bill would, until January 1, 2017, require the Governor to convene a committee to study and report to the Governor on the effects of this act." The bill passed Senate concurrence, 52-25-1. [AB 241, [9/12/13](#); California Legislative Information, [9/26/13](#)]

---

### Franchisors

---

**2014: Harkey Voted Against Amending California's Franchise Relations Act To Give More Protection To The Franchisors.** In August 2014, Harkey against a bill that would, "would require the state board to complete a

comprehensive strategy to reduce emissions of short-lived climate pollutants, as defined, in the state, “ and, “require a franchisor that terminates or fails to allow the sale, transfer, or assignment of a franchise, other than in accordance with specified provisions of law, to, at the election of the franchisee, either reinstate the franchisee and pay specified damages or pay to the franchisee the fair market value of the franchise and franchise assets, as provided.” The bill passed, 41-28-10. [SB 610, [8/14/14](#); California Legislative Information, [8/25/14](#)]

---

### **Non-Unionized Workers**

---

**2013: Harkey Voted Against A Bill That Protected Non-Unionized Car Wash Workers.** In May 2013, Harkey voted against a bill that protected non-unionized car wash workers. “Existing law also requires employers of car washes to post a \$15,000 bond for the benefit of the state to compensate employees damaged by the employer’s nonpayment of wages. Existing law repeals these provisions on January 1, 2014. This bill would increase the employer’s bond requirement amount to \$150,000, but would exempt an employer from that requirement if the employer has a collective bargaining agreement in place that meets specified criteria. This bill would also delete the repeal date of the provisions described above, thus extending those provisions indefinitely.” The bill passed the Assembly, 54-23-2. [AB 1387, [5/29/13](#); California Legislative Information, [10/11/13](#)]

---

### **Prevailing Wage**

---

**2013: Harkey Voted Against A Bill That Would Extend The Labor Commissioner’s Deadlines In Prevailing Wage Disputes.** In September 2013, Harkey voted against a bill that would extend the Labor Commissioner’s Deadlines in prevailing wage disputes. “Existing law requires the Labor Commissioner, if the commissioner or his or her designee determines after an investigation that there has been a violation of the public works provisions, to issue a civil wage and penalty assessment to the contractor or subcontractor, or both. [...] This bill would change the deadline for service of the assessment to not later than 18 months after the filing of a valid notice of completion in the office of the county recorder in each county in which the public work or some part thereof was performed, or not later than 18 months after acceptance of the public work, whichever occurs last.” The bill passed Senate concurrence, 53-23-2. [AB 1336, [9/6/13](#); California Legislative Information, [10/13/13](#)]

---

### **Sex Workers**

---

**Harkey Voted Against A Bill That Would Require Adult Film Stars To Use Condoms.** In May 2014, Harkey voted against a bill that would require adult film stars to use protection when having sex at work. “This bill would require an adult film employer’s exposure control plan to include information that each time an employee performing in an adult film engaged in vaginal or anal intercourse, personal protective equipment was used to protect the employee from exposure to bloodborne pathogens and each employee performing in an adult film was tested for sexually transmitted infections according to specified recommendations not more than 14 days prior to filming any scene in which the employee engaged in vaginal or anal intercourse, that the employee consented to disclosing to the Division of Occupational Safety and Health that the employee was the subject of an HIV test, and that the employer paid for the test.” The bill passed the Assembly, 48-13-18. [AB 1576, [5/27/14](#); California Legislative Information, [6/18/14](#)]

---

### **Shared Legal Responsibility**

---

**2014: Harkey Voted Against A Bill That Would Allow Employers And Labor Contractors To Share Legal Responsibility For Contracted Workers.** In August 2014, Harkey voted against a bill that would allow employers and labor contractors to share legal responsibility for the contracted workers. “This bill would require a client employer to share with a labor contractor all civil legal responsibility and civil liability for all workers supplied by that labor contractor for the payment of wages and the failure to obtain valid workers’ compensation coverage. The bill would prohibit a client employer from shifting to the labor contractor legal duties or liabilities under workplace safety provisions with respect to workers provided by the labor contractor.” The bill passed Senate concurrence, 47-24-8. [AB 1897, [8/28/14](#); California Legislative Information, [9/28/14](#)]

### Key Votes

#### Amending The State Constitution

**2014: Harkey Did Not Vote On Repealing Language In The State Constitution That Marriage Could Only Be Between A Man And A Woman On Its Final Vote.** In June 2014, Harkey did not vote on repealing “an existing provision of the California Constitution, which has been held unenforceable, states that only marriage between a man and a woman is valid or recognized in this state. An existing statutory provision likewise provides that only marriage between a man and a woman is valid or recognized in this state.” The bill passed 54 to 16. [SB 1306, [6/30/14](#); California Legislative Information, [6/30/14](#)]

**2014: Harkey Did Not Vote On Repealing Language In The State Constitution That Marriage Could Only Be Between A Man And A Woman On Its First Vote In The Assembly.** In June 2014, Harkey did not vote on repealing “an existing provision of the California Constitution, which has been held unenforceable, states that only marriage between a man and a woman is valid or recognized in this state. An existing statutory provision likewise provides that only marriage between a man and a woman is valid or recognized in this state.” The bill passed 54 to 16. [SB 1306, [6/30/14](#); California Legislative Information, [6/30/14](#)]

#### Hate Crimes

**2014: Harkey Did Not Vote On A Bill That Imposed Harsher Penalties On People Who Kill Upon Finding Out Someone Was LGBT.** In May 2014, Harkey did not vote on a bill that , “would state that for purposes of determining sudden quarrel or heat of passion, the provocation was not objectively reasonable if it resulted from the discovery of, knowledge about, or potential disclosure of the victim’s actual or perceived gender, gender identity, gender expression, or sexual orientation, including under circumstances in which the victim made an unwanted nonforcible romantic or sexual advance towards the defendant, or if the defendant and victim dated or had a romantic or sexual relationship.” The bill passed Senate concurrence, 50-18-11. [AB 2501, [8/27/14](#); California Legislative Information, [9/27/14](#)]

### Other Votes

#### Cultural Competency

**2014: Harkey Voted Against A Bill That Updated Medical Cultural Competency To Include The LGBT Community.** In May 2013, Harkey voted against a bill that recommended cultural competency classes for medical professionals, “include, as appropriate, information pertinent to the appropriate treatment of, and provision of care to, the lesbian, gay, bisexual, transgender, and intersex communities.” The bill passed the Assembly, 54-20-5. [AB 496, [5/28/13](#); California Legislative Information, [9/26/14](#)]

**2014: Harkey Voted For The Final Version Of The Bill That Updated Medical Cultural Competency To Include The LGBT Community.** In August 2014, Harkey voted for the final version of the bill that updated medical cultural competency to include the LGBT community. The bill passed Senate concurrence, 60-12-7. [AB 496, [8/21/14](#); California Legislative Information, [9/26/14](#)]

**2013: Harkey Voted Against A Bill That Mandated Adult Residential Care Facilities Included The LGBT Community In Their Cultural Competency Trainings.** In May 2013, Harkey voted against a bill that, “would require the administrator and ombudsman training to include training in cultural competency and sensitivity in issues relating to the underserved aging lesbian, gay, bisexual, and transgender community.” The bill passed the Assembly, 52-21-5. [AB 663, [5/23/13](#); California Legislative Information, [10/9/13](#)]

**2013: Harkey Voted Against A Bill Requiring The LGBT Community Be Included In Cultural Competency Trainings In The Judicial System.** In August 2013, Harkey voted against a bill that would require juvenile court, judicial council and family court, “include instruction on cultural competency and sensitivity relating to, and best practices for, providing adequate care to lesbian, gay, bisexual, and transgender youth.” The bill passed Senate concurrence, 54-23-1. [AB 868, [8/22/13](#); California Legislative Information, [9/9/13](#)]

---

## **LGBT Identification**

---

**2013: Harkey Voted Against A Bill That Would Include Sexual Orientation And Gender Identity On Health Insurance Forms.** In September 2013, Harkey voted against a bill that would include sexual orientation and gender identity on health insurance forms. “This bill would authorize the form to also include questions that are voluntary for applicants to answer regarding sexual orientation and gender identity or expression. The bill would, effective January 1, 2015, require the form to include questions that are voluntary for applicants to answer regarding the demographic data categories specified.” The bill passed Senate concurrence, 51-26-1. [AB 1208, [9/12/13](#); California Legislative Information, [9/18/13](#)]

---

## **LGBT-Owned Businesses**

---

**2014: Harkey Did Not Vote On A Bill That Would Require Public Utilities Companies To Make Efforts To Increase Their LGBT-Owned Business Procurement On Its Final Vote.** In August 2014, Harkey did not vote on a bill that would require public utilities companies to seek out LGBT-owned businesses as potential contractors. “Existing law directs the commission to require every electrical, gas, water, wireless telecommunications service provider, and telephone corporation with annual gross revenues exceeding \$25,000,000, and their regulated subsidiaries and affiliates, to implement a program developed by the commission to encourage, recruit, and utilize minority-, women-, and disabled veteran-owned business enterprises, as defined, in the procurement of contracts from those corporations or from their regulated subsidiaries and affiliates, and to require the reporting of certain information. [...] This bill would extend these provisions to LGBT business enterprises, as defined.” The bill passed Senate concurrence, 54-22-3. [AB 1678, [8/27/14](#); California Legislative Information, [9/26/14](#)]

**2014: Harkey Voted Against A Bill That Would Require Public Utilities Companies To Make Efforts To Increase Their LGBT-Owned Business Procurement On Its First Vote In The Assembly.** In August 2014, Harkey did not vote on a bill that would require public utilities companies to seek out LGBT-owned businesses as potential contractors. “Existing law directs the commission to require every electrical, gas, water, wireless telecommunications service provider, and telephone corporation with annual gross revenues exceeding \$25,000,000, and their regulated subsidiaries and affiliates, to implement a program developed by the commission to encourage, recruit, and utilize minority-, women-, and disabled veteran-owned business enterprises, as defined, in the procurement of contracts from those corporations or from their regulated subsidiaries and affiliates, and to require the reporting of certain information. [...] This bill would extend these provisions to LGBT business enterprises, as defined.” The bill passed Senate concurrence, 54-22-3. [AB 1678, [5/15/14](#); California Legislative Information, [9/26/14](#)]

---

## **Parental Rights**

---

**2013: Harkey Voted Against A Bill That Allowed Children To Have More Than Two Legal Parents.** In September 2013, Harkey voted against a bill that allowed children to have more than two legal parents, “if the court finds that recognizing only 2 parents would be detrimental to the child.” This is most relevant to children with gay or lesbian parents and another biological parent. The bill passed the Assembly, 48-27-3. [SB 274, [9/3/13](#); California Legislative Information, [10/4/13](#)]

---

## **Pride**

---

**2013: Harkey Did Not Vote On A Resolution Establishing June As LGBT Pride Month.** In June 2013, Harkey did not vote on a resolution establishing June as LGBT Pride Month. “[T]he Assembly proclaims June 2013 as



Lesbian, Gay, Bisexual, and Transgender (LGBT) Pride Month, urges all residents to join in celebrating the culture, accomplishments, and contributions of lesbian, gay, bisexual, and transgender people, and encourages the people of California to work to help advance the cause of equality for lesbian, gay, bisexual, and transgender people and their families.” The bill passed the Assembly, 55-0-24. [HR 20, [6/24/13](#); California Legislative Information, [6/24/13](#)]

## National Security & Terrorism

### Key Votes

### Other Votes

## Native American Issues

### Key Votes

### Other Votes

## State Issues

### Key Votes

## Water

**2014: Harkey Voted Against A Bill Requiring Local Agencies To Create Groundwater Management Plans.** In August 2014, Harkey voted against a bill that would require local agencies to create groundwater management plans. “This bill would state the policy of the state that groundwater resources be managed sustainably for long-term reliability and multiple economic, social, and environmental benefits for current and future beneficial uses. This bill would state that sustainable groundwater management is best achieved locally through the development, implementation, and updating of plans and programs based on the best available science. [...] This bill would authorize any local agency, as defined, or combination of local agencies to elect to be a groundwater sustainability agency and would require, within 30 days of electing to be or forming a groundwater sustainability agency, the groundwater sustainability agency to inform the department of its election or formation and its intent to undertake sustainable groundwater management.” The bill passed the Assembly, 47-27-5. [SB 1168, [8/29/14](#); California Legislative Information, [9/16/14](#)]

**2014: Harkey Voted Against A Project Aimed At Improving California’s Water Storage Supply.** In August 2014, Harkey voted against a project, aimed at improving California’s water storage supply, which would connect two lakes in the area. “This bill would authorize the agency to award a design-build contract for the combined design and construction of a project to connect Lake San Antonio, located in the County of Monterey, and Lake Nacimiento, located in the County of San Luis Obispo, with an underground tunnel or pipeline for the purpose of maximizing water storage, supply, and groundwater recharge.” The bill passed the Assembly, 55-23-1. [AB 155, [8/28/14](#); California Legislative Information, [9/30/14](#)]

**2014: Harkey Voted Against A Bill That Gave Authority And Funds To The Groundwater Sustainability Agency, Whose Goal Was To Promote Water Conservation And Protect Groundwater.** In August 2014, Harkey voted against a bill that gave authority and funds to the groundwater sustainability agency, whose goal was to promote water conservation and protect groundwater. “This bill would provide specific authority to a groundwater sustainability agency, as defined in SB 1168 of the 2013–14 Regular Session, to impose certain fees. The bill would authorize the department or a groundwater sustainability agency to provide technical assistance to entities that extract or use groundwater to promote water conservation and protect groundwater resources. [...] This bill would provide that the moneys in the Water Rights Fund are available for expenditure, upon appropriation by



the Legislature, for the purpose of state board enforcement of the provisions of this bill. This bill would require the board to adopt a schedule of fees in an amount sufficient to recover all costs incurred and expended from the Water Rights Fund by the board for this bill.” The bill passed Senate concurrence, 47-28-4. [AB 1739, [8/29/14](#); California Legislative Information, [9/16/14](#)]

**2014: Harkey Did Not Vote On A Bill That Would Repurpose Old Unissued Bonds To Create, “A Water Quality, Supply, And Infrastructure Improvement Program.”** In May 2014, Harkey did not vote on a bill that would repurpose old unissued bonds to create, “a water quality, supply and infrastructure improvement program.” “This bill would enact the Water Quality, Supply, and Infrastructure Improvement Act of 2014, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$7,120,000,000 pursuant to the State General Obligation Bond Law to finance a water quality, supply, and infrastructure improvement program. This bill, upon voter approval, would reallocate \$425,000,000 of the unissued bonds authorized for the purposes of Propositions 1E, 13, 44, 50, 84, and 204 to finance the purposes of a water quality, supply, and infrastructure improvement program.” The bill passed the Assembly, 53-21-5. [AB 1471, [5/23/14](#); California Legislative Information, [8/13/14](#)]

**2014: Harkey Later Voted For The Final Version Of The Bill.** In August 2014, Harkey voted for the final version of the Water Quality, Supply, and Infrastructure Improvement Act of 2014. The bill passed Senate concurrence, 77-2. [AB 1471, [8/13/14](#); California Legislative Information, [8/13/14](#)]

**2014: Harkey Did Not Vote On A Bill That Allowed State Employees To Clean Up Or Investigate Water Waste On Private Property.** In August 2014, Harkey did not vote on a bill that would, “prohibit the state board, regional board, or an employee of the state board or regional board from being held liable in a civil proceeding for trespass or any other act that is necessary to carry out an investigation, cleanup, abatement, or other remedial work. This bill would also prohibit the state board, regional board, or any authorized person from incurring any obligation to undertake additional investigation, cleanup, abatement, or other remedial work solely because of its decision to undertake that work.” The bill passed Senate concurrence, 54-24-1. [AB 2442, [8/27/14](#); California Legislative Information, [9/28/14](#)]

## Other Votes

### Highways

**Harkey Voted Against Requiring An Environmental Review Study Of The Impact Of Expanding Highway I-710.** In September 2013, Harkey voted against a bill that would, “require the lead agency, in consultation with all interested community organizations, to include, within the environmental review process for the project, alternatives to address the air quality, public health, and mobility impacts the project will have on neighboring communities, including, in its entirety, Community Alternative 7, as defined, as a complete project alternative. The bill would require the final environmental document approved by the lead agency to include an investment in identified mitigation measures and community benefits for the affected communities and the Los Angeles River. The bill would require the lead agency to submit a report in that regard to the I-710 EIR/EIS Project Committee at least 90 days prior to approving the final environmental document for the project.” The bill passed the Assembly, 55-20-3. [SB 811, [9/9/13](#); California Legislative Information, [9/12/13](#)]

## Seniors’ Issues

### Key Votes

### Other Votes

## Tax Issues

## Key Votes

---

### Fee Increases

---

**2013: Harkey Voted Against A Bill Increasing Public Utility Filing Fees.** In May 2013, Harkey voted against a bill increasing application filing fees for public utilities. “Under existing law, the Public Utilities Commission has regulatory authority over public utilities, as defined. Existing law allows the commission to charge and collect a fee of \$75 for filing each application for a certificate of public convenience and necessity, or for the mortgage, lease, transfer, or assignment of a certificate. This bill would instead require the fee to not exceed the reasonable costs to the commission for filing these applications. The bill would authorize the fee in an amount not to exceed \$500 and would authorize the commission to adjust this fee based on the Consumer Price Index.” The bill passed the Assembly, 50-21-8. [AB 1409, [5/16/13](#); California Legislative Information, [9/19/13](#)]

**2013: Harkey Changed Her Mind And Voted For The Final Version Of The Bill Increasing Public Utility Filing Fees.** In September 2013, Harkey voted for the final version of the bill increasing public utility filing fees. The bill passed Senate concurrence, 74-1-3 [AB 1409, [9/12/13](#); California Legislative Information, [9/19/13](#)]

**2014: Harkey Voted Against Raising Vehicle Registration Fees.** In August 2014, Harkey voted against raising vehicle registration fees. “This bill would additionally authorize a county, that has adopted the resolution to impose the \$1 fee, to increase that fee to \$2 in the same manner that it imposed the initial \$1 fee. The bill would alternatively authorize a county that has not adopted a \$1 fee to impose an initial \$2 fee in the same manner that it is authorized to impose a \$1 fee. If a county imposes a \$2 fee pursuant to these provisions, the bill would increase the additional \$2 fee on commercial vehicles to \$4. The bill would require the county to submit resolutions to impose or increase fees pursuant to these provisions to the Department of Motor Vehicles at least 6 months prior to the operative date of the fee.” The bill passed Senate concurrence, 42-32-5. [AB 2393, [8/11/14](#); California Legislative Information, [8/25/14](#)]

**2014: Harkey Voted Against Raising Car Registration Fees To Collect Money For Bicycle Infrastructure.** In August 2014, Harkey voted against a bill that would, “authorize a city, county, or regional park district to impose and collect, as a special tax, a motor vehicle registration surcharge of not more than \$5 for bicycle infrastructure purposes until January 1, 2025. The bill would require the Department of Motor Vehicles to administer the surcharge and to transmit the net revenues from the surcharge to the local agency. The bill would require the local agency to use these revenues for improvements to paved and natural surface trails and bikeways, including existing and new trails and bikeways and other bicycle facilities, and for associated maintenance purposes.” The bill passed the Assembly, 46-29-4. [SB 1183, [8/20/14](#); California Legislative Information, [9/20/14](#)]

**2014: Harkey Voted Against Implementing A 10 Cent Grocery Bag Charge.** In August 2014, Harkey voted against a bill that implemented a 10 cent fee for grocery carryout bags. The bill passed the Assembly, 51-25-3. [SB 270, [8/28/14](#); California Legislative Information, [9/30/14](#)]

---

### Property Tax

---

**2014: Harkey Did Not Vote On A Bill Requiring Property Tax Agents To Register With The Secretary Of State Before Lobbying In Regards To Assessments.** In August 2014, did not vote on a bill that would, “prohibit a Property Tax Agent, defined as any individual who is employed, under contract, or otherwise receives compensation, from communicating directly or indirectly with any county official for the purpose of influencing official action relating to the establishment of a taxable value for any property subject to taxation, including representing a taxpayer before a county official, without first being registered and issued a registration number by the Secretary of State. The bill would provide that a violation of these provisions is a misdemeanor. The bill would require a Property Tax Agent to file, under penalty of perjury, with the Secretary of State an application for registration that includes specified information and a registration fee, as specified.” The bill passed Senate concurrence, 50-28-1. [AB 2415, [8/27/14](#); California Legislative Information, [9/3/14](#)]

**2014: Harkey Voted Against Legislation To Eliminate A Tax Loophole In Proposition 13 Used By Businesses To Avoid Higher Property Taxes As She Said It Was “The Camel’s Nose Under The Tent.”** “The staunchest defender of California’s politically untouchable property-tax initiative, Proposition 13, has tacitly approved a bid to change the landmark law for the first time since voters passed it 36 years ago. [...] The legislation would eliminate the ability of businesses to elude higher property taxes by carving up ownership in commercial property purchases so no one has a majority stake. The tactic averts a reassessment of the property that can increase its taxes. [...] ‘I believe this is the camel’s nose under the tent,’ said Assemblywoman Diane L. Harkey (R-Dana Point), who voted against the measure.” [Los Angeles Times, [5/13/14](#)]

---

## Tax Deductions

---

**2013: Harkey Voted Against A Bill That Would Remove The Punitive Damages Tax Deduction.** In June 2013, Harkey voted against a bill that would, “disallow, under both laws, a deduction for amounts paid or incurred for punitive damages, as provided.” The bill passed the Assembly, 54-25. [AB 458, [6/27/13](#); California Legislative Information, [2/19/13](#)]

---

## Other Votes

---

---

## Tax Increases

---

**2014: Harkey Voted Against Raising Taxes In The City Of El Cerrito By 0.5%.** In August 2014, Harkey voted against a bill that would allow the City of El Cerrito to raise taxes by 0.5%. “This bill would authorize the City of El Cerrito, if certain requirements are met, to impose a transactions and use tax for general purposes at a rate of no more than 0.5% that, in combination with other specified taxes, would exceed the combined rate limit. Under the bill, this authorized tax rate would not be included in the calculation of the 2% limitation. These provisions would be repealed by their own terms on January 1, 2022, if the ordinance is not approved, as specified.” The bill passed Senate concurrence, 49-28-2. [AB 1324, [8/28/14](#); California Legislative Information, [9/29/14](#)]

## Technology Issues

---

### Key Votes

---

---

### Other Votes

---

## Trade Issues

---

### Key Votes

---

---

### Other Votes

---

## Transportation Issues

---

### Key Votes

---

---

### Other Votes

---

## Veterans Issues

## Key Votes

## Other Votes

## Women's Issues

## Key Votes

---

### Abortion

---

**2013: Harkey Voted Against A Bill That Allowed More Medical Professionals To Perform Abortions.** In August 2013, Harkey voted against a bill that would authorize nurse practitioners, nurse-midwives and physicians assistants to perform abortions. “The bill would also require a nurse practitioner, certified nurse-midwife, or physician assistant to complete training, as specified, and to comply with standardized procedures or protocols, as specified, in order to perform an abortion by aspiration techniques, and would indefinitely authorize a nurse practitioner, certified nurse-midwife, or physician assistant who completed a specified training program and achieved clinical competency to continue to perform abortions by aspiration techniques. The bill would delete the references to a nonsurgical abortion and would delete the restrictions on assisting with abortion procedures.” The bill passed Senate concurrence, 49-25-4. [AB 154, [8/30/13](#); California Legislative Information, [10/9/13](#)]

**Northern California ACLU: AB 154 Would “Improve Abortion Access.”** “AB 154 will improve abortion access by increasing the types of trained health professionals who can provide early abortions. The bill will authorize nurse practitioners, certified nurse midwives, and physician assistants to perform early abortions safely within the terms of their licenses. More than half of California's counties lack an accessible abortion provider. As a result, many women delay treatment because they have to travel long distances or raise money for transportation and services. Women in both rural and urban areas of the state face barriers to access. AB 154 can also help to address barriers such as long wait times for appointments that women in urban areas face when seeking abortion services. AB 154 removes barriers to care by allowing specially trained health professionals to provide early abortions in the communities they serve. This means that women can safely get the care they need in their own communities from health providers they already know and trust.” [Northern California ACLU, accessed [3/1/18](#)]

**2013: Harkey Voted Against A Bill That Would Allow Abortions To Be Performed In Regular Primary Care Clinic Conditions.** In September 2013, Harkey voted against a bill that would lower the sterilization standards and allow medical professionals to perform abortions, “in facilities like the ‘walk-in’ counseling rooms now so popular in drug stores and pharmacies.” The bill passed Senate concurrence, 50-25-3. [AB 980, [9/12/13](#); California Legislative Information, [10/9/13](#); LifeNews.com, [8/27/13](#)]

---

### Reproductive Health

---

**2013: Harkey Voted Against A Bill Requiring Health Insurance Companies To Cover Female Contraceptives.** In August 2014, Harkey voted against a bill that would, “require a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2016, to provide coverage for women for all prescribed and FDA-approved female contraceptive drugs, devices, and products, as well as voluntary sterilization procedures, contraceptive education and counseling, and related followup services. The bill would prohibit a nongrandfathered plan contract or health insurance policy from imposing any cost-sharing requirements or other restrictions or delays with respect to this coverage, as specified,” but also, “retain the provision authorizing a religious employer to request a contract or policy without coverage of FDA-approved contraceptive methods that are contrary to the employer’s religious tenets.” The bill passed the Assembly, 54-22-3. [SB 1053, [8/20/14](#); California Legislative Information, [9/25/14](#)]

## Other Votes

---

### Anti-Reproductive-Rights Crime

---

**2013: Harkey Voted Against A Bill That Called For Research Into Anti-Reproductive-Rights Crimes.** In August 2013, Harkey voted against maintaining the Reproductive Rights Law Enforcement Act, which, “requires the Attorney General to assume specified duties relating to planning, information gathering, and analysis with respect to anti-reproductive-rights crimes, as defined, including consultation with specified subject matter experts. Existing law also requires the convening of an advisory committee that is responsible for evaluating the effectiveness of existing law. Existing law requires the Commission on Peace Officer Standards and Training to develop an optional course of training for law enforcement agencies regarding anti-reproductive-rights crimes, as specified.” The bill passed the Assembly, 52-21-5. [SB 340, [8/26/13](#); California Legislative Information, [9/9/13](#)]

## Appendix XIII – Votes – California State Assembly – 2010-2012

### Agriculture Issues

#### Key Votes

#### Other Votes

### Arts & Quality Of Life Issues

#### Key Votes

#### Other Votes

### Budget Issues

#### Key Votes

#### 2011 California State Budget

**The State Legislature Voted On Spending Cuts To Welfare Programs And Health Benefits To The Poor And Working Families As Part Of A Package To Close A \$26.6 Billion Deficit.** “The California Legislature began voting on billions of dollars in cuts to state spending Wednesday, with both houses approving measures to slash the welfare-to-work program and severely curtail health benefits for poor and working families. Those measures now head to Gov. Jerry Brown for his signature. Lawmakers voted into the evening on a package of bills that make up the budget plan to relieve the state from a \$26.6 billion deficit. But they did not take up the measure that will undoubtedly be the most contentious: legislation that will put additional taxes before voters in a June special election.” [San Francisco Chronicle, [3/17/11](#)]

**Harkey Voted Against The Final Measure A Conference Committee Created Which Rejected A Plan To Limit The Number Of Doctor Visits For Medi-Cal Recipients And Reduced Proposed Cuts To CalWORKS.** “Democratic lawmakers on Thursday pushed California Gov. Jerry Brown's budget plan to a likely vote next week, backing his proposals to eliminate redevelopment agencies and to shift many state services to local governments. The vote by the two-house budget conference committee, opposed by minority Republicans, sets up floor votes in the Assembly and Senate. Brown, facing a \$26.6 billion budget deficit, has set Thursday as a deadline for approval of the spending package that includes the still-unresolved matter of asking voters to extend 2009 tax increases on income, sales and vehicles. [...] The conference committee: \* Rejected Brown's plan to limit the number of doctor visits by adults under Medi-Cal, instead approving a ‘soft cap’ that would require physician certification that any visits beyond seven a year are necessary. \* Reduced Brown's proposed cuts to CalWORKS, which provides cash assistance to needy families. The legislative committee agreed to lower grant levels by 8 percent; Brown had proposed reducing grant levels by 13 percent. \* Increased by \$50 million Brown's proposal to save \$200 million in general fund spending through department consolidations, operational efficiencies and other cost reduction measures. All four Republicans on the 10-member committee opposed the final measure. Afterward, Assemblywoman Diane Harkey, a Republican, called for an analysis of how much of the budget consists of such measures as one-time cuts and borrowing.” [Modesto Bee, 3/4/11]

#### Other Votes



## Civil Rights & Liberties

### Key Votes

### Other Votes

### Depositions

**2012: Harkey Voted Against Limiting Depositions Of Any Person To 7 Hours Of Total Testimony On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would limit a deposition of any person to 7 hours of total testimony, except under specified circumstances. Under the bill, the court would be required to allow additional time if necessary to fairly examine the deponent. The court would also be required to allow additional time if the deponent, another person, or any other circumstance impedes or delays the examination. The bill would state the intent of the Legislature with regard to these matters.” The bill passed 52 to 27. [AB 1875, [8/29/12](#); California Legislative Information, [8/29/12](#)]

**2012: Harkey Voted Against Limiting Depositions Of Any Person To 7 Hours Of Total Testimony On Its First Vote In The Assembly.** In May 2012, Harkey voted against a “bill [that] would limit a deposition of any person to 7 hours of total testimony, except under specified circumstances. Under the bill, the court would be required to allow additional time if necessary to fairly examine the deponent. The court would also be required to allow additional time if the deponent, another person, or any other circumstance impedes or delays the examination. The bill would state the intent of the Legislature with regard to these matters.” The bill passed 50 to 24. [AB 1875, [5/31/12](#); California Legislative Information, [5/31/12](#)]

## Consumer Issues

### Key Votes

### Life Insurance

**2012: Harkey Voted For Requiring Life Insurance Policies To Have A Grace Period If There Was A Nonpayment Premium Lapse On Its Final Vote.** In August 2012, Harkey voted for a “bill [that] would require that every life insurance policy issued or delivered in this state contain a provision for a grace period of not less than 60 days from the premium due date and that the policy remains in force during the 60-day grace period. The bill would also require an insurer to give the applicant for an individual life insurance policy the right to designate at least one person, in addition to the applicant, to receive notice of lapse or termination of a policy for nonpayment of premium. The bill would require an insurer to provide each applicant with a form, as specified, to make the designation and to notify the policy owner annually of the right to change the designation. The bill would prohibit a notice of pending lapse and termination from being effective unless mailed by the insurer to the named policy owner, a named designee for an individual life insurance policy, and a known assignee or other person having an interest in the individual life insurance policy at least 30 days prior to the effective date of termination if termination is for nonpayment of premium. The bill would also make conforming changes.” The bill passed 77 to 0. [AB 1747, [8/22/12](#); California Legislative Information, [8/22/12](#)]

**2012: Harkey Voted Against Requiring Life Insurance Policies To Have A Grace Period If There Was A Nonpayment Premium Lapse On Its First Vote In The Assembly.** In May 2012, Harkey against a “bill [that] would require that every life insurance policy issued or delivered in this state contain a provision for a grace period of not less than 60 days from the premium due date and that the policy remains in force during the 60-day grace period. The bill would also require an insurer to give the applicant for an individual life insurance policy the right to designate at least one person, in addition to the applicant, to receive notice of lapse or termination of a policy for nonpayment of premium. The bill would require an insurer to provide each applicant with a form, as specified, to make the designation and to notify the policy owner annually of the right to change

the designation. The bill would prohibit a notice of pending lapse and termination from being effective unless mailed by the insurer to the named policy owner, a named designee for an individual life insurance policy, and a known assignee or other person having an interest in the individual life insurance policy at least 30 days prior to the effective date of termination if termination is for nonpayment of premium. The bill would also make conforming changes.” The bill passed 51 to 24. [AB 1747, [5/14/12](#); California Legislative Information, [5/14/12](#)]

## Other Votes

### Cars

**Harkey Voted Against A Bill To Exempt BMW From Requiring Vehicle Owners Quick And Convenient Options To Obtain A Replacement Key.** “The California Assembly is expected to vote again soon on Senate Bill 750 (Hernandez), which is sponsored by BMW and opposed by the Automobile Club of Southern California. The bill would permanently exempt BMW from a California law that requires manufacturers to provide vehicle owners safe and secure options to conveniently and quickly obtain replacement keys when their key is lost, stolen, or broken. SB 750 would benefit BMW at the expense of California motorists and allow the company to withhold from car owners data needed to access and operate their vehicle. [...] The following Assembly Members did not vote for SB 750 in June: [...] Assembly Member Diane Harkey” [Automobile Club of Southern California, press release via Globe Newswire, [8/14/12](#)]

## Crime & Public Safety Issues

### Key Votes

### Other Votes

### Pedestrian/Cyclist Safety

**2012: Harkey Voted Against A Bill Requiring Three Feet Between An Automobile And A Cyclist When Passing.** In August 2012, Harkey voted against a “bill [that] would recast this provision as to overtaking and passing a bicycle by requiring, with specified exceptions, the driver of a motor vehicle overtaking and passing a bicycle that is proceeding in the same direction on a highway to pass in compliance with specified requirements applicable to overtaking and passing a vehicle, and to do so at a safe distance that does not interfere with the safe operation of the overtaken bicycle, having due regard for the size and speed of the motor vehicle and the bicycle, traffic conditions, weather, and the surface and width of the highway. The bill would prohibit, with specified exceptions, the driver of the motor vehicle that is overtaking or passing a bicycle proceeding in the same direction on a highway from passing at a distance of less than 3 feet between any part of the motor vehicle and any part of the bicycle or its operator. The bill would make a violation of these provisions an infraction punishable by a \$35 fine. The bill would also require the imposition of a \$220 fine on a driver if a collision occurs between a motor vehicle and a bicyclist causing bodily harm to the bicyclist, and the driver is found to be in violation of the above provisions.” The bill passed 54 to 24. [SB 1464, [8/27/12](#); California Legislative Information, [8/27/12](#)]

## Defense Issues

### Key Votes

### Other Votes

## Economy & Jobs

## Key Votes

## Other Votes

### Public Traded Corporations Disclosure

**2012: Harkey Voted Against Requiring Public Traded Corporations Disclose the Names And Compensation Of Its Five Most Highly Compensated Retirees.** In August 2012, Harkey voted against a “bill [that] would, instead, require that a publicly traded corporation include in the compensation statement described above the total compensation, as defined, paid to each member of the board of directors, the principal executive officer, principal financial officer, and each of the 3 most highly compensated executive officers, other than the principal executive officer or principal financial officer, who are not members of the board.” The bill failed 32 to 36. [SB 1208, [8/21/12](#); California Legislative Information, [8/21/12](#)]

## Education Issues

### Key Votes

#### School Funding

**Harkey Voted Against A Funding Bill To Provide Funding For School Buses Amid The Potential Of Some Districts Losing Funding As A Result Of The Bill.** “Gov. Jerry Brown is expected to sign fast-tracked legislation to keep fleets of school buses on the road in San Diego County and across California. The Legislature approved a complex funding bill Thursday in response to a \$248 million cut in December for home-to-school transportation that went into effect Jan. 1. [...] To secure Brown’s signature, lawmakers and education leaders crafted the legislation to trim state funding to all districts evenly by about \$42 per student. That money would then be redistributed based on transportation needs. As a result, some districts will wind up losing revenue. At the same time, the governor still realizes the \$248 million in overall budget savings. Under the December action, the per-student amount varied widely among districts. In the Assembly, Republican Diane Harkey of Dana Point and Fletcher cast no votes and Republicans Martin Garrick of Solana Beach and Jones voted in favor. Democrats Ben Hueso, Toni Atkins and Marty Block, all of San Diego, voted yes.” [San Diego Union-Tribune, [2/2/12](#)]

#### For-Profit Higher Education

**2012: Harkey Voted Against Requiring Pro-Profit Colleges To Disclose If Its Programs And Degrees Were Accredited On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would apply that prohibition to the offering of associate, baccalaureate, and master’s degree programs without disclosing that the institution, or specified degree program, is unaccredited, and would list specified limitations of the degree program whose disclosure the bill would require. [...] This bill would require the school catalog to include a statement specifying whether the institution, or any of its programs, are accredited by an accrediting agency recognized by the United States Department of Education, and, if the institution is unaccredited, or offers an associate, baccalaureate, master’s, or doctoral degree program that is not accredited, the bill would require the statement to disclose the known and specified limitations of the degree program.” The bill passed 52 to 28. [AB 2296, [8/28/12](#); California Legislative Information, [8/28/12](#)]

**2012: Harkey Voted Against Requiring Pro-Profit Colleges To Disclose If Its Programs And Degrees Were Accredited On Its First Vote In The Assembly.** In May 2012, Harkey voted against a “bill [that] would apply that prohibition to the offering of associate, baccalaureate, and master’s degree programs without disclosing that the institution, or specified degree program, is unaccredited, and would list specified limitations of the degree program whose disclosure the bill would require. [...] This bill would require the school catalog to include a statement specifying whether the institution, or any of its programs, are accredited by an accrediting agency recognized by the United States Department of Education, and, if the institution is unaccredited, or offers an associate, baccalaureate,

master's, or doctoral degree program that is not accredited, the bill would require the statement to disclose the known and specified limitations of the degree program." The bill passed 47 to 26. [AB 2296, [5/14/12](#); California Legislative Information, [5/14/12](#)]

## Other Votes

## Election & Campaign Finance Issues

## Key Votes

### Disclosure Requirements And Transparency

**2012: Harkey Voted Against Increasing Disclosure Requirements On Political Mailings And Advertisements On Its Final Vote.** In August 2012, Harkey voted against a "bill [that] would, instead, impose specified disclosure requirements on radio, television, and video advertisements, and certain mass mailing and print advertisements that support or oppose a candidate or ballot measure or solicit contributions in support of those purposes. The bill would require radio, television, and video advertisements that are authorized by a candidate or agent of the candidate to include a statement in which the candidate identifies himself or herself and states that he or she approves the message, as specified. The bill would require radio, television, video, and certain mass mailings and print advertisements that are not authorized by a candidate or an agent of the candidate to disclose, in a prescribed format, the 3 largest identifiable contributors, as defined, of the committee that paid for the advertisement. The bill would require mass mailings or print advertisements that are paid for by certain persons who are not committees to disclose the name of that person as the funder of the mass mailing or print advertisement. The bill would also require that certain committees establish and maintain a committee disclosure Internet Web site, as defined, which discloses the top 10 identifiable contributors and provides a link to either the Internet Web site maintained by the Secretary of State for campaign finance disclosures of the committee, or a page on the committee disclosure Internet Web site that discloses all identifiable contributors to that committee, as specified. The bill would require these advertisements to identify the address for the committee disclosure Internet Web site." The bill passed 50 to 26. [AB 1648, [8/20/12](#); California Legislative Information, [8/20/12](#)]

**2012: Harkey Voted Against Increasing Disclosure Requirements On Political Mailings And Advertisements.** In August 2012, Harkey voted against a "bill [that] would, instead, impose specified disclosure requirements on radio, television, and video advertisements, and certain mass mailing and print advertisements that support or oppose a candidate or ballot measure or solicit contributions in support of those purposes. The bill would require radio, television, and video advertisements that are authorized by a candidate or agent of the candidate to include a statement in which the candidate identifies himself or herself and states that he or she approves the message, as specified. The bill would require radio, television, video, and certain mass mailings and print advertisements that are not authorized by a candidate or an agent of the candidate to disclose, in a prescribed format, the 3 largest identifiable contributors, as defined, of the committee that paid for the advertisement. The bill would require mass mailings or print advertisements that are paid for by certain persons who are not committees to disclose the name of that person as the funder of the mass mailing or print advertisement. The bill would also require that certain committees establish and maintain a committee disclosure Internet Web site, as defined, which discloses the top 10 identifiable contributors and provides a link to either the Internet Web site maintained by the Secretary of State for campaign finance disclosures of the committee, or a page on the committee disclosure Internet Web site that discloses all identifiable contributors to that committee, as specified. The bill would require these advertisements to identify the address for the committee disclosure Internet Web site." The bill passed 52 to 26. [AB 1648, [8/16/12](#); California Legislative Information, [8/16/12](#)]

**2012: Harkey Voted Against Increasing Disclosure Requirements On Political Mailings And Advertisements.** In May 2012, Harkey voted against a "bill [that] would, instead, impose specified disclosure requirements on radio, television, and video advertisements, and certain mass mailing and print advertisements that support or oppose a candidate or ballot measure or solicit contributions in support of those purposes. The

bill would require radio, television, and video advertisements that are authorized by a candidate or agent of the candidate to include a statement in which the candidate identifies himself or herself and states that he or she approves the message, as specified. The bill would require radio, television, video, and certain mass mailings and print advertisements that are not authorized by a candidate or an agent of the candidate to disclose, in a prescribed format, the 3 largest identifiable contributors, as defined, of the committee that paid for the advertisement. The bill would require mass mailings or print advertisements that are paid for by certain persons who are not committees to disclose the name of that person as the funder of the mass mailing or print advertisement. The bill would also require that certain committees establish and maintain a committee disclosure Internet Web site, as defined, which discloses the top 10 identifiable contributors and provides a link to either the Internet Web site maintained by the Secretary of State for campaign finance disclosures of the committee, or a page on the committee disclosure Internet Web site that discloses all identifiable contributors to that committee, as specified. The bill would require these advertisements to identify the address for the committee disclosure Internet Web site.” The bill passed 50 to 24. [AB 1648, [5/31/12](#); California Legislative Information, [5/31/12](#)]

## Other Votes

## Energy Issues

### Key Votes

#### Renewable Energy

**2012: Harkey Voted Against Capping Permit Fees For Rooftop Solar Energy Systems.** In August 2012, Harkey voted against a “bill [that] would require permit fees for rooftop solar energy systems, as specified, by a city, county, city or county, or charter city to not exceed the estimated reasonable cost of providing the service for which the fee is charged, which cannot exceed \$500 plus \$15 per kilowatt for each kilowatt above 15kW for residential rooftop solar energy systems, and \$1,000 plus \$7 per kilowatt for each kilowatt between 51kW and 250kW, plus \$5 for every kilowatt above 250kW, for commercial rooftop solar energy systems, unless certain conditions are met.” The bill passed 58 to 13. [SB 1222, [8/27/12](#); California Legislative Information, [8/27/12](#)]

**2012: Harkey Voted Against Increasing Energy Production From Renewable Energy Sources.** In May 2012, Harkey voted against a “bill [that] would require the commission, by August 1, 2014, to add an additional 125 megawatts of cumulative rated generation capacity, split proportionately between the state’s electrical corporations, to the proportion of the statewide cap of 750 megawatts that is applicable to electric generation facilities that are eligible for service pursuant to renewable feed-in tariffs. The bill would require a local publicly owned electric utility that sells electricity at retail to 75,000 or more customers, by August 1, 2014, to add an additional 65 megawatts of cumulative rated generation capacity, split proportionately between those utilities, to the proportion of the statewide cap of 750 megawatts that is applicable to electric generation facilities that are eligible for service pursuant to renewable feed-in tariffs. The bill would limit eligibility for the additional generation capacity to electric generation facilities with a rated capacity under 500 kilowatts that are located in the state’s most impacted and disadvantaged communities, as defined.” The bill passed 49 to 27. [AB 1990, [5/30/12](#); California Legislative Information, [5/30/12](#)]

## Other Votes

## Environmental Issues

### Key Votes

#### Climate Change



**2012: Harkey Voted Against Using Greenhouse Gas Reduction Fund Money To Provide Economic Development To Disadvantaged Communities.** In August 2012, Harkey voted against a “bill [that] would require the California Environmental Protection Agency to identify disadvantaged communities for investment opportunities, as specified. The bill would require the Department of Finance, when developing a specified 3-year investment plan, to allocate 25% of the available moneys in the Greenhouse Gas Reduction Fund to projects that provide benefits to disadvantaged communities, as specified, and to allocate a minimum of 10% of the available moneys in the Greenhouse Gas Reduction Fund to projects located within disadvantaged communities, as specified. The bill would require the Department of Finance, when developing funding guidelines, to include guidelines for how administering agencies should maximize benefits for disadvantaged communities. The bill would require administering agencies to report to the Department of Finance, and the Department of Finance to include in a specified report to the Legislature, a description of how administering agencies have fulfilled specified requirements relating to projects providing benefits to, or located in, disadvantaged communities.” The bill passed 43 to 29. [SB 535, [8/31/12](#); California Legislative Information, [8/31/12](#)]

**2012: Harkey Voted Against Authorizing A State Agency To Monitor And Regulate Greenhouse Gases And Adopt A Gas Emissions Limit On Its Final Vote.** In August 2012, Harkey voted against “the California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum, technologically feasible, and cost-effective greenhouse gas emissions reductions. The act authorizes the state board to include use of market-based compliance mechanisms.” The bill passed 51 to 28. [AB 1532, [8/31/12](#); California Legislative Information, [8/31/12](#)]

**2012: Harkey Voted Against Authorizing A State Agency To Monitor And Regulate Greenhouse Gases And Adopt A Gas Emissions Limit On Its First Vote In The Assembly.** In May 2012, Harkey voted against “the California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum, technologically feasible, and cost-effective greenhouse gas emissions reductions. The act authorizes the state board to include use of market-based compliance mechanisms.” The bill passed 49 to 4. [AB 1532, [5/29/12](#); California Legislative Information, [5/29/12](#)]

## Other Votes

---

### Environmental Prohibitions

---

**2012: Harkey Voted Against Prohibiting Food Vendors From Dispensing Prepared Food In A Polystyrene Foam Food Containers.** In August 2012, Harkey voted against a “bill [that] would prohibit a food vendor, on and after January 1, 2016, from dispensing prepared food to a customer in a polystyrene foam food container and would define related terms. The bill would provide that a food vendor that is a school district is not required to comply with the bill’s requirements until July 1, 2017, and would allow a food vendor that is a school district to dispense prepared food to a customer in a polystyrene foam food container after that date if the governing board of the school district elects to adopt a policy to implement a verifiable recycling program for polystyrene foam food containers, which would be renewable, as specified. The bill would also allow a food vendor to dispense prepared food to a customer in a polystyrene foam food container after January 1, 2016, in a city or county if the city or county elects to adopt an ordinance establishing a specified recycling program for polystyrene foam food containers, which would be operative, as specified.” The bill failed 26 to 45. [SB 568, [8/31/12](#); California Legislative Information, [8/31/12](#)]

---

### Hunting

---



**2012: Harkey Voted Against Banning The Use Of Dogs To Pursue Bears And Bobcats.** In August 2012, Harkey voted against a “bill [that], except as specified, would generally make it unlawful to permit or allow a dog to pursue a bear, as defined, or bobcat at any time. The bill would exempt from that prohibition the use of dogs by federal, state, or local law enforcement officers, or their agents or employees, when carrying out official duties as required by law.” The bill passed 46 to 30. [SB 1221, [8/22/12](#); California Legislative Information, [8/22/12](#)]

## FEMA And Disaster Relief Issues

### Key Votes

### Other Votes

## Foreign Policy Issues

### Key Votes

### Other Votes

## Gun Issues

### Key Votes

### Other Votes

## Health Care Issues

### Key Votes

### Essential Health Benefits

**2012: Harkey Voted Against Requiring Health Care Plans To Cover Essential Health Benefits On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would require an individual or small group health care service plan contract issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the health benefits covered by particular benchmark plans. The bill would prohibit treatment limits imposed on these benefits from exceeding the corresponding limits imposed by the benchmark plans and would generally prohibit a plan from making substitutions of the benefits required to be covered. The bill would specify that these provisions apply regardless of whether the contract is offered inside or outside the Exchange but would provide that they do not apply to grandfathered plans, specialized plans, or Medicare supplement plans, as specified. The bill would prohibit a health care service plan from issuing, delivering, renewing, offering, selling, or marketing a plan contract as compliant with the federal essential health benefits requirement satisfies the bill’s requirements. The bill would authorize the Department of Managed Health Care to adopt emergency regulations implementing these provisions until March 1, 2016, and would enact other related provisions.” The bill passed 53 to 26. [AB 1453, [8/29/12](#); California Legislative Information, [8/29/12](#)]

**2012: Harkey Voted Against Requiring Health Care Plans To Cover Essential Health Benefits On Its First Vote In The Assembly.** In May 2012, Harkey voted against a “bill [that] would require an individual or small group health care service plan contract issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the health benefits covered by particular benchmark plans. The bill would prohibit treatment limits imposed on these benefits from exceeding the corresponding limits imposed by the benchmark plans and would generally prohibit a plan from making

substitutions of the benefits required to be covered. The bill would specify that these provisions apply regardless of whether the contract is offered inside or outside the Exchange but would provide that they do not apply to grandfathered plans, specialized plans, or Medicare supplement plans, as specified. The bill would prohibit a health care service plan from issuing, delivering, renewing, offering, selling, or marketing a plan contract as compliant with the federal essential health benefits requirement satisfies the bill's requirements. The bill would authorize the Department of Managed Health Care to adopt emergency regulations implementing these provisions until March 1, 2016, and would enact other related provisions." The bill passed 50 to 25. [AB 1453, [5/14/12](#); California Legislative Information, [5/14/12](#)]

**2012: Harkey Voted Against The Senate Version Requiring Health Care Plans To Cover Essential Health Benefits On Its Final Vote.** In August 2012, Harkey voted against a "bill [that] would require an individual or small group health insurance policy issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the health benefits covered by particular benchmark plans. The bill would prohibit treatment limits imposed on these benefits from exceeding the corresponding limits imposed by the benchmark plans and would generally prohibit an insurer from making substitutions of the benefits required to be covered. The bill would specify that these provisions apply regardless of whether the policy is offered inside or outside the Exchange but would provide that they do not apply to grandfathered plans or plans that cover excepted benefits, as specified. The bill would prohibit a health insurer, when issuing, delivering, renewing, offering, selling, or marketing a policy, from indicating or implying that the policy covers essential health benefits unless the policy covers essential health benefits as provided in the bill. The bill would authorize the Department of Insurance to adopt emergency regulations implementing these provisions until March 1, 2016, and enact other related provisions." The bill passed 52 to 27. [SB 951, [8/28/12](#); California Legislative Information, [8/28/12](#)]

**2012: Harkey Voted Against The Senate Version Requiring Health Care Plans To Cover Essential Health Benefits On Its First Vote In The Assembly.** In August 2012, Harkey voted against a "bill [that] would require an individual or small group health insurance policy issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the health benefits covered by particular benchmark plans. The bill would prohibit treatment limits imposed on these benefits from exceeding the corresponding limits imposed by the benchmark plans and would generally prohibit an insurer from making substitutions of the benefits required to be covered. The bill would specify that these provisions apply regardless of whether the policy is offered inside or outside the Exchange but would provide that they do not apply to grandfathered plans or plans that cover excepted benefits, as specified. The bill would prohibit a health insurer, when issuing, delivering, renewing, offering, selling, or marketing a policy, from indicating or implying that the policy covers essential health benefits unless the policy covers essential health benefits as provided in the bill. The bill would authorize the Department of Insurance to adopt emergency regulations implementing these provisions until March 1, 2016, and enact other related provisions." The bill passed 51 to 25. [SB 951, [8/24/12](#); California Legislative Information, [8/24/12](#)]

---

## Health Exchange

---

**2012: Harkey Voted Against Streamlining Health Exchange Eligibility And Enrollment Process On Its Final Vote.** In August 2012, Harkey voted against a "bill [that] would make technical and clarifying changes" to provisions in existing law as "existing law provides for various programs to provide health care coverage to persons with limited financial resources, including the Medi-Cal program and the Healthy Families Program. Existing law establishes the California Health Benefit Exchange (Exchange), pursuant to the federal Patient Protection and Affordable Care Act (PPACA), and specifies the duties and powers of the board governing the Exchange relative to determining eligibility for enrollment in the Exchange and arranging for coverage under qualified health plans, and facilitating the purchase of qualified health plans through the Exchange. Existing law, the Health Care Reform Eligibility, Enrollment, and Retention Planning Act, operative as provided, requires the State Department of Health Care Services, in consultation with specified entities, to establish standardized single, accessible application forms and related renewal procedures for state health subsidy programs, as defined, in accordance with specified requirements. Existing law provides that the application or case of an individual screened as not eligible for Medi-Cal on the basis of household income but who may be eligible for Medi-Cal on another basis shall be forwarded to

the Medi-Cal program for an eligibility determination.” The bill passed 52 to 26. [AB 1580, [8/22/12](#); California Legislative Information, [8/22/12](#)]

**2012: Harkey Voted Against Streamlining Health Exchange Eligibility And Enrollment Process On Its First Vote In The Assembly.** In April 2012, Harkey voted against a “bill [that] would make technical and clarifying changes” to provisions in existing law as “existing law provides for various programs to provide health care coverage to persons with limited financial resources, including the Medi-Cal program and the Healthy Families Program. Existing law establishes the California Health Benefit Exchange (Exchange), pursuant to the federal Patient Protection and Affordable Care Act (PPACA), and specifies the duties and powers of the board governing the Exchange relative to determining eligibility for enrollment in the Exchange and arranging for coverage under qualified health plans, and facilitating the purchase of qualified health plans through the Exchange. Existing law, the Health Care Reform Eligibility, Enrollment, and Retention Planning Act, operative as provided, requires the State Department of Health Care Services, in consultation with specified entities, to establish standardized single, accessible application forms and related renewal procedures for state health subsidy programs, as defined, in accordance with specified requirements. Existing law provides that the application or case of an individual screened as not eligible for Medi-Cal on the basis of household income but who may be eligible for Medi-Cal on another basis shall be forwarded to the Medi-Cal program for an eligibility determination.” The bill passed 47 to 24. [AB 1580, [4/23/12](#); California Legislative Information, [4/23/12](#)]

---

## Pre-Existing Conditions

---

**2012: Harkey Voted Against Preventing Insurers From Denying Or Discriminating For Pre-Existing Conditions On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would require a plan, on and after October 1, 2013, to offer, market, and sell all of the plan’s health benefit plans that are sold in the individual market to all individuals and dependents in each service area in which the plan provides or arranges for the provision of health care services, with coverage effective on or after January 1, 2014, as specified, but would require plans to limit enrollment in individual health benefit plans to specified open enrollment and special enrollment periods. The bill would prohibit these health benefit plans from imposing any preexisting condition upon any individual. Commencing January 1, 2014, the bill would prohibit a plan from conditioning the issuance or offering of individual health benefit plans on any health status-related factor, as specified, and would authorize plans to use only age, geographic region, and whether the plan covers an individual or family for purposes of establishing rates for individual health benefit plans, as specified. The bill would require a health care service plan to issue a specified notice at least 60 days prior to the renewal date of an individual grandfathered health plan to all subscribers of the plan. The bill would make certain of these provisions inoperative if the corresponding provisions of PPACA are repealed and would make other related conforming changes.” The bill passed 51 to 27. [AB 1461, [8/31/12](#); California Legislative Information, [8/31/12](#)]

**2012: Harkey Voted Against Preventing Insurers From Denying Or Discriminating For Pre-Existing Conditions On Its First Vote In The Assembly.** In May 2012, Harkey voted against a “bill [that] would require a plan, on and after October 1, 2013, to offer, market, and sell all of the plan’s health benefit plans that are sold in the individual market to all individuals and dependents in each service area in which the plan provides or arranges for the provision of health care services, with coverage effective on or after January 1, 2014, as specified, but would require plans to limit enrollment in individual health benefit plans to specified open enrollment and special enrollment periods. The bill would prohibit these health benefit plans from imposing any preexisting condition upon any individual. Commencing January 1, 2014, the bill would prohibit a plan from conditioning the issuance or offering of individual health benefit plans on any health status-related factor, as specified, and would authorize plans to use only age, geographic region, and whether the plan covers an individual or family for purposes of establishing rates for individual health benefit plans, as specified. The bill would require a health care service plan to issue a specified notice at least 60 days prior to the renewal date of an individual grandfathered health plan to all subscribers of the plan. The bill would make certain of these provisions inoperative if the corresponding provisions of PPACA are repealed and would make other related conforming changes.” The bill passed 50 to 27. [AB 1461, [5/29/12](#); California Legislative Information, [5/29/12](#)]

**2012: Harkey Voted Against The Senate Version Of A Bill Preventing Insurers From Denying Or Discriminating For Pre-Existing Conditions.** In August 2012, Harkey voted against a “bill [that] would require a health insurer, on and after October 1, 2013, to offer, market, and sell all of the insurer’s health benefit plans that are sold in the individual market to all individuals and dependents in each service area in which the insurer provides or arranges for the provision of health care services, with coverage effective on or after January 1, 2014, as specified, but would require insurers to limit enrollment in individual health benefit plans to specified open enrollment and special enrollment periods. The bill would prohibit these health benefit plans from imposing any preexisting condition upon any individual. Commencing January 1, 2014, the bill would prohibit a health insurer from establishing rules of eligibility for individual health benefit plans on any health status-related factor, as specified, and would authorize insurers to use only age, geographic region, and whether the plan covers an individual or family for purposes of establishing rates for individual health benefit plans, as specified. The bill would require a health insurer to issue a specified notice at least 60 days prior to the renewal date of an individual grandfathered health plan to all subscribers and policyholders of the plan. The bill would make certain of these provisions inoperative if the corresponding provisions of PPACA are repealed and would make other conforming changes. The bill would provide that it shall become operative only if AB 1461 is also enacted.” The bill passed 52 to 27. [SB 961, [8/28/12](#); California Legislative Information, [8/28/12](#)]

## Other Votes

---

### Medi-Cal, California’s Medicaid

---

**2012: Harkey Voted Against Expanding Duals Demonstration Project For Medi-Cal And Medicare Recipients From Four To Eight Counties.** In June 2012, Harkey voted against a “bill [that] would revise terminology used in these provisions and would require the [State Department of Health Care Services] to establish demonstration sites, as defined, in up to 8 counties not sooner than March 1, 2013. This bill would require the department to enter into a memorandum of understanding (MOU), with specified terms and conditions, with the federal Centers for Medicare and Medicaid Services (CMS) in developing the process for selecting, financing, monitoring, and evaluating the health care models for the demonstration project, and would require the department to require a demonstration site, as defined, to comply with specified requirements to the extent that the terms and conditions of the MOU do not address the specific selection, financing, monitoring, and evaluation criteria. This bill would require the department, with exceptions, to enroll dual eligible beneficiaries into a demonstration site unless the dual eligible beneficiary makes an affirmative choice to opt out of enrollment or is already enrolled in specific entities, as specified.” The bill passed 51 to 27. [SB 1008, [6/27/12](#); California Legislative Information, [6/27/12](#)]

---

### No Wrong Door Applications

---

**2012: Harkey Voted Against Creating A “No Wrong Door” Application Process Allowing Applicants In Health Benefits Programs To Also Be Enrolled In CalWORKs And Cal-Fresh.** In August 2012, Harkey voted against a “bill [that] would provide for the transmittal to a county human services department of information about an applicant initially applying for, or renewing, health care coverage using the single state application developed pursuant to the act, if the applicant consents to have his or her application information used to simultaneously initiate applications for CalWORKs and CalFresh, for initiation of the application. This bill would authorize the Secretary of California Health and Human Services to phase in implementation of these provisions under certain circumstances. The bill would require the California Health and Human Services Agency to convene a workgroup of human services and health care advocates, legislative staff, and other specified representatives, to consider the feasibility, costs, and benefits of integrating application and renewal processes for additional human services and work support programs with the single state application described in the bill, and to provide, by July 1, 2013, specified details regarding the workgroup to the appropriate fiscal and policy committees of the Legislature. This bill would require that the functionality necessary to implement the cross-application process be achieved by the expiration of a specified federal waiver. This bill would provide that those provisions would become inoperative

under certain circumstances.” The bill passed 53 to 26. [SB 970 , [8/22/12](#); California Legislative Information, [8/22/12](#)]

---

## Tobacco

---

**2012: Harkey Voted Against Strengthening The Disciplinary Process For Businesses Who Sell Tobacco To Minors On Its Final Vote.** In August 2012, Harkey voted against a bill reforming “existing law, the California Cigarette and Tobacco Licensing Act of 2003, [that] requires a retailer to obtain a license from the State Board of Equalization to engage in the sale of cigarette and tobacco products in California. Existing law, the Stop Tobacco Access to Kids Enforcement Act, or STAKE Act, establishes various requirements for retailers relating to tobacco sales to minors. Existing law also makes it a misdemeanor for a retailer to knowingly or under circumstances in which it has knowledge, or should otherwise have grounds for knowledge, sell, give, or in any way furnish a minor with tobacco products or paraphernalia. [...] This bill would remove the schedule for board action in response to the occurrence of a violation, as defined, of the STAKE Act or the misdemeanor provision. The bill would declare that these changes would not result in the limitation or termination of specified board investigations and actions. The bill would require the board to assess a civil penalty and to suspend or revoke a retailer’s license, as specified, for the 3rd, 4th, or 5th violation. The bill would require the assessment of an additional civil penalty, as specified, to be deposited in the existing Cigarette and Tobacco Products Compliance Fund, which would be made available, upon appropriation by the Legislature, to fund these suspension and revocation activities.” The bill passed 60 to 18. [AB 1301, [8/22/12](#); California Legislative Information, [8/22/12](#)]

**2011: Harkey Voted Against Strengthening The Disciplinary Process For Businesses Who Sell Tobacco To Minors On Its First Vote In The Assembly.** In May 2011, Harkey voted against a bill reforming “existing law, the California Cigarette and Tobacco Licensing Act of 2003, [that] requires a retailer to obtain a license from the State Board of Equalization to engage in the sale of cigarette and tobacco products in California. Existing law, the Stop Tobacco Access to Kids Enforcement Act, or STAKE Act, establishes various requirements for retailers relating to tobacco sales to minors. Existing law also makes it a misdemeanor for a retailer to knowingly or under circumstances in which it has knowledge, or should otherwise have grounds for knowledge, sell, give, or in any way furnish a minor with tobacco products or paraphernalia. [...] This bill would remove the schedule for board action in response to the occurrence of a violation, as defined, of the STAKE Act or the misdemeanor provision. The bill would declare that these changes would not result in the limitation or termination of specified board investigations and actions. The bill would require the board to assess a civil penalty and to suspend or revoke a retailer’s license, as specified, for the 3rd, 4th, or 5th violation. The bill would require the assessment of an additional civil penalty, as specified, to be deposited in the existing Cigarette and Tobacco Products Compliance Fund, which would be made available, upon appropriation by the Legislature, to fund these suspension and revocation activities.” The bill passed 61 to 15. [AB 1301, [5/31/11](#); California Legislative Information, [5/31/11](#)]

**Harkey Voted Against Allowing College And University Police To Fine Those Who Violate Smoking Bans On College Campuses.** “The Assembly has moved to close a loophole in state law that allows those who ignore no-smoking rules on college campuses to escape fines. The legislation, carried by Assemblyman Marty Block, D-San Diego, passed the Assembly on a mostly party-line vote last week. The measure will now work its way through the Senate. Under current law, college and university police do not explicitly have the power to issue citations for lighting up in no-smoking areas. As a result, rules can be ignored, particularly by those from the community on campus for events. Students can be referred to advisers and deans for disciplinary action. Assembly Bill 795 would change that by extending fining authority to university and college police. [...] Local Republicans voting no included Brian Jones of Santee, Kevin Jeffries of Lake Elsinore, Martin Garrick of Solana Beach and Diane Harkey of Dana Point.” [San Diego Union-Tribune, [5/24/11](#)]

## Housing Issues

### Key Votes



## Other Votes

### Mobile Homes

**2012: Harkey Voted Against Allowing The State Department Of Housing To Lower Its Interest Rates To Mobile Home Park Residents On Its Final Vote.** In August 2012, Harkey voted against “existing law authorizes the Department of Housing and Community Development to make loans from the Mobilehome Park Purchase Fund to qualified mobilehome park residents, resident organizations, and nonprofit housing sponsors or local public entities to finance conversion of the parks to resident ownership and to make monthly housing costs affordable. Existing law limits the interest rate on loans to a rate of 3% per annum. This bill would authorize the department to lower that interest rate if the department finds that it is necessary and will not jeopardize the financial stability of the fund. This bill would authorize the department to provide technical assistance to loan applicants, or to contract with a qualified nonprofit entity to provide that technical assistance, and to include the reasonable costs of that technical assistance as a part of the loan principal.” The bill passed 52 to 28. [AB 1797, [8/27/12](#); California Legislative Information, [8/27/12](#)]

**2012: Harkey Voted Against Allowing The State Department Of Housing To Lower Its Interest Rates To Mobile Home Park Residents On Its First Vote In The Assembly.** In May 2012, Harkey voted against “existing law authorizes the Department of Housing and Community Development to make loans from the Mobilehome Park Purchase Fund to qualified mobilehome park residents, resident organizations, and nonprofit housing sponsors or local public entities to finance conversion of the parks to resident ownership and to make monthly housing costs affordable. Existing law limits the interest rate on loans to a rate of 3% per annum. This bill would authorize the department to lower that interest rate if the department finds that it is necessary and will not jeopardize the financial stability of the fund. This bill would authorize the department to provide technical assistance to loan applicants, or to contract with a qualified nonprofit entity to provide that technical assistance, and to include the reasonable costs of that technical assistance as a part of the loan principal.” The bill passed 51 to 26. [AB 1797, [5/29/12](#); California Legislative Information, [5/29/12](#)]

## Immigration & Border Issues

### Key Votes

#### Driver’s Licenses

**Harkey Voted Against Issuing Driver’s Licenses To Young, Undocumented Immigrants.** “California may start issuing driver’s licenses to a limited number of young immigrants here illegally after broader efforts have hit detours and red lights for nearly two decades. The Assembly late Thursday sent the bill to Gov. Jerry Brown after the state Senate passed the measure Wednesday. [...] The Assembly passed the current bill 55-15 on Thursday. Among the San Diego-area delegation, Democrats Toni Atkins, Marty Block and Ben Hueso voted in favor along with independent Nathan Fletcher. Opposed were Republicans Martin Garrick of Solana Beach, Diane Harkey, who represents the Oceanside area, Kevin Jeffries, who represents parts of northeast San Diego County, and Brian Jones of Santee.” [San Diego Union-Tribune, [8/30/12](#)]

### Other Votes

## Labor

### Key Votes

#### Union Intimidation



### **Harkey Voted Against A Bill Preventing Public Agencies From Using “Union Avoidance” Consultants.**

“Across California, schools and cities routinely hire outside specialists to help with contentious and complex union negotiations over wages, benefits and working conditions. But state Sen. Juan Vargas contends that too frequently these consultants overstep and at times advise borderline strategies to intimidate workers and weaken their unions. The San Diego Democrat is carrying legislation that would prevent public agencies from spending tax dollars on ‘union avoidance’ consultants and attorneys whose mission is to ‘minimize’ worker rights. [...] During a recent legislative committee hearing, Assemblywoman Diane Harkey, R-Dana Point, asked how much public employee labor unions spend to advise their members. Vargas said he didn’t have an answer. ‘That would be very pertinent because you have to have a level playing field. ... Who is actually having the hardship here?’ said Harkey, who voted against the bill that passed out of the committee. The measure has worked its way through the process mostly along party-line votes.” [San Diego Union-Tribune, 8/8/11]

## **Other Votes**

## **LGBT Issues**

## **Key Votes**

### **Don’t Ask, Don’t Tell**

**Harkey Did Not Vote On Stating The State Would Follow The Federal Government If It Reinstated Veterans’ Benefits To Veterans Discharged Because Of Don’t Ask, Don’t Tell On Its Final Vote.** In August 2012, Harkey did not vote on a “bill [that] would provide that if the federal government acts to reinstate benefits to discharged veterans, as specified, who were denied those benefits solely on the basis of sexual orientation pursuant to any federal policy prohibiting homosexual personnel from serving in the Armed Forces of the United States, the state shall reinstate to those veterans any state-offered benefits, as provided.” The bill passed 60 to 13. [AB 1505, [8/27/12](#); California Legislative Information, [8/27/12](#)]

**Harkey Did Not Vote On Stating The State Would Follow The Federal Government If It Reinstated Veterans’ Benefits To Veterans Discharged Because Of Don’t Ask, Don’t Tell On Its First Vote In The Assembly.** In May 2012, Harkey did not vote on a “bill [that] would provide that if the federal government acts to reinstate benefits to discharged veterans, as specified, who were denied those benefits solely on the basis of sexual orientation pursuant to any federal policy prohibiting homosexual personnel from serving in the Armed Forces of the United States, the state shall reinstate to those veterans any state-offered benefits, as provided.” The bill passed 54 to 6. [AB 1505, [5/21/12](#); California Legislative Information, [5/21/12](#)]

### **Gay Conversion Therapy**

**2012: Harkey Voted Against Banning Gay Conversion Therapy On Minors On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would prohibit a mental health provider, as defined, from engaging in sexual orientation change efforts, as defined, with a patient under 18 years of age. The bill would provide that any sexual orientation change efforts attempted on a patient under 18 years of age by a mental health provider shall be considered unprofessional conduct and shall subject the provider to discipline by the provider’s licensing entity.” The bill passed 52 to 22. [SB 1172 , [8/28/12](#); California Legislative Information, [8/28/12](#)]

**2012: Harkey Voted Against Banning Gay Conversion Therapy On Minors On Its First Vote In The Assembly.** In July 2012, Harkey voted against a “bill [that] would prohibit a mental health provider, as defined, from engaging in sexual orientation change efforts, as defined, with a patient under 18 years of age. The bill would provide that any sexual orientation change efforts attempted on a patient under 18 years of age by a mental health provider shall be considered unprofessional conduct and shall subject the provider to discipline by the provider’s licensing entity.” The bill passed 53 to 25. [SB 1172 , [7/5/12](#); California Legislative Information, [8/28/12](#)]

---

## Freedom To Discriminate

---

**2012: Harkey Voted Against Affirming That Religious Clergy Would Not Be Required To Perform A Marriage They Had Religious Objections To.** In August 2012, Harkey voted against a “bill [that] would provide that marriage is a personal relation arising out of a civil, and not religious, contract. The bill would also specify that a priest, minister, rabbi, or authorized person of any religious denomination shall not be required to solemnize a marriage that is contrary to the tenets of his or her faith. The bill would state that any refusal to solemnize a marriage by an individual or by a religious denomination under this provision shall not affect the tax exempt status of any entity.” The bill passed 52 to 26. [SB 1140, [8/28/12](#); California Legislative Information, [8/28/12](#)]

**Equality California Claimed SB 1140 Would Affirm That Religious Clergy Would Not Be Forced To Marry Same-Sex Couples.** “As we continue our efforts to achieve full equality, we must remove every possible barrier to securing the freedom to marry, including the false claim made by anti-equality advocates in California and elsewhere that allowing loving same-sex couples to marry will force clergy or places of worship to compromise their religious beliefs. As we anticipate the restoration of the freedom to marry in our state, SB 1140 reaffirms the principles of the U.S. and California Constitutions with respect to the freedom of clergy to make faith-based decisions regarding which marriages they solemnize.” [Equality California via Wayback Machine, accessed [3/2/18](#)]

---

## Other Votes

---

---

## LGBT Youth

---

**2012: Harkey Voted Against Establishing Cultural Competency Standards For Foster Homes Housing LGBT Youth On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would require the training for an administrator of a group home facility, licensed foster parent, and relative or nonrelative extended family member caregiver to also include instruction on cultural competency and sensitivity relating to, and best practices for, providing adequate care to lesbian, gay, bisexual, and transgender (LGBT) youth in out-of-home care.” The bill passed 54 to 26. [AB 1856, [8/28/12](#); California Legislative Information, [8/28/12](#)]

**2012: Harkey Voted Against Establishing Cultural Competency Standards For Foster Homes Housing LGBT Youth On Its First Vote In The Assembly.** In May 2012, Harkey voted against a “bill [that] would require the training for an administrator of a group home facility, licensed foster parent, and relative or nonrelative extended family member caregiver to also include instruction on cultural competency and sensitivity relating to, and best practices for, providing adequate care to lesbian, gay, bisexual, and transgender (LGBT) youth in out-of-home care.” The bill passed 49 to 25. [AB 1856, [5/3/12](#); California Legislative Information, [5/3/12](#)]

---

## National Security & Terrorism

---

---

### Key Votes

---

---

### Other Votes

---

---

## Native American Issues

---

---

### Key Votes

---

---

### Other Votes

---

## State Issues

### Key Votes

#### Redevelopment Agencies

**Harkey Voted Against Legislation Reauthorizing Redevelopment Agencies.** “The Legislature, less than a year after ridding California of one of local government’s most abusive powers, voted Thursday to effectively reestablish redevelopment agencies under a different name but with similar authority, including the power to divert existing taxes and to add new tax burdens. [...] Assembly Bill 2144 and Senate Bill 1156 passed during this final week of the legislative session. They are designed to restore redevelopment powers under the guise of what are called Sustainable Communities Investment Authorities. ‘Sustainable communities’ is a concept that uses government power to force more congested urban, as opposed to suburban, development, with preference given to accommodations for high-speed rail and open space. The bills also require prevailing wages and labor compliance programs, which will make the unnecessary expenditures more costly. The bills authorize cities and counties to form joint-powers agencies to incur debt and use eminent domain by creating Infrastructure Finance Districts. This amounts to tempting ‘local government to invest dollars they don’t have for projects that people don’t want and that private investment cannot justify,’ said Assemblywoman Diane Harkey, R-Laguna Niguel, who voted against both bills.” [Orange County Register, Editorial, [8/31/12](#)]

### Other Votes

#### State Park Financing

**Harkey Voted For Requiring The Development Of A Plan To Increase Revenue For State Parks.** In August 2012, Harkey voted for a “bill [that] would enact the California State Park Stewardship Act of 2012, which would require the department to develop a prioritized action plan to increase revenues and the collection of user fees at state parks. The bill would require the department to report to the Legislature and the Governor on the prioritized action plan by July 1, 2013.” The bill passed 80 to 0. [AB 1589, [8/30/12](#); California Legislative Information, [8/30/12](#)]

**2012: Harkey Voted Against A Bill To Manage The State Park System’s Finances On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would establish qualification criteria for the members of the commission, including requiring one member to have demonstrated expertise in cultural or historical resources management. The bill would require the Speaker of the Assembly and the Senate Committee on Rules to each appoint one ex officio legislative member. The bill would require the commission to evaluate and assess the department’s deferred obligations. The bill would also authorize the commission to, among other things, conduct an annual workshop to review the department’s annual operating budget and proposed capital improvement projects. The bill would appropriate \$120,000 annually in the 2012–13 and 2013–14 fiscal years from the State Parks and Recreation Fund to the commission to perform these activities. The bill would appropriate \$20,500,000 from the State Parks and Recreation Fund to the department for expenditure as specified. The bill would prohibit the department from closing or proposing the closure of a state park in the 2012–13 and 2013–14 fiscal years. The bill would also appropriate \$10,000,000 from the Safe Drinking Water, Water Quality and Water Supply, Flood Control, River and Coastal Protection Bond Act of 2006, to be expended as specified, including for purposes of capital outlay and support for capital outlay projects of a state park.” The bill passed 55 to 20. [AB 1478, [8/30/12](#); California Legislative Information, [8/30/12](#)]

**2012: Harkey Did Not Vote On A Bill To The State Park System’s Finance On Its First Assembly Vote.** In March 2012, Harkey did not vote on a “bill [that] would establish qualification criteria for the members of the commission, including requiring one member to have demonstrated expertise in cultural or historical resources management. The bill would require the Speaker of the Assembly and the Senate Committee on Rules to each appoint one ex officio legislative member. The bill would require the commission to evaluate and assess the department’s deferred obligations. The bill would also authorize the commission to, among other

things, conduct an annual workshop to review the department’s annual operating budget and proposed capital improvement projects. The bill would appropriate \$120,000 annually in the 2012–13 and 2013–14 fiscal years from the State Parks and Recreation Fund to the commission to perform these activities. The bill would appropriate \$20,500,000 from the State Parks and Recreation Fund to the department for expenditure as specified. The bill would prohibit the department from closing or proposing the closure of a state park in the 2012–13 and 2013–14 fiscal years. The bill would also appropriate \$10,000,000 from the Safe Drinking Water, Water Quality and Water Supply, Flood Control, River and Coastal Protection Bond Act of 2006, to be expended as specified, including for purposes of capital outlay and support for capital outlay projects of a state park.” The bill passed 47 to 23. [AB 1478, [8/30/12](#); California Legislative Information, [8/30/12](#)]

---

## Water

---

**2012: Harkey Voted Against Establishing Water As A Human Right In California On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would declare that it is the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. The bill would require all relevant state agencies, including the Department of Water Resources, the State Water Resources Control Board, and the State Department of Public Health, to consider this state policy when revising, adopting, or establishing policies, regulations, and grant criteria when those policies, regulations, and grant criteria are pertinent to the uses of water described above.” The bill passed 51 to 28. [AB 685, [8/29/12](#); California Legislative Information, [8/29/12](#)]

**2011: Harkey Voted Against Establishing Water As A Human Right In California On Its First Vote In The Assembly.** In June 2011, Harkey voted against a “bill [that] would declare that it is the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. The bill would require all relevant state agencies, including the Department of Water Resources, the State Water Resources Control Board, and the State Department of Public Health, to consider this state policy when revising, adopting, or establishing policies, regulations, and grant criteria when those policies, regulations, and grant criteria are pertinent to the uses of water described above.” The bill passed 52 to 24. [AB 685, [6/1/11](#); California Legislative Information, [6/1/11](#)]

## Seniors’ Issues

---

### Key Votes

---

#### Elder Abuse

---

**2012: Harkey Voted Against Restricting A Gag Order In Settlements Involving Elder And Dependent Adult Abuse On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would provide that an agreement, entered on or after January 1, 2013, to settle a civil action for physical abuse, neglect, or financial abuse of an elder or dependent adult shall not include any provision that, among other things, prohibits contact or cooperation with the county adult protective services agency, the local law enforcement agency, the long-term care ombudsman, the California Department of Aging, the Department of Justice, or the Licensing and Certification Division of the State Department of Public Health, the State Department of Developmental Services, the State Department of State Hospitals, a licensing or regulatory agency that has jurisdiction over the license or certification of the defendant, any other governmental entity, a protection and advocacy agency, as defined, or the defendant’s current employer if the defendant’s job responsibilities include contact with elders, dependent adults, or children, as specified. The bill would provide that any such provision is void as against public policy.” The bill passed 51 to 28. [AB 2149, [8/27/12](#); California Legislative Information, [8/27/12](#)]

**2012: Harkey Voted Against Restricting A Gag Order In Settlements Involving Elder And Dependent Adult Abuse.** In May 2012, Harkey voted against a “bill [that] would provide that an agreement, entered on or after January 1, 2013, to settle a civil action for physical abuse, neglect, or financial abuse of an elder or dependent adult shall not include any provision that, among other things, prohibits contact or cooperation with

the county adult protective services agency, the local law enforcement agency, the long-term care ombudsman, the California Department of Aging, the Department of Justice, or the Licensing and Certification Division of the State Department of Public Health, the State Department of Developmental Services, the State Department of State Hospitals, a licensing or regulatory agency that has jurisdiction over the license or certification of the defendant, any other governmental entity, a protection and advocacy agency, as defined, or the defendant's current employer if the defendant's job responsibilities include contact with elders, dependent adults, or children, as specified. The bill would provide that any such provision is void as against public policy." The bill passed 43 to 24. [AB 2149, [5/25/12](#); California Legislative Information, [5/25/12](#)]

**2012: Harkey Voted Against Restricting A Gag Order In Settlements Involving Elder And Dependent Adult Abuse.** In May 2012, Harkey voted against a "bill [that] would provide that an agreement, entered on or after January 1, 2013, to settle a civil action for physical abuse, neglect, or financial abuse of an elder or dependent adult shall not include any provision that, among other things, prohibits contact or cooperation with the county adult protective services agency, the local law enforcement agency, the long-term care ombudsman, the California Department of Aging, the Department of Justice, or the Licensing and Certification Division of the State Department of Public Health, the State Department of Developmental Services, the State Department of State Hospitals, a licensing or regulatory agency that has jurisdiction over the license or certification of the defendant, any other governmental entity, a protection and advocacy agency, as defined, or the defendant's current employer if the defendant's job responsibilities include contact with elders, dependent adults, or children, as specified. The bill would provide that any such provision is void as against public policy." The bill passed 47 to 28. [AB 2149, [5/21/12](#); California Legislative Information, [5/21/12](#)]

---

## Long-Term Insurance

---

**2012: Harkey Voted Against Simplifying Long-Term Insurance On Its Final Vote.** In August 2012, Harkey voted against a "bill [that] would require an insurer of long-term care insurance to clearly post on its Internet Web site and provide written notice at the time of solicitation that a specimen individual policy form or group master policy and certificate form for each policy form offered by the insurer is available upon request and to provide that form within 15 calendar days upon request. This bill would require the annual consumer rate guide to include a specimen outline of coverage for each product currently marketed by each insurer listed in the rate guide." The bill passed 52 to 27. [AB 999, [8/30/12](#); California Legislative Information, [8/30/12](#)]

**2011: Harkey Voted Against Simplifying Long-Term Insurance On Its First Vote In The Assembly.** In June 2011, Harkey voted against a "bill [that] would require an insurer of long-term care insurance to clearly post on its Internet Web site and provide written notice at the time of solicitation that a specimen individual policy form or group master policy and certificate form for each policy form offered by the insurer is available upon request and to provide that form within 15 calendar days upon request. This bill would require the annual consumer rate guide to include a specimen outline of coverage for each product currently marketed by each insurer listed in the rate guide." The bill passed 42 to 33. [AB 999, [6/1/11](#); California Legislative Information, [6/1/11](#)]

---

## Home Care

---

**2012: Harkey Voted Against Placing Licensing Requirements And Other Regulations On Home Care Organizations.** In August 2012, Harkey voted against a "bill [that] would enact the Home Care Services Act of 2012, which would provide, on and after July 1, 2013, for the licensure and regulation of home care organizations, as defined, by the State Department of Social Services, and the certification of home care aides. The bill would exclude specified entities from the definition of a home care organization. The bill would impose various licensure requirements on a home care organization. The bill would also impose a civil penalty on an individual or entity that operates a home care organization without a license, except as specified. The bill would require a home care organization to provide a client with specified information before arranging for the provision of home care services, as defined, to that client, including, but not limited to, the types and hours of available home care services, and the extent to which payment may be expected from specified sources. In addition, this bill would require a home care organization, among other things, to distribute to the client its advance directive policy and provide a written notice



to the client of certain rights. The bill would also prohibit a home care organization from hiring an individual as a home care aide unless that individual meets certain requirements, including, but not limited to, demonstrating that he or she has specified language skills and providing proof of certification as a home care aide as specified.” The bill passed 48 to 25. [SB 411, [8/16/12](#); California Legislative Information, [8/16/12](#)]

---

## Pension Plans

---

**2012: Harkey Voted Against Creating A State-Administered Pension Plan For Private Sector Workers Without Pension Plans.** In August 2012, Harkey voted against a “bill [that] would enact the California Secure Choice Retirement Savings Trust Act, which would create the California Secure Choice Retirement Savings Trust to be administered by the California Secure Choice Retirement Savings Investment Board, which would also be established by the bill. The bill would require eligible employers, as defined, to offer a payroll deposit retirement savings arrangement so that eligible employees, as defined, could contribute a portion of their salary or wages to a retirement savings program account in the California Secure Choice Retirement Savings Program, as specified. The bill would require eligible employees to participate in the program, unless the employee opts out of the program, as specified. The bill would specify risk management and investment policies that the board would be subject to regarding administration of the program. The bill would require a specified percentage of the annual salary or wages of an eligible employee participating in the program to be deposited in the California Secure Choice Retirement Savings Trust, which would be segregated into a program fund and an administrative fund, both of which would be continuously appropriated to the board for purposes of the act. The bill would limit expenditures from the administrative fund, as specified. The bill would also authorize the board to establish a Gain and Loss Reserve Account within the program fund.” The bill passed 48 to 29. [SB 1234, [8/31/12](#); California Legislative Information, [8/31/12](#)]

|                    |
|--------------------|
| <b>Other Votes</b> |
|--------------------|

---

## Elder Abuse

---

**2012: Harkey Voted For Increasing Efforts To Report Elder Abuse.** In August 2012, Harkey voted for a “bill [that] would require that, if the suspected abuse results in serious bodily injury, as defined, a mandated reporter make a telephone report to report suspected or alleged physical abuse, as defined, that occurs in a long-term care facility, to the local law enforcement agency, immediately, and no later than within 2 hours of the reporter observing, obtaining knowledge of, or suspecting the physical abuse. The bill would require that a written report be made to the local ombudsman, the corresponding licensing agency, and the local law enforcement agency within 2 hours of the reporter observing, obtaining knowledge of, or suspecting the physical abuse. The bill would require that, if the suspected abuse does not result in serious bodily injury, a mandated reporter make a report by telephone and in writing within 24 hours of the reporter observing, obtaining knowledge of, or suspecting the physical abuse, as specified.” The bill passed 74 to 4. [AB 40, [8/29/12](#); California Legislative Information, [8/29/12](#)]

---

## Nursing Facilities

---

**2012: Harkey Voted Against Increasing Funding To The Skilled Nursing Facility Quality And Accountability Special Fund On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would modify the calculation of rates under the above-referenced rate methodology, and would extend the assessment of the charge, implementation of the rate methodology, and implementation of related provisions until July 31, 2015. By extending the period of time during which transfers are made to the Skilled Nursing Facility Quality and Accountability Special Fund, this bill would make an appropriation. This bill would also modify the amount of moneys to be deposited into the Skilled Nursing Facility Quality and Accountability Special Fund, by, among other things, requiring that specified set-asides under the rate methodology remain in the General Fund instead of transferring to the Skilled Nursing Facility Quality and Accountability Special Fund and increasing the amount of certain set-asides to be transferred to the fund. This bill would instead require that the quality and accountability payments be made beginning with the 2013–14 rate year.” The bill passed 65 to 7. [AB , [8/31/12](#); California Legislative Information, [8/31/12](#)]



**2012: Harkey Did Not Vote On Increasing Funding To The Skilled Nursing Facility Quality And Accountability Special Fund On Its First Vote In The Assembly.** In March 2012, Harkey did not vote on a “bill [that] would modify the calculation of rates under the above-referenced rate methodology, and would extend the assessment of the charge, implementation of the rate methodology, and implementation of related provisions until July 31, 2015. By extending the period of time during which transfers are made to the Skilled Nursing Facility Quality and Accountability Special Fund, this bill would make an appropriation. This bill would also modify the amount of moneys to be deposited into the Skilled Nursing Facility Quality and Accountability Special Fund, by, among other things, requiring that specified set-asides under the rate methodology remain in the General Fund instead of transferring to the Skilled Nursing Facility Quality and Accountability Special Fund and increasing the amount of certain set-asides to be transferred to the fund. This bill would instead require that the quality and accountability payments be made beginning with the 2013–14 rate year.” The bill passed 47 to 23. [AB , [3/22/12](#); California Legislative Information, [3/22/12](#)]

## Tax Issues

### Key Votes

### Out Of State Companies

**2011: Harkey Said There Were A Lot Of Things She Liked In A Bipartisan Tax Agreement But Said She Had A Problem Requiring Out Of State Companies To Pay Sales Taxes Rather Than Choosing Themselves.** “Amid unrelenting partisan strife in California and the nation's capital, a glimmer of cooperation glinted in the state Capitol on Thursday. Only hours after Gov. Jerry Brown stood alongside two Republican assemblymen to herald a bipartisan agreement on taxes, the Assembly on a two-thirds vote approved legislation to provide \$1 billion in tax relief to California businesses and individuals while closing a loophole that benefits out-of-state corporations. But it was unclear late Thursday whether the Senate Democrats could muster the two GOP votes needed to approve the package in time before the legislative session ends Friday. [...] ‘I see a lot of things I like,’ said Assemblywoman Diane Harkey, R-Dana Point. ‘But I’m having a problem going mandatory on the single sales factor.’ The arcane term was referring to the part of the legislation that would require all businesses to pay taxes based on sales rather than allowing out-of-state companies to choose how to calculate their taxes.” [East Bay Times, [9/8/11](#)]

**Harkey Abstained On The Vote.** “The Assembly on Thursday night approved a sweeping package of tax reforms that Gov. Jerry Brown said will save Californians and small businesses more than \$1 billion a year. [...] All of the San Diego-area Democrats joined Fletcher in voting yes. Republican Brian Jones of Santee was the only local no vote. Republicans Martin Garrick of Solana Beach, Diane Harkey of Dana Point and Kevin Jeffries of Lake Elsinore abstained.” [San Diego Union-Tribune, [9/8/11](#)]

### Other Votes

## Technology Issues

### Key Votes

### Other Votes

## Trade Issues

### Key Votes

## Other Votes

## Transportation Issues

### Key Votes

### Other Votes

## Veterans Issues

### Key Votes

### Other Votes

## Women's Issues

### Key Votes

---

#### Abortion

---

**2012: Harkey Voted Against Extending A Pilot Program That Allowed Practice Clinicians To Preform First Trimester Abortions.** In August 2012, Harkey voted against a “bill [that] would require the office to extend the duration of Health Workforce Pilot Project No. 171 through January 1, 2014, to provide the sponsors of the project an opportunity to achieve publication of the data collected during the project in a peer-reviewed journal, among other specified purposes. [...] The Access through Primary Care Project, known as Health Workforce Pilot Project (HWPP) No. 171, was approved in 2007 to teach new skills to nurse practitioners, certified nurse-midwives, and physician assistants, and to evaluate the safety and efficacy of allowing nurse practitioners, certified nurse-midwives, and physician assistants to use these new skills to perform first trimester aspiration abortions.” The bill passed 52 to 26. [SB 623, [8/23/12](#); California Legislative Information, [8/23/12](#)]

---

#### Reproductive Health

---

**2012: Harkey Voted Against Allowing Registered Nurses From Dispensing Or Administering Hormonal Contraceptives On Its Final Vote.** In August 2012, Harkey voted against a “bill [that] would, in addition, authorize a registered nurse to dispense specified drugs or devices upon an order issued by a certified nurse-midwife, nurse practitioner, or physician assistant if the nurse is functioning within a specified clinic. The bill would also authorize a registered nurse to dispense or administer hormonal contraceptives in strict adherence to specified standardized procedures.” The bill passed 46 to 28. [AB 2348, [8/27/12](#); California Legislative Information, [8/27/12](#)]

**2012: Harkey Voted Against Allowing Registered Nurses From Dispensing Or Administering Hormonal Contraceptives.** In May 2012, Harkey voted against a “bill [that] would, in addition, authorize a registered nurse to dispense specified drugs or devices upon an order issued by a certified nurse-midwife, nurse practitioner, or physician assistant if the nurse is functioning within a specified clinic. The bill would also authorize a registered nurse to dispense or administer hormonal contraceptives in strict adherence to specified standardized procedures.” The bill passed 44 to 28. [AB 2348, [5/31/12](#); California Legislative Information, [5/31/12](#)]

**2012: Harkey Voted Against Allowing Registered Nurses From Dispensing Or Administering Hormonal Contraceptives.** In May 2012, Harkey voted against a “bill [that] would, in addition, authorize a registered

nurse to dispense specified drugs or devices upon an order issued by a certified nurse-midwife, nurse practitioner, or physician assistant if the nurse is functioning within a specified clinic. The bill would also authorize a registered nurse to dispense or administer hormonal contraceptives in strict adherence to specified standardized procedures.” The bill passed 49 to 27. [AB 2348, [5/29/12](#); California Legislative Information, [5/29/12](#)]

|                    |
|--------------------|
| <b>Other Votes</b> |
|--------------------|

## Appendix XIV – Votes – California State Assembly – 2008-2010

### Agriculture Issues

Key Votes

Other Votes

### Arts & Quality Of Life Issues

Key Votes

Other Votes

### Budget Issues

Key Votes

#### 2009 California State Budget

**Harkey Voted Against The 2009 State Budget, Which Had A Tax Increase.** “The five Assembly Republicans whose districts are partly or entirely in San Diego County – Joel Anderson, Nathan Fletcher, Martin Garrick, Diane Harkey and Kevin Jeffries – all voted against the massive tax hikes in the state budget deal. All also voted to keep Mike Villines, who helped draft the deal including the tax hikes, as Assembly GOP leader when Villines was targeted for breaking his anti-tax pledge. The five are engaged in political kabuki – letting Villines allegedly resolve the budget crisis, but without punishing him for orchestrating the tax hikes that will stagger this state. So much for their promises to protect taxpayers. Local Republicans should feel betrayed.” [San Diego Union-Tribune, [2/28/09](#)]

Other Votes

### Civil Rights & Liberties

Key Votes

Other Votes

### Consumer Issues

Key Votes

Other Votes

### Crime & Public Safety Issues

Key Votes

Other Votes

## Defense Issues

Key Votes

Other Votes

## Economy & Jobs

Key Votes

Other Votes

## Education Issues

Key Votes

Other Votes

## Election & Campaign Finance Issues

Key Votes

Other Votes

## Energy Issues

Key Votes

Other Votes

## Environmental Issues

Key Votes

Other Votes

---

### Environmental Prohibitions

---

**Harkey Voted Against Banning Plastic Shopping Bags.** “Trendsetting California is on its way to becoming the first state to ban plastic shopping bags. In a 41-27 vote, the Assembly on Wednesday passed a bill that would prohibit grocery stores from offering plastic bags starting January 2012. Instead, consumers would either have to carry their groceries in reusable bags or pay 5 cents or more for a paper bag made of partially recycled content. [...] The San Diego-area delegation was split on Wednesday’s vote, with Democrats Mary Salas of Chula Vista, and Marty Block and Lori Saldaña of San Diego voting yes. Republicans Martin Garrick of Solana Beach, Joel

Anderson of La Mesa, Diane Harkey of Dana Point, and Kevin Jeffries of Lake Elsinore voted against the bill.”  
[San Diego Union-Tribune, [6/3/10](#)]

## FEMA And Disaster Relief Issues

Key Votes

Other Votes

## Foreign Policy Issues

Key Votes

Other Votes

## Gun Issues

Key Votes

Other Votes

## Health Care Issues

Key Votes

Other Votes

## Housing Issues

Key Votes

Rent Control

**The Mercury News Reported Harkey Voted Against A Bill That Would “Bar Public Pension Funds From Investing In Businesses That Force Residents Out Of Rent-Controlled Buildings.”** “East Palo Alto community organizers and rent board members headed to Sacramento on Wednesday to speak in support of a state Assembly bill that would bar public pension funds from investing in businesses that force residents out of rent-controlled buildings. San Francisco Assemblyman Tom Ammiano's proposed Socially Responsible Investment Act which would govern California Public Employees' Retirement System (CalPERS) and California State Teachers' Retirement System investments in rental housing passed the Committee on Public Employees, Retirement and Social Security on a 4-2 vote at Wednesday's meeting, Ammiano spokesman Quintin Mecke said. The committee's two Republicans Assembly members Diane Harkey, R-Dana Point, and Brian Nestande, R-Palm Desert voted against the proposed bill, Mecke said.” [San Jose Mercury News via Tenants Together, [4/21/10](#)]

Other Votes

## Immigration & Border Issues



## Key Votes

## Other Votes

## Labor

## Key Votes

## Other Votes

## LGBT Issues

## Key Votes

## Other Votes

## National Security & Terrorism

## Key Votes

## Other Votes

## Native American Issues

## Key Votes

## Other Votes

## State Issues

## Key Votes

## Pension System

**The State Assembly Public Employees, Retirement, And Social Security Committee Voted To Increase Oversight On Placement Agents In The State's Pension System And Require Them To Register As Lobbyists.** "California lawmakers took a step Wednesday toward cracking down on the middlemen that help private investment firms land lucrative contracts with the state's giant pension funds. The use of so-called 'placement agents' has erupted into a scandal in California and New York, where allegations of cronyism and exorbitant fees have prompted investigations. On Wednesday, the state Assembly's Public Employees, Retirement and Social Security Committee voted 4-1, with one member abstaining, to improve oversight of the way California public pension funds invest money. The California Public Employees Retirement System is the nation's largest pension fund, with about \$210 billion in assets under management. The California bill would require placement agents to register as lobbyists and file quarterly reports stating any gifts or fees they received." [Associated Press via Newsmax, [4/8/10](#)]

**Harkey Voted Against The Measure In Committee And Said It Would Limit Competition And "I Think We're Trying To Solve A Problem That May Not Be At The Crux Of It."** "Not everyone on the committee was

convinced that ramping up controls on placement agents would solve the problems that may be facing them. ‘I think we’re trying to solve a problem that may not be at the crux of it,’ said Assemblywoman Diane Harkey, who voted against the measure. [...] Harkey said constraints on placement agents would limit competition for investments and give an advantage to larger firms, a concern echoed by the investment community.” [Associated Press via Newsmax, [4/8/10](#)]

---

## Water

---

**Harkey Voted For A \$11 Billion Bond Measure To Address The State’s Water Crisis But Said It Was Important To Not Allow The Bureaucracy To Grow Or Increase In Power.** “Now the legislature has passed a sweeping package of policies and along with Governor Schwarzenegger will ask voters to approve \$11.14 billion in bonds to pay for a range of projects, including reservoirs, desalinization, and environmental protection programs. I’m glad the State is finally taking action, however, the water problem remains political and finding balance with the Delta Smelt could save taxpayers untold millions in the long run, while helping to solve our water crisis. Diane voted in favor of the bond measure, however, she has reservations about many of the policy provisions. She was pleased that existing water rights laws remain in tact; however, she says it is vital to make sure bureaucracy does not grow and increase in power.” [Supervisor Bill Horn, press release, [11/5/09](#)]

### Other Votes

## Seniors’ Issues

### Key Votes

### Other Votes

## Tax Issues

### Key Votes

### Other Votes

## Technology Issues

### Key Votes

### Other Votes

## Trade Issues

### Key Votes

### Other Votes

## Transportation Issues

### Key Votes

## Other Votes

## Veterans Issues

## Key Votes

## Other Votes

## Women's Issues

## Key Votes

---

## Reproductive Health

---

**Harkey Voted Against Requiring Health Plans And Insurers That Provide Maternity Benefits To Make Breast Pumps Available To Women.** In September 2009, Harkey voted against a bill that required “health plans and insurers that provide maternity benefits to make ‘lactation consultants’ and breast pumps available to new moms.” The bill passed 49 to 28. [AB-513, [9/9/09](#); Sacramento Bee, 9/10/09]

**On Its First Passage, Harkey Voted Against Requiring Health Plans And Insurers That Provide Maternity Benefits To Make Breast Pumps Available To Women.** In June 2009, Harkey voted against a bill that required “health plans and insurers that provide maternity benefits to make ‘lactation consultants’ and breast pumps available to new moms.” The bill passed 50 to 2. [AB-513, [6/2/09](#); Sacramento Bee, 9/10/09]

## Other Votes

## Appendix XV – Committee Votes – California State Assembly

### Agriculture Issues

#### Key Votes

#### Other Votes

### Arts & Quality Of Life Issues

#### Key Votes

#### Other Votes

### Budget Issues

#### Key Votes

#### Other Votes

### Civil Rights & Liberties

#### Key Votes

#### People With Criminal Records

**2013: Harkey Voted Against A Bill That Delayed Job Applicants Revealing Prior Convictions Until After Employers Have Seen Their Qualifications In Committee.** In May 2013, Harkey voted against a bill that would prohibit employers from asking about an applicant’s prior convictions, “until the agency has determined the applicant meets the minimum employment qualifications for the position.” The bill passed 12 to 5. [AB 218, [5/24/13](#); California Legislative Information, [10/10/13](#)]

#### Other Votes

### Consumer Issues

#### Key Votes

#### Debt

**2012: Harkey Voted For Regulating The Activities To Debt Buyers On Its Final Committee Vote.** In July 2012, Harkey voted for a “bill [that] would enact the Fair Debt Buyers Practices Act, which would regulate the activities of a person or entity that has bought consumer debt and the circumstances in which the person may bring suit. The bill would prohibit a debt buyer, as defined, from making any written statement in an attempt to collect a consumer debt unless the debt buyer possesses information that the debt buyer is the sole owner of the specific debt at issue, the debt balance, as specified, and the name and address of the creditor at the time the debt was charged off, among other things. The bill would require the debt buyer to make certain documents available to the debtor, without charge, upon receipt of a request, within 15 days. The bill would require that a specified notice be included

with the debt buyer's first written communication with the debtor. The bill would require all settlement agreements between a debt buyer and a debtor to be documented in open court or otherwise in writing and would require a debt buyer who receives a payment on a debt to provide a receipt or statement containing certain information. The bill would prohibit a debt buyer from initiating a suit to collect a debt if the statute of limitations on the cause of action has expired." The bill passed 11 to 0. [SB 890, [7/2/12](#); California Legislative Information, [7/2/12](#)]

**2012: Harkey Against Regulating The Activities To Debt Buyers On Its Initial Committee Vote.** In July 2012, Harkey voted against a "bill [that] would enact the Fair Debt Buyers Practices Act, which would regulate the activities of a person or entity that has bought consumer debt and the circumstances in which the person may bring suit. The bill would prohibit a debt buyer, as defined, from making any written statement in an attempt to collect a consumer debt unless the debt buyer possesses information that the debt buyer is the sole owner of the specific debt at issue, the debt balance, as specified, and the name and address of the creditor at the time the debt was charged off, among other things. The bill would require the debt buyer to make certain documents available to the debtor, without charge, upon receipt of a request, within 15 days. The bill would require that a specified notice be included with the debt buyer's first written communication with the debtor. The bill would require all settlement agreements between a debt buyer and a debtor to be documented in open court or otherwise in writing and would require a debt buyer who receives a payment on a debt to provide a receipt or statement containing certain information. The bill would prohibit a debt buyer from initiating a suit to collect a debt if the statute of limitations on the cause of action has expired." The bill failed 3 to 3. [SB 890, [7/2/12](#); California Legislative Information, [7/2/12](#)]

#### Other Votes

### Crime & Public Safety Issues

#### Key Votes

#### Other Votes

#### Bicycle Safety

**2012: Harkey Voted Against A Bill Requiring Three Feet Between An Automobile And A Cyclist When Passing In Committee.** In August 2012, Harkey voted against a "bill [that] would recast this provision as to overtaking and passing a bicycle by requiring, with specified exceptions, the driver of a motor vehicle overtaking and passing a bicycle that is proceeding in the same direction on a highway to pass in compliance with specified requirements applicable to overtaking and passing a vehicle, and to do so at a safe distance that does not interfere with the safe operation of the overtaken bicycle, having due regard for the size and speed of the motor vehicle and the bicycle, traffic conditions, weather, and the surface and width of the highway. The bill would prohibit, with specified exceptions, the driver of the motor vehicle that is overtaking or passing a bicycle proceeding in the same direction on a highway from passing at a distance of less than 3 feet between any part of the motor vehicle and any part of the bicycle or its operator. The bill would make a violation of these provisions an infraction punishable by a \$35 fine. The bill would also require the imposition of a \$220 fine on a driver if a collision occurs between a motor vehicle and a bicyclist causing bodily harm to the bicyclist, and the driver is found to be in violation of the above provisions." The bill passed 12 to 4. [SB 1464, [8/8/12](#); California Legislative Information, [8/8/12](#)]

### Defense Issues

#### Key Votes

#### Other Votes

## Economy & Jobs

### Key Votes

### Other Votes

#### Public Traded Corporations Disclosure

**2012: Harkey Voted Against Requiring Public Traded Corporations Disclose the Names And Compensation Of Its Five Most Highly Compensated Retirees In Committee.** In August 2012, Harkey voted against a “bill [that] would, instead, require that a publicly traded corporation include in the compensation statement described above the total compensation, as defined, paid to each member of the board of directors, the principal executive officer, principal financial officer, and each of the 3 most highly compensated executive officers, other than the principal executive officer or principal financial officer, who are not members of the board.” The bill failed 9 to 4. [SB 1208, [8/8/12](#); California Legislative Information, [8/8/12](#)]

## Education Issues

### Key Votes

#### For-Profit Higher Education

**2012: Harkey Voted Against Requiring Pro-Profit Colleges To Disclose If Its Programs And Degrees Were Accredited In Committee.** In May 2012, Harkey voted against a “bill [that] would apply that prohibition to the offering of associate, baccalaureate, and master’s degree programs without disclosing that the institution, or specified degree program, is unaccredited, and would list specified limitations of the degree program whose disclosure the bill would require. [...] This bill would require the school catalog to include a statement specifying whether the institution, or any of its programs, are accredited by an accrediting agency recognized by the United States Department of Education, and, if the institution is unaccredited, or offers an associate, baccalaureate, master’s, or doctoral degree program that is not accredited, the bill would require the statement to disclose the known and specified limitations of the degree program.” The bill passed 10 to 5. [AB 2296, [5/9/12](#); California Legislative Information, [5/9/12](#)]

### Other Votes

## Election & Campaign Finance Issues

### Key Votes

#### Disclosure Requirements And Transparency

**2012: Harkey Voted Against Increasing Disclosure Requirements On Political Mailings And Advertisements In Committee.** In May 2012, Harkey voted against a “bill [that] would, instead, impose specified disclosure requirements on radio, television, and video advertisements, and certain mass mailing and print advertisements that support or oppose a candidate or ballot measure or solicit contributions in support of those purposes. The bill would require radio, television, and video advertisements that are authorized by a candidate or agent of the candidate to include a statement in which the candidate identifies himself or herself and states that he or she approves the message, as specified. The bill would require radio, television, video, and certain mass mailings and print advertisements that are not authorized by a candidate or an agent of the candidate to disclose, in a prescribed format, the 3 largest identifiable contributors, as defined, of the committee that paid for the advertisement. The bill would require mass mailings or print advertisements that are paid for by certain persons who are not committees to



disclose the name of that person as the funder of the mass mailing or print advertisement. The bill would also require that certain committees establish and maintain a committee disclosure Internet Web site, as defined, which discloses the top 10 identifiable contributors and provides a link to either the Internet Web site maintained by the Secretary of State for campaign finance disclosures of the committee, or a page on the committee disclosure Internet Web site that discloses all identifiable contributors to that committee, as specified. The bill would require these advertisements to identify the address for the committee disclosure Internet Web site.” The bill passed 11 to 5. [AB 1648, [5/25/12](#); California Legislative Information, [5/25/12](#)]

## Other Votes

## Energy Issues

### Key Votes

#### Renewable Energy

**2012: Harkey Voted For Capping Permit Fees For Rooftop Solar Energy Systems In Committee.** In August 2012, Harkey voted for a “bill [that] would require permit fees for rooftop solar energy systems, as specified, by a city, county, city or county, or charter city to not exceed the estimated reasonable cost of providing the service for which the fee is charged, which cannot exceed \$500 plus \$15 per kilowatt for each kilowatt above 15kW for residential rooftop solar energy systems, and \$1,000 plus \$7 per kilowatt for each kilowatt between 51kW and 250kW, plus \$5 for every kilowatt above 250kW, for commercial rooftop solar energy systems, unless certain conditions are met.” The bill passed 14 to 1. [SB 1222, [8/16/12](#); California Legislative Information, [8/16/12](#)]

**2012: Harkey Voted Against Increasing Energy Production From Renewable Energy Sources In Committee.** In May 2012, Harkey voted against a “bill [that] would require the commission, by August 1, 2014, to add an additional 125 megawatts of cumulative rated generation capacity, split proportionately between the state’s electrical corporations, to the proportion of the statewide cap of 750 megawatts that is applicable to electric generation facilities that are eligible for service pursuant to renewable feed-in tariffs. The bill would require a local publicly owned electric utility that sells electricity at retail to 75,000 or more customers, by August 1, 2014, to add an additional 65 megawatts of cumulative rated generation capacity, split proportionately between those utilities, to the proportion of the statewide cap of 750 megawatts that is applicable to electric generation facilities that are eligible for service pursuant to renewable feed-in tariffs. The bill would limit eligibility for the additional generation capacity to electric generation facilities with a rated capacity under 500 kilowatts that are located in the state’s most impacted and disadvantaged communities, as defined.” The bill passed 12 to 5. [AB 1990, [5/25/12](#); California Legislative Information, [5/25/12](#)]

## Other Votes

## Environmental Issues

### Key Votes

#### Climate Change

**2012: Harkey Voted Against Using Greenhouse Gas Reduction Fund Money To Provide Economic Development To Disadvantaged Communities In Committee.** In August 2012, Harkey voted against a “bill [that] would require the California Environmental Protection Agency to identify disadvantaged communities for investment opportunities, as specified. The bill would require the Department of Finance, when developing a specified 3-year investment plan, to allocate 25% of the available moneys in the Greenhouse Gas Reduction Fund to projects that provide benefits to disadvantaged communities, as specified, and to allocate a minimum of 10% of the available moneys in the Greenhouse Gas Reduction Fund to projects located within disadvantaged communities,

as specified. The bill would require the Department of Finance, when developing funding guidelines, to include guidelines for how administering agencies should maximize benefits for disadvantaged communities. The bill would require administering agencies to report to the Department of Finance, and the Department of Finance to include in a specified report to the Legislature, a description of how administering agencies have fulfilled specified requirements relating to projects providing benefits to, or located in, disadvantaged communities.” The bill passed 12 to 5. [SB 535, [8/16/12](#); California Legislative Information, [8/16/12](#)]

**2012: Harkey Voted Against Authorizing A State Agency To Monitor And Regulate Greenhouse Gases And Adopt A Gas Emissions Limit In Committee.** In May 2012, Harkey voted against “the California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum, technologically feasible, and cost-effective greenhouse gas emissions reductions. The act authorizes the state board to include use of market-based compliance mechanisms.” The bill passed 12 to 5. [AB 1532, [5/25/12](#); California Legislative Information, [5/25/12](#)]

## Other Votes

### Environmental Prohibitions

**2011: Harkey Voted Against Prohibiting Food Vendors From Dispensing Prepared Food In A Polystyrene Foam Food Containers In Committee.** In August 2011, Harkey voted against a “bill [that] would prohibit a food vendor, on and after January 1, 2016, from dispensing prepared food to a customer in a polystyrene foam food container and would define related terms. The bill would provide that a food vendor that is a school district is not required to comply with the bill’s requirements until July 1, 2017, and would allow a food vendor that is a school district to dispense prepared food to a customer in a polystyrene foam food container after that date if the governing board of the school district elects to adopt a policy to implement a verifiable recycling program for polystyrene foam food containers, which would be renewable, as specified. The bill would also allow a food vendor to dispense prepared food to a customer in a polystyrene foam food container after January 1, 2016, in a city or county if the city or county elects to adopt an ordinance establishing a specified recycling program for polystyrene foam food containers, which would be operative, as specified.” The bill passed 9 to 5. [SB 568, [8/25/11](#); California Legislative Information, [8/25/11](#)]

### Hunting

**2012: Harkey Voted Against Banning The Use Of Dogs To Pursue Bears And Bobcats In Committee.** In August 2012, Harkey voted against a “bill [that], except as specified, would generally make it unlawful to permit or allow a dog to pursue a bear, as defined, or bobcat at any time. The bill would exempt from that prohibition the use of dogs by federal, state, or local law enforcement officers, or their agents or employees, when carrying out official duties as required by law.” The bill passed 12 to 5. [SB 1221, [8/16/12](#); California Legislative Information, [8/16/12](#)]

## FEMA And Disaster Relief Issues

### Key Votes

### Other Votes

## Foreign Policy Issues

### Key Votes

## Other Votes

## Gun Issues

## Key Votes

## Other Votes

## Health Care Issues

## Key Votes

### Essential Health Benefits

**2012: Harkey Voted Against Requiring Health Care Plans To Cover Essential Health Benefits In Committee.** In May 2012, Harkey voted against a “bill [that] would require an individual or small group health care service plan contract issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the health benefits covered by particular benchmark plans. The bill would prohibit treatment limits imposed on these benefits from exceeding the corresponding limits imposed by the benchmark plans and would generally prohibit a plan from making substitutions of the benefits required to be covered. The bill would specify that these provisions apply regardless of whether the contract is offered inside or outside the Exchange but would provide that they do not apply to grandfathered plans, specialized plans, or Medicare supplement plans, as specified. The bill would prohibit a health care service plan from issuing, delivering, renewing, offering, selling, or marketing a plan contract as compliant with the federal essential health benefits requirement satisfies the bill’s requirements. The bill would authorize the Department of Managed Health Care to adopt emergency regulations implementing these provisions until March 1, 2016, and would enact other related provisions.” The bill passed 12 to 5. [AB 1453, [5/9/12](#); California Legislative Information, [5/9/12](#)]

**2012: Harkey Voted Against The Senate Version Requiring Health Care Plans To Cover Essential Health Benefits In Committee.** In August 2012, Harkey voted against a “bill [that] would require an individual or small group health insurance policy issued, amended, or renewed on or after January 1, 2014, to cover essential health benefits, which would be defined to include the health benefits covered by particular benchmark plans. The bill would prohibit treatment limits imposed on these benefits from exceeding the corresponding limits imposed by the benchmark plans and would generally prohibit an insurer from making substitutions of the benefits required to be covered. The bill would specify that these provisions apply regardless of whether the policy is offered inside or outside the Exchange but would provide that they do not apply to grandfathered plans or plans that cover excepted benefits, as specified. The bill would prohibit a health insurer, when issuing, delivering, renewing, offering, selling, or marketing a policy, from indicating or implying that the policy covers essential health benefits unless the policy covers essential health benefits as provided in the bill. The bill would authorize the Department of Insurance to adopt emergency regulations implementing these provisions until March 1, 2016, and enact other related provisions.” The bill passed 12 to 5. [SB 951, [8/16/12](#); California Legislative Information, [8/16/12](#)]

**2012: Harkey Voted Against The Senate Version Of A Bill Preventing Insurers From Denying Or Discriminating For Pre-Existing Conditions In Committee.** In August 2012, Harkey voted against a “bill [that] would require a health insurer, on and after October 1, 2013, to offer, market, and sell all of the insurer’s health benefit plans that are sold in the individual market to all individuals and dependents in each service area in which the insurer provides or arranges for the provision of health care services, with coverage effective on or after January 1, 2014, as specified, but would require insurers to limit enrollment in individual health benefit plans to specified open enrollment and special enrollment periods. The bill would prohibit these health benefit plans from imposing any preexisting condition upon any individual. Commencing January 1, 2014, the bill would prohibit a health insurer from establishing rules of eligibility for individual health benefit plans on any health status-related factor, as specified, and would authorize insurers to use only age, geographic region, and whether the plan covers an

individual or family for purposes of establishing rates for individual health benefit plans, as specified. The bill would require a health insurer to issue a specified notice at least 60 days prior to the renewal date of an individual grandfathered health plan to all subscribers and policyholders of the plan. The bill would make certain of these provisions inoperative if the corresponding provisions of PPACA are repealed and would make other conforming changes. The bill would provide that it shall become operative only if AB 1461 is also enacted.” The bill passed 12 to 5. [SB 961, [8/16/12](#); California Legislative Information, [8/16/12](#)]

---

## Health Exchange

---

**2012: Harkey Voted Against Streamlining Health Exchange Eligibility And Enrollment Process On Its First Vote In Committee.** In April 2012, Harkey voted against a “bill [that] would make technical and clarifying changes” to provisions in existing law as “existing law provides for various programs to provide health care coverage to persons with limited financial resources, including the Medi-Cal program and the Healthy Families Program. Existing law establishes the California Health Benefit Exchange (Exchange), pursuant to the federal Patient Protection and Affordable Care Act (PPACA), and specifies the duties and powers of the board governing the Exchange relative to determining eligibility for enrollment in the Exchange and arranging for coverage under qualified health plans, and facilitating the purchase of qualified health plans through the Exchange. Existing law, the Health Care Reform Eligibility, Enrollment, and Retention Planning Act, operative as provided, requires the State Department of Health Care Services, in consultation with specified entities, to establish standardized single, accessible application forms and related renewal procedures for state health subsidy programs, as defined, in accordance with specified requirements. Existing law provides that the application or case of an individual screened as not eligible for Medi-Cal on the basis of household income but who may be eligible for Medi-Cal on another basis shall be forwarded to the Medi-Cal program for an eligibility determination.” The bill passed 12 to 5. [AB 1580, [4/18/12](#); California Legislative Information, [4/18/12](#)]

---

## Pre-Existing Conditions

---

**2012: Harkey Voted Against Preventing Insurers From Denying Or Discriminating For Pre-Existing Conditions In Committee.** In May 2012, Harkey voted against a “bill [that] would require a plan, on and after October 1, 2013, to offer, market, and sell all of the plan’s health benefit plans that are sold in the individual market to all individuals and dependents in each service area in which the plan provides or arranges for the provision of health care services, with coverage effective on or after January 1, 2014, as specified, but would require plans to limit enrollment in individual health benefit plans to specified open enrollment and special enrollment periods. The bill would prohibit these health benefit plans from imposing any preexisting condition upon any individual. Commencing January 1, 2014, the bill would prohibit a plan from conditioning the issuance or offering of individual health benefit plans on any health status-related factor, as specified, and would authorize plans to use only age, geographic region, and whether the plan covers an individual or family for purposes of establishing rates for individual health benefit plans, as specified. The bill would require a health care service plan to issue a specified notice at least 60 days prior to the renewal date of an individual grandfathered health plan to all subscribers of the plan. The bill would make certain of these provisions inoperative if the corresponding provisions of PPACA are repealed and would make other related conforming changes.” The bill passed 12 to 5. [AB 1461, [5/25/12](#); California Legislative Information, [5/25/12](#)]

|                    |
|--------------------|
| <b>Other Votes</b> |
|--------------------|

---

## No Wrong Door Applications

---

**2012: Harkey Voted Against Creating A “No Wrong Door” Application Process Allowing Applicants In Health Benefits Programs To Also Be Enrolled In CalWorks And Cal-Fresh In Committee.** In August 2012, Harkey voted against a “bill [that] would provide for the transmittal to a county human services department of information about an applicant initially applying for, or renewing, health care coverage using the single state application developed pursuant to the act, if the applicant consents to have his or her application information used to simultaneously initiate applications for CalWORKs and CalFresh, for initiation of the application. This bill

would authorize the Secretary of California Health and Human Services to phase in implementation of these provisions under certain circumstances. The bill would require the California Health and Human Services Agency to convene a workgroup of human services and health care advocates, legislative staff, and other specified representatives, to consider the feasibility, costs, and benefits of integrating application and renewal processes for additional human services and work support programs with the single state application described in the bill, and to provide, by July 1, 2013, specified details regarding the workgroup to the appropriate fiscal and policy committees of the Legislature. This bill would require that the functionality necessary to implement the cross-application process be achieved by the expiration of a specified federal waiver. This bill would provide that those provisions would become inoperative under certain circumstances.” The bill passed 12 to 5. [SB 970, [8/16/12](#); California Legislative Information, [8/16/12](#)]

---

## Tobacco

---

**2011: Harkey Voted Against Strengthening The Disciplinary Process For Businesses Who Sell Tobacco To Minors In Committee.** In May 2011, Harkey voted against a bill reforming “existing law, the California Cigarette and Tobacco Licensing Act of 2003, [that] requires a retailer to obtain a license from the State Board of Equalization to engage in the sale of cigarette and tobacco products in California. Existing law, the Stop Tobacco Access to Kids Enforcement Act, or STAKE Act, establishes various requirements for retailers relating to tobacco sales to minors. Existing law also makes it a misdemeanor for a retailer to knowingly or under circumstances in which it has knowledge, or should otherwise have grounds for knowledge, sell, give, or in any way furnish a minor with tobacco products or paraphernalia. [...] This bill would remove the schedule for board action in response to the occurrence of a violation, as defined, of the STAKE Act or the misdemeanor provision. The bill would declare that these changes would not result in the limitation or termination of specified board investigations and actions. The bill would require the board to assess a civil penalty and to suspend or revoke a retailer’s license, as specified, for the 3rd, 4th, or 5th violation. The bill would require the assessment of an additional civil penalty, as specified, to be deposited in the existing Cigarette and Tobacco Products Compliance Fund, which would be made available, upon appropriation by the Legislature, to fund these suspension and revocation activities.” The bill passed 12 to 5. [AB 1301, [5/27/11](#); California Legislative Information, [5/27/11](#)]

## Housing Issues

### Key Votes

### Other Votes

---

## Mobile Homes

---

**2012: Harkey Voted Against Allowing The State Department Of Housing To Lower Its Interest Rates To Mobile Home Park Residents In Committee.** In May 2012, Harkey voted against “existing law authorizes the Department of Housing and Community Development to make loans from the Mobilehome Park Purchase Fund to qualified mobilehome park residents, resident organizations, and nonprofit housing sponsors or local public entities to finance conversion of the parks to resident ownership and to make monthly housing costs affordable. Existing law limits the interest rate on loans to a rate of 3% per annum. This bill would authorize the department to lower that interest rate if the department finds that it is necessary and will not jeopardize the financial stability of the fund. This bill would authorize the department to provide technical assistance to loan applicants, or to contract with a qualified nonprofit entity to provide that technical assistance, and to include the reasonable costs of that technical assistance as a part of the loan principal.” The bill passed 12 to 5. [AB 1797, [5/25/12](#); California Legislative Information, [5/25/12](#)]

## Immigration & Border Issues



## Key Votes

## Other Votes

## Labor

## Key Votes

### Healthcare Professionals

**2014: Harkey Did Not Vote On A Bill That Prohibited State Facilities From Forcing Nurses To Work More Than 40 Hours A Week In Committee.** In April 2014, Harkey did not vote on a bill that, “would, commencing January 1, 2016, prohibit a nurse, defined as a registered nurse or a licensed vocational nurse, or a certified nursing assistant (CNA), employed by the State of California in a state facility, as defined, from being compelled to work in excess of the regularly scheduled workweek or work shift, except under certain circumstances, including the occurrence of a catastrophic event in a state facility. This bill would prohibit a state facility from discriminating, dismissing, discharging, or making an employment decision adverse to the nurse or CNA for his or her refusal to accept those additional hours, and would specify that a refusal to accept those additional hours does not constitute patient abandonment or neglect, as specified. The bill would require management and supervisors to consider employees in a specified order of priority in order to fulfill the additional staffing needs of a facility.” The bill passed 5 to 1. [AB 2155, [4/23/14](#); California Legislative Information, [9/3/14](#)]

### Public Sector Workers

**Harkey Was Absent For A Committee Vote To State A Preference For State Workers Over Outside Contractors For State Work.** “It looks like the so-called ‘Public Employees Bill of Rights’ is on the way to clearing its first legislative hurdle after the Assembly Committee on Public Employees, Retirement and Social Security listened to brief arguments for and against the measure and then voted 3-1 in favor of the measure. Because it needs one more ‘aye’ from the six-member panel to pass, the bill was placed ‘on call’ until the two absent members could vote. Democratic Assemblymembers Warren Furutani, Michael Allen and Fiona Ma supported the bill. Republican Allan Mansoor opposed. Assemblyman Bob Wieckowski, D-Fremont and Assemblywoman Diane Harkey, R-Dana Point, were not present. Assembly Bill 1655, written by Democratic Assemblyman Roger Dickinson of Sacramento, which would give rank-and-file state workers explicit preference over outside contractors for state work, shorten the period employers would have to discipline employees and guarantee protections against increased workloads brought on by furloughs or layoffs.” [Sacramento Bee, 3/28/12]

### Union Negotiations

**2014: Harkey Did Not Vote On A Bill That Allowed Either Party To Call For Mandatory Mediation In Union Negotiations In Committee.** In April 2014, Harkey did not vote on a bill that allowed either party to call for mandatory mediation in union negotiations. “This bill instead would permit either party to request mediation and would require the parties to agree upon a mediator, if either party has provided the other with a written notice of declaration of impasse. If the parties cannot agree upon a mediator, the bill would authorize either party to request the board to appoint a mediator. The bill would require the board to appoint a mediator within 5 days after receipt of the party’s request, as prescribed.” The bill passed 5 to 1. [AB 2126, [4/2/14](#); California Legislative Information, [9/4/14](#)]

## Other Votes

## LGBT Issues



## Key Votes

### Don't Ask, Don't Tell

**Harkey Did Not Vote On Stating The State Would Follow The Federal Government If It Reinstated Veterans' Benefits To Veterans Discharged Because Of Don't Ask, Don't Tell In Committee.** In May 2012, Harkey did not vote on a "bill [that] would provide that if the federal government acts to reinstate benefits to discharged veterans, as specified, who were denied those benefits solely on the basis of sexual orientation pursuant to any federal policy prohibiting homosexual personnel from serving in the Armed Forces of the United States, the state shall reinstate to those veterans any state-offered benefits, as provided." The bill passed 12 to 5. [AB 1505, [5/2/12](#); California Legislative Information, [5/2/12](#)]

### Gay Conversion Therapy

**2012: Harkey Voted Against Banning Gay Conversion Therapy On Minors In Committee.** In August 2012, Harkey voted against a "bill [that] would prohibit a mental health provider, as defined, from engaging in sexual orientation change efforts, as defined, with a patient under 18 years of age. The bill would provide that any sexual orientation change efforts attempted on a patient under 18 years of age by a mental health provider shall be considered unprofessional conduct and shall subject the provider to discipline by the provider's licensing entity." The bill passed 12 to 5. [SB 1172 , [8/8/12](#); California Legislative Information, [8/8/12](#)]

## Other Votes

### LGBT Youth

**2012: Harkey Did Not Vote On Establishing Cultural Competency Standards For Foster Homes Housing LGBT Youth In Committee.** In April 2012, Harkey did not vote on a "bill [that] would require the training for an administrator of a group home facility, licensed foster parent, and relative or nonrelative extended family member caregiver to also include instruction on cultural competency and sensitivity relating to, and best practices for, providing adequate care to lesbian, gay, bisexual, and transgender (LGBT) youth in out-of-home care." The bill passed 12 to 4. [AB 1856, [4/25/12](#); California Legislative Information, [4/25/12](#)]

## National Security & Terrorism

### Key Votes

### Other Votes

## Native American Issues

### Key Votes

### Other Votes

## State Issues

### Key Votes

### Water

**2011: Harkey Voted Against Establishing Water As A Human Right In California In Committee.** In May 2011, Harkey voted against a “bill [that] would declare that it is the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. The bill would require all relevant state agencies, including the Department of Water Resources, the State Water Resources Control Board, and the State Department of Public Health, to consider this state policy when revising, adopting, or establishing policies, regulations, and grant criteria when those policies, regulations, and grant criteria are pertinent to the uses of water described above.” The bill passed 12 to 5. [AB 685, [5/27/11](#); California Legislative Information, [5/27/11](#)]

## Other Votes

## Seniors' Issues

## Key Votes

### Home Care

---

**2011: Harkey Voted Against Placing Licensing Requirements And Other Regulations On Home Care Organizations In Committee.** In August 2011, Harkey voted against a “bill [that] would enact the Home Care Services Act of 2012, which would provide, on and after July 1, 2013, for the licensure and regulation of home care organizations, as defined, by the State Department of Social Services, and the certification of home care aides. The bill would exclude specified entities from the definition of a home care organization. The bill would impose various licensure requirements on a home care organization. The bill would also impose a civil penalty on an individual or entity that operates a home care organization without a license, except as specified. The bill would require a home care organization to provide a client with specified information before arranging for the provision of home care services, as defined, to that client, including, but not limited to, the types and hours of available home care services, and the extent to which payment may be expected from specified sources. In addition, this bill would require a home care organization, among other things, to distribute to the client its advance directive policy and provide a written notice to the client of certain rights. The bill would also prohibit a home care organization from hiring an individual as a home care aide unless that individual meets certain requirements, including, but not limited to, demonstrating that he or she has specified language skills and providing proof of certification as a home care aide as specified.” The bill passed 12 to 5. [SB 411, [8/25/11](#); California Legislative Information, [8/25/11](#)]

### Long-Term Insurance

---

**2011: Harkey Voted Against Simplifying Long-Term Insurance In Committee.** In May 2011, Harkey voted against a “bill [that] would require an insurer of long-term care insurance to clearly post on its Internet Web site and provide written notice at the time of solicitation that a specimen individual policy form or group master policy and certificate form for each policy form offered by the insurer is available upon request and to provide that form within 15 calendar days upon request. This bill would require the annual consumer rate guide to include a specimen outline of coverage for each product currently marketed by each insurer listed in the rate guide.” The bill passed 11 to 6. [AB 999, [5/27/11](#); California Legislative Information, [5/27/11](#)]

### Pension Plans

---

**2012: Harkey Voted Against Creating A State-Administered Pension Plan For Private Sector Workers Without Pension Plans In The Assembly Appropriations Committee.** In August 2012, Harkey voted against a “bill [that] would enact the California Secure Choice Retirement Savings Trust Act, which would create the California Secure Choice Retirement Savings Trust to be administered by the California Secure Choice Retirement Savings Investment Board, which would also be established by the bill. The bill would require eligible employers, as defined, to offer a payroll deposit retirement savings arrangement so that eligible employees, as defined, could contribute a portion of their salary or wages to a retirement savings program account in the California Secure

Choice Retirement Savings Program, as specified. The bill would require eligible employees to participate in the program, unless the employee opts out of the program, as specified. The bill would specify risk management and investment policies that the board would be subject to regarding administration of the program. The bill would require a specified percentage of the annual salary or wages of an eligible employee participating in the program to be deposited in the California Secure Choice Retirement Savings Trust, which would be segregated into a program fund and an administrative fund, both of which would be continuously appropriated to the board for purposes of the act. The bill would limit expenditures from the administrative fund, as specified. The bill would also authorize the board to establish a Gain and Loss Reserve Account within the program fund.” The bill passed 12 to 5. [SB 1234, [8/16/12](#); California Legislative Information, [8/16/12](#)]

**2012: Harkey Voted Against Creating A State-Administered Pension Plan For Private Sector Workers Without Pension Plans In The Assembly Public Employees, Retirement, And Social Security Committee.** In July 2012, Harkey voted against a “bill [that] would enact the California Secure Choice Retirement Savings Trust Act, which would create the California Secure Choice Retirement Savings Trust to be administered by the California Secure Choice Retirement Savings Investment Board, which would also be established by the bill. The bill would require eligible employers, as defined, to offer a payroll deposit retirement savings arrangement so that eligible employees, as defined, could contribute a portion of their salary or wages to a retirement savings program account in the California Secure Choice Retirement Savings Program, as specified. The bill would require eligible employees to participate in the program, unless the employee opts out of the program, as specified. The bill would specify risk management and investment policies that the board would be subject to regarding administration of the program. The bill would require a specified percentage of the annual salary or wages of an eligible employee participating in the program to be deposited in the California Secure Choice Retirement Savings Trust, which would be segregated into a program fund and an administrative fund, both of which would be continuously appropriated to the board for purposes of the act. The bill would limit expenditures from the administrative fund, as specified. The bill would also authorize the board to establish a Gain and Loss Reserve Account within the program fund.” The bill passed 4 to 2. [SB 1234, [7/3/12](#); California Legislative Information, [7/3/12](#)]

#### Other Votes

#### Tax Issues

#### Key Votes

#### Other Votes

#### Technology Issues

#### Key Votes

#### Other Votes

#### Trade Issues

#### Key Votes

#### Other Votes

#### Transportation Issues

## Key Votes

## Other Votes

## Veterans Issues

## Key Votes

## Other Votes

## Women's Issues

## Key Votes

### Abortion

**2012: Harkey Voted Against Extending A Pilot Program That Allowed Practice Clinicians To Perform First Trimester Abortions In Committee.** In August 2012, Harkey voted against a “bill [that] would require the office to extend the duration of Health Workforce Pilot Project No. 171 through January 1, 2014, to provide the sponsors of the project an opportunity to achieve publication of the data collected during the project in a peer-reviewed journal, among other specified purposes. [...] The Access through Primary Care Project, known as Health Workforce Pilot Project (HWPP) No. 171, was approved in 2007 to teach new skills to nurse practitioners, certified nurse-midwives, and physician assistants, and to evaluate the safety and efficacy of allowing nurse practitioners, certified nurse-midwives, and physician assistants to use these new skills to perform first trimester aspiration abortions.” The bill passed 12 to 5. [SB 623, [8/16/12](#); California Legislative Information, [8/16/12](#)]

## Other Votes

### Reproductive Health

**On The Assembly Appropriates Committee, Harkey Voted Against Requiring Health Plans And Insurers That Provide Maternity Benefits To Make Breast Pumps Available To Women.** In May 2009, Harkey voted against a bill that required “health plans and insurers that provide maternity benefits to make ‘lactation consultants’ and breast pumps available to new moms.” The bill passed 12 to 5. [AB-513, [5/28/09](#); Sacramento Bee, 9/10/09]

## Appendix XIV – Votes – Dana Point City Council

### Ethics

#### Key Votes

##### Pay Increase

**2008: Harkey Voted Against Stipend Increases And Health-Care Benefits For Councilmembers And Planning Commissioners.** “In the longest Dana Point City Council meeting in recent memory, the council decided not to give itself a pay raise, moved council meetings to the second and fourth Mondays of each month in 2009 and voted to form a Surfing Heritage Museum task force. [...] A proposed ordinance to give City Council members and planning commissioners stipend increases and health-care benefits failed, with Mayor Joel Bishop and Councilman Steven Weinberg approving and Harkey, Anderson and Mayor Pro Tem Lisa Bartlett voting against.” [Orange County Register, [11/19/08](#)]

**2008: Harkey Was Absent For The Second Reading Of The Ordinance And Did Not Vote On Pulling The Ordinance.** “Before any comments or votes could be made on a second reading of an ordinance that would raise City Council members' monthly stipend, the item was pulled from the agenda Tuesday night. [...] The council voted to pull the item per staff request, with Councilman Steven Weinberg, Mayor Joel Bishop and Mayor Pro Tem Lisa Bartlett voting in favor. Anderson voted against holding the item. Councilwoman Diane Harkey was absent. The ordinance would provide the first raise for council members in six years – to \$933.86 a month from \$718.35 – and could increase annual total council-member compensation by \$53,984 – \$12,931 in stipends and \$41,053 in health benefits if the optional health benefits were taken by each member. Two weeks ago, the council approved the proposal with only two ‘yes’ votes. The vote was 2-1-1-1, with Bishop and Weinberg supporting, Bartlett opposing, Anderson abstaining and Harkey absent. Because of the Nov. 4 elections, the council will not meet again to discuss the stipend increase until Nov. 18.” [Orange County Register, [10/22/08](#)]

**2008: Harkey Was Absent For A Vote To Pass The First Reading Of A 30% Pay Increase For Council Members And To Reinstate Optional Health Benefits.** “A divided Dana Point City Council passed the first reading of a 30 percent pay increase for council members and reinstatement of optional health benefits. The vote Tuesday night was 2-1-1-1, with Mayor Joel Bishop and Councilman Steven Weinberg supporting, Mayor Pro Tem Lisa Bartlett opposing, Councilwoman Lisa Anderson abstaining and Councilwoman Diane Harkey absent. No one from the public commented at the meeting. The pay raise, which would be the first in six years, would increase the stipend for council members to \$933.86 a month -- a raise of \$215.51. The ordinance also would raise the Planning Commission stipend by \$45 a month, to \$195.” [Orange County Register, 10/9/08]

##### Recall Effort

**Three Of Four City Council Members, Including Harkey, Signed A Document Opposing The Recall Effort As Well As Harkey.** “Four of the five City Council members have signed a statement opposing the effort to recall Mayor Diane Harkey. [...] Mayor Diane Harkey and council members Lisa Bartlett, Joel Bishop and Steven Weinberg signed the document, which says accusations against Harkey are ‘not well founded’ and that the recall detracts from city business. Councilwoman Lara Anderson did not sign.” [Orange County Register, [9/13/07](#)]

**The City Council Claimed No Wrongdoing But Voted, Including Harkey, To Prevent Any Action From The Document.** “The Dana Point City Council answered allegations Tuesday night accusing four of the five council members of violating the Brown Act, the state’s open meeting law, but maintained that it did nothing wrong. [...] City Attorney Patrick Muñoz has emphatically denied any wrongdoing by the council. But the council did take action to prevent a potential lawsuit, which Muñoz said Lacy has threatened, relating to the resolution. The action

essentially prohibits the council from taking any official action based on the resolution. Councilwoman Lara Anderson, who did not sign the resolution, also abstained from voting on the motion.” [Orange County Register, [9/19/07](#)]

## Other Votes

## Crime & Public Safety Issues

### Key Votes

#### School Resource Officer

**August 2008: Harkey Voted For Allocating A \$100,000 Public Safety Grant For A School Resource Officer.** “The council also unanimously approved allocating a \$100,000 public safety grant for a school resource officer and to prevent graffiti. After hearing concerns of increasing suspicious persons and trespassing from a resident, Mayor Pro Tem Lisa Bartlett addressed the public safety issue. ‘We need residents to activate neighborhood watch programs again,’ Bartlett said. ‘We’ve become too lax because things are so safe here.’” [Orange County Register, 8/21/08]

## Other Votes

## Election & Campaign Finance Issues

### Key Votes

#### Late Fees

**Harkey Voted To Approve A \$300 A Day Late Fee For Corporate Contributors And Individuals But Voted Against A \$100 Late Fee For All Other Reports.** “Before Wednesday’s meeting, corporate contributors and individuals were fined \$10 a day for filing late. ‘That’s a joke,’ said Councilwoman Lara Anderson. By a unanimous vote, the council approved a \$300 per day fine. By a 4-1 vote -- with Diane Harkey voting no -- the council approved a \$100 per day fine for the late filing of all other reports such as the Recipient Committee Campaign Statement and the Statement of Economic Interest.” [Orange County Register, 11/3/05]

**Harkey Said The Fine Was Too Harsh And That People Sometimes Forget As They May Not Be Professionals.** “Harkey said she felt the fine was too harsh for those running on a grass-roots campaign. ‘During the final days of a campaign, you are extremely busy and sometimes you forget to do things that need to get done. For those who are not professional politicians, they shouldn’t be penalized,’ she said.” [Orange County Register, 11/3/05]

#### Self-Financing

**Harkey Voted Against Limiting The Amount Candidates Can Loan To Themselves To \$37,500 As She Supported Increasing The Limit To \$50,000.** “Lastly, the council approved by a 4-1 vote to limit the amount candidates can loan themselves to \$37,500 during a campaign. Harkey voted no, saying she would like the amount increased to \$50,000. The past policy was \$25,000.” [Orange County Register, 11/3/05]

**Harkey: “I’d Really Like To See It At Zero, Because I Would Hate To See Someone Get Into Too Much Debt. But Sometimes You Need Some Money Late In A Campaign To Defend Yourself -- Much Like I Did”** “‘I’d really like to see it at zero, because I would hate to see someone get into too much debt,’ said Harkey. ‘But sometimes you need some money late in a campaign to defend yourself -- much like I did.’ Dana



Point candidates during the last election spent tens of thousands of dollars. Harkey alone spent \$170,000 - \$35,000 of which came in contributions.” [Orange County Register, 11/3/05]

---

## Transparency

---

**Harkey Voted For Posting The Name Of Individuals And Corporations Who Report Their Contributions Late And Voted For Maintaining The Current Campaign Donation Limit For Individuals.** “The council also unanimously voted to post the names on the city’s Web site of those individuals and corporations who report their contributions late. By a 4-0 vote -- with Anderson abstaining -- the council approved to keep the current campaign donation limit of \$540 for individuals.” [Orange County Register, 11/3/05]

---

## Other Votes

---

## Environmental Issues

---

### Key Votes

---

---

### Other Votes

---

---

## Urban Runoff

---

**July 2007: Harkey Was Absent For A Vote To Extend A Project To Treat Urban Runoff.** “The City Council continued a pilot project to treat urban runoff at North Creek at its July 3 meeting. The council voted 4-0, with Mayor Diane Harkey absent, to extend the project for an additional 10 months.” [Orange County Register, [7/12/07](#)]

## Health Care Issues

---

### Key Votes

---

---

### Other Votes

---

---

## Sober Living Homes

---

**Harkey Voted For Authorizing The City To Spend \$5,000 To Lobby For A State Bill To Increase Regulations On Sober Living Homes In The State.** “The City Council voted unanimously to support Senate Bill 1000 as written. The bill, introduced by Sen. Tom Harmon, would increase regulations on sober living homes in the state. The bill is at least partly a result of public outcry about the facilities in Capistrano Beach, Newport Beach and Dana Point. The council authorized the city to spend \$5,000 to lobby for the bill, which would give more authority to local agencies to regulate the homes by conducting site visits and allowing cities to impose license fees on the homes, which they are currently not allowed to do.” [Orange County Register, [3/21/07](#)]

## Housing

---

### Key Votes

---

---

## Marina Mobile Home Estates

---

**Harkey Voted To Have A Residential Development At The Former Marina Mobile Home Estates With Doheny Estates, An Affiliate Of Makar Properties, As The Developer.** “City officials and residents could soon get a glimpse into what could become of the former Marina Mobile Home Estates site. The City Council last week

voted unanimously to take the first step in getting a residential development at the former Marina Mobile Home Estates site on Del Obispo Street. The developer, Doheny Estates LLC, an affiliate of Makar Properties, has asked the city to initiate the process of changing the site zoning to build medium-to-higher density, single and multifamily dwellings on the 8.9-acre site. No specific project has been submitted, but last week's decision allows city staff and the developer to begin working on the details of the best use for the site.” [Orange County Register, [7/5/06](#)]

---

## Other Votes

---

---

### Construction Dispute

---

**Harkey Voted For Postponing A Decision On A Neighbor Dispute Over Construction Of A Home Blocking View Of The Ocean.** “Gopal's neighbors have argued that her proposed 4,485-square-foot house on a hill would block the ocean view, which they consider to be a public view. They have appealed the April 5 unanimous Planning Commission's decision to approve the project, including variances to exceed the city's building height limit. [...] After nearly three hours of discussion and public input, the City Council last week voted 3-1 to postpone making a decision and have city staff work with the homeowner on options for their proposed garage. The council members want the two sides to explore the design of the garage to see if it could be lower and block less of the view. Mayor Lara Anderson voted no. Mayor Pro Tem Russ Chilton recused himself.” [Orange County Register, [7/20/06](#)]

---

## Local Issues

---

---

### Key Votes

---

---

#### Business Improvement District

---

**Harkey Voted For Continuing Talks, Which Included The Four Largest Hotels, On Forming A Business Improvement District (BID) For Hotel Properties.** “The Dana Point City Council allocated a \$100,000 grant for a school resource officer and graffiti prevention and continued talks about creating a business improvement district in the city at its meeting Tuesday night. After a short staff report, the Council unanimously approved the continuation of talks on forming a business improvement district for the hotel properties and the branding of Dana Point as a destination location. The four largest hotels have already agreed to begin the BID talks, and the group has invited any other hotel that wishes to participate to do so.” [Orange County Register, [8/21/08](#)]

**Harkey Expressed Interest In Allowing Unwilling Hotels To Be Excluded From The Business Improvement District.** “Councilwoman Diane Harkey expressed an interest in excluding unwilling hotels from the BID, thereby limiting protest and expediting the formation of the group. Chotkevys assured her that the four major hotels were involved, but other hotels could join if they felt a desire to do so, although involvement will not be mandatory. ‘Some might say this denies them the opportunity of marketing,’ said Harkey. ‘Not true. If we do this they will all benefit from the spillover effect.’” [Orange County Register, [8/21/08](#)]

---

#### City Clerk

---

**2008: The City Council Voted On Reorganizing The City Clerk's Office Amid Concerns Of A Conflict Of Interest Between Councilmembers And The City Clerk During Election Years.** “At the request of Mayor Joel Bishop, the council also discussed reorganizing the structure of the city clerk's office. The clerk is currently under the direction of the City Council, which some council members thought could be a conflict of interest, particularly during an election year. ‘It's sort of like putting the fox in charge of the henhouse,’ Councilman Steven Weinberg said. ‘I'm not here. I don't know if she's working eight hours a day, taking a two hour lunch break ...the city manager does.’” [Orange County Register, [1/16/08](#)]

**Harkey Voted Against Placing The City Clerk Under The City Manager, Rather Than The City Council, And Said “I'm Not One To Diminish My Responsibilities I Was Elected To Perform.”** “The council voted

3-2 to place the city clerk under the city manager, so that she would not be subject to political retribution from the City Council. Councilwoman Diane Harkey and Mayor Pro Tem Lisa Bartlett were opposed to the change, arguing that the current system was working. Harkey said the change could place too much power in the hands of the city manager, who is also the city's treasurer. 'It's too much under one hat,' she said. 'I'm not one to diminish my responsibilities I was elected to perform.'" [Orange County Register, [1/16/08](#)]

---

## Other Votes

---

---

### City Clerk

---

**Harkey Voted For Firing The City Clerk That Some Viewed Was A Political Appointment.** "The Dana Point City Council voted Friday to fire the city clerk whose appointment 14 months ago led to charges of cronyism due to her relationship with the then-mayor. Sharon Street lost her \$90,000-a-year job, effective immediately, by a 4-1 vote at an emergency council meeting. 'The city clerk serves at the will of the council,' Mayor Wayne Rayfield said after the vote. 'This was not a performance issue, it's a political appointment, and the majority of the council felt we ought to seek a new clerk.' Neither Street nor Councilman James V. Lacy, who voted against her ouster, could be reached for comment. [...] Rayfield said he and Councilwoman Diane L. Harkey would meet next week to begin 'putting together an open recruitment process' to find a successor." [Los Angeles Times, [1/29/05](#)]

---

### City Expenditures

---

**Harkey Was Absent On A Vote To Increase A Law Firm's Rate.** "Raise: The law firm of Rutan & Tucker LLP will be getting more money from the city. The City Council voted 4-0 Wednesday to increase the firm's rate to \$203 an hour, a 9.7 percent increase. The council also voted to increase the retainer to \$7,865, a 10 percent increase. Councilwoman Diane Harkey was absent." [Orange County Register, 12/16/05]

---

### Meeting Time

---

**2007: Harkey Voted To Move Council Meetings To Tuesdays Which Harkey Said The Community Wanted For "A Long Time."** "At its first full meeting on Monday, the new Dana Point City Council voted to change its meeting schedule and appoint council representatives to various committees and task forces. The council voted 4-1, with Councilman Steven Weinberg against, to move meetings to the first and third Tuesday of each month, with Planning Commission to meet on the second and fourth Tuesdays. The scheduling change was put in place immediately, meaning the next council meeting will be on Tuesday. The council cited several reasons for the change, including accommodating the Dana Point News. Previously, the council met after the newspaper's deadline. 'Our community has wanted Tuesday night meetings for a long time,' Mayor Diane Harkey said." [Orange County Register, [1/9/07](#)]

---

### Transparency

---

**Harkey Voted Against Approving A Programming Policy For A 24-7 Cable Television Channel For The City.** "The City Council has approved a programming policy for its cable television channel, the first step toward 24-7 programming dedicated exclusively to the city. The council approved the policy Tuesday night by a 3-2 vote, with Mayor Diane Harkey and Mayor Pro Tem Lisa Bartlett against. The policy allows for, among other things, public meetings, including the Planning Commission and Traffic Commission, to be broadcast. However, the policy is only a framework and specific programming decisions have not yet been made. Harkey and Bartlett expressed concerned over funding the programming and dedicating staff time to creating television programming." [Orange County Register, 5/17/07]

---

### Zoning

---

**May 2008: Harkey Was Absent For A Vote To Update The City's Zoning Code.** "The council also approved an update to the city's zoning code. Changes -- part of a series of updates being done by the Planning Commission and

city staff -- included allowing nonconforming homes to be rebuilt as they are if there is a natural disaster. The city code previously did not allow nonconforming homes to be rebuilt unless they were modified to meet current regulations. Kyle Butterwick, director of community development, said the code made it difficult for homeowners to rebuild and caused problems with financing and insurance. 'I can tell you it's very restrictive and very atypical in the county,' Butterwick said. 'It proved to be a hardship.' Councilwoman Lara Anderson agreed. 'Having a nonconforming house, I move the item,' she said to laughs. The item passed 4-0. Councilwoman Diane Harkey was not at the meeting." [Orange County Register, [5/21/08](#)]

## Public Safety

### Key Votes

**Harkey Voted For Restricting Joggers And Cyclists To A Stretch Of Pacific Coast Highway.** "A narrow stretch of Pacific Coast Highway will soon be off-limits to joggers and cyclists after the City Council on Aug. 23 unanimously decided a beachside path set off from vehicles would be safer. The law bans pedestrians and bicycles along the inland side of Pacific Coast Highway, where three accidents since April have left two people dead and two injured." [Orange County Register, 8/31/06]

### Other Votes

## Tax Issues

### Key Votes

#### Headlands Development

**In The Headlands Development, The City Council Considered A New Tax District To Have The Owners Of Multimillion Dollar Lots Pay \$27,000 In Taxes For City Improvements Such As Streets, Parks, And Utilities.** "As the multimillion-dollar lots on the Headlands promontory go on sale this summer, potential buyers should be prepared to pay as much as \$27,000 a year for improvements such as streets, parks and utilities. Although the proposed Mello-Roos taxes are higher than in other developments in Orange County, it's not expected to affect sales of the estimated \$3.3 million-to-\$5.5 million lots, according to a memo to the city. [...] The City Council last week voted 3-2 to explore further the process of establishing what could be the city's first community-facilities district, a method by which homeowners pay for infrastructure and amenities. Council members Jim Lacy and Diane Harkey voted no, saying there were too many unanswered questions about the process." [Orange County Register, [5/4/06](#)]

**May 2006: Harkey Voted Against Exploring The Establishment Of A Community-Facilities District Saying That The Council Did Not Have "A Depth Of Knowledge" On The Project.** "The City Council last week voted 3-2 to explore further the process of establishing what could be the city's first community-facilities district, a method by which homeowners pay for infrastructure and amenities. Council members Jim Lacy and Diane Harkey voted no, saying there were too many unanswered questions about the process. 'There's not a depth of understanding on this council of this project,' Harkey said." [Orange County Register, [5/4/06](#)]

**June 2006: Harkey Voted Against Establishing The Tax District.** "After hours of discussion Wednesday night, the City Council passed a \$27,000 tax for future Headlands homeowners. The council voted 3-1 -- with Diane Harkey opposed -- to form the city's first community-facilities district, referred to as a Mello-Roos district, to pay for some of the streets, parks and utilities at the Headlands." [Orange County Register, [6/16/06](#)]

### Other Votes