



FAIR POLITICAL PRACTICES COMMISSION

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February 26, 2014

James R. Sutton
The Sutton Law Firm
c/o Stuck in the Rough, LLC

REDACTED

Warning Letter Re: FPPC Case No. 14/051; Stuck in the Rough, LLC, and Michael Schlesinger

Dear Mr. Sutton:

The Fair Political Practices Commission (the "FPPC") enforces the provisions of the Political Reform Act (the "Act"),¹ found in Government Code section 81000, et seq. This letter is in response to a case opened regarding contributions reported as having been made by Touchstone Golf, but which, in fact, were made by Stuck in the Rough, LLC, and Michael Schlesinger.

The FPPC has completed its investigation of the facts in this case. Specifically, the FPPC found that contributions from your client, Michael Schlesinger dba Stuck in the Rough, LLC, ("Stuck in the Rough"), were misidentified as coming from Stuck in the Rough's management company Touchstone Golf. Your law firm has since filed, on January 30, 2014, and January 31, 2014, three Late Contribution Reports (Form 497) on behalf of Stuck in the Rough under the name "Michael Schlesinger and Affiliated Entities." The contributions thus reported were made on August 28, 2013, October 15, 2013, and December 20, 2013, respectively.

The Act requires that contributions be made in the true name of the contributor and that committees, including major donor committees, file reports disclosing, within 24 hours, contributions of \$1,000 or more made in what is called the "late contribution period." (Sections 82013, 82036, 84203, and 84302.) Specifically, the Act requires that both a contribution's true source and the intermediary, if one exists, be disclosed. (Sections 84302 and 84211.) The Act

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

also requires each committee that makes a late contribution² disclose the contribution within 24 hours of the time it is made. (Section 84203.)

Your client's actions violated the Act because its contributions were made in the name of Touchstone Golf rather than the true source and also because three required Late Contribution Reports were not timely filed. However, because Touchstone Golf was used to write all checks on behalf of Stuck in the Rough and because the largest of the late contributions, \$50,500 made to Working Together for Neighborhood Fairness, in Opposition to David Alvarez for Mayor 2014, was disclosed prior to the February 11, 2014, election in which David Alvarez was on the ballot, we have decided to close this case with this warning letter. The information in this matter will be retained and may be considered should an enforcement action become necessary based on newly discovered information or future conduct. Failure to comply with the provisions of the Act in the future will result in monetary penalties of up to \$5,000 for each violation.

A warning letter is an FPPC case resolution without administrative prosecution or fine. However, the warning letter resolution does not provide you with the opportunity for a probable cause hearing or hearing before an Administrative Law Judge or the Fair Political Practices Commission. If you wish to avail yourself of these proceedings by requesting that your case proceed with prosecution rather than a warning, please notify us within ten (10) days from the date of this letter. Upon this notification, the FPPC will rescind this warning letter and proceed with administrative prosecution of this case. If we do not receive such notification, this warning letter will be posted on the FPPC's website ten (10) days from the date of this letter.

If you have questions regarding this matter, please contact Adrienne Korchmaros at (916) 322-8241.

Sincerely,

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Gary S. Winuk, Chief
Enforcement Division

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² "Late contribution" is defined in Section 82036 as a contribution that totals in the aggregate \$1,000 or more that is made to, or received by, a candidate, a controlled committee, or a committee formed or existing primarily to support or oppose a candidate or measure within 90 days before the date of the election at which the candidate or measure is to be voted on or a \$1,000 or more contribution made to or received by a political party committee within 90 days before the date of a state election