FAIR POLITICAL PRACTICES COMMISSION
428 J Street • Suite 620 • Sacramento, CA 95814-2329
(916) 322-5660 • Fax (916) 322-0886

March 23, 2015

Michael Oliveira
Michael Oliveira for Supervisor District 3 2014
[redacted]

Lisa Muetterties, Treasurer
Michael Oliveira for Supervisor District 3 2014
[redacted]

Warning Letter Re: FPPC Case No. 15/137; In the Matter of Michael Oliveira, Michael Oliveira for Supervisor District 3 2014, and Lisa Muetterties, Treasurer

Dear Mr. Oliveira and Ms. Muetterties:

The Enforcement Division of the Fair Political Practices Commission ("FPPC") enforces the provisions of the Political Reform Act ("Act"),[1] found in Government Code section 81000, et seq. This letter is in response to your response to our letter of inquiry regarding an apparently missing series of nonmonetary contributions. The Enforcement Division has completed its investigation of the facts in this matter. Specifically, the Enforcement Division found that you violated the Act's campaign disclosure provisions with regard to failing to disclose information regarding nonmonetary contributions received by your committee.

The Act provides that candidates and committees must report specific information on campaign disclosure statements regarding contributions and expenditures. To that effect, section 84211 requires, among other things, that a committee report, and itemize, all contributions from any person who contributed $100 or more to the committee in a calendar year. Nonmonetary payments, such as free or discounted office space, made to a committee are considered to be nonmonetary contributions and are required to be disclosed as such. (See sections 82015 and 84211(f).) Your actions violated the Act when you failed to disclose on the committee's campaign reports office space contributed to your committee for use as campaign headquarters.

[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.

However, because you have no prior cases with our Enforcement Division, the amount not disclosed was small, and because you had disclosed the contributor's monetary contributions, we are closing your 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 Enforcement Division 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 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 10 days from the date of this letter. The FPPC publishes forms and manuals to facilitate compliance with the provisions of the Act. If you need forms or a manual, or guidance regarding your obligations, please call the FPPC's Technical Assistance Division at 1-866-275-3772 or visit our website at www.fppc.ca.gov.

Please feel free to contact Adrianne Korchmaros at (916) 322-8241 with any questions you may have regarding this letter.

Sincerely,

Galena West
Acting Chief, Enforcement Division

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