



FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329

(916) 322-5660 • Fax (916) 322-0886

June 27, 2013

Stacy E. Owens, Treasurer

Yes on 19. Tax Cannabis 2010 (1318272)

REDACTED

Warning Letter Re: FPPC Case No. 130301; Yes on 19

Dear Ms. Owens:

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 an audit report referred to us by the Franchise Tax Board. The audit covered the period January 1, 2009 through December 31, 2010. A copy of the audit report is enclosed for your information.

The audit found contained the following findings: (1) two late contribution reports were not filed; (2) online reports were not filed for forty-eight contributions, and (3) several contributions were received in the form of cash, money order or cashier's check.

Section 84203 of the Act requires a committee that receives a late contribution, as defined in Section 82036, to file a late contribution report within 24 hours of receiving the contribution. Section 85309 spells out the online reporting requirements. Section 84300 of the Act prohibits cash contributions of \$100 or more.

The findings are violations of the Act. The committee did file thirty-five other required late contribution reports, however, and the majority of the contributions requiring online disclosure were reported on the campaign statements well before the election. Therefore, we have decided to close this case with a warning letter.

This letter serves as a written warning. The information in this matter will be retained and may be considered should an enforcement action become necessary based on newly

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.

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 FPPC. 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.

Please feel free to contact Program Specialist William Marland with any questions you may have regarding this letter.

Sincerely,

REDACTED

Gary S. Winuk
Chief, Enforcement Division

Enclosure