



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

August 5, 2015

ARA HOVANESIAN
oboLAGUNA BEACH TAXPAYERS' ASSOCIATION PAC

[REDACTED]

Re: **WARNING LETTER**

FPPC Case No. 15-1219; LAGUNA BEACH TAXPAYERS' ASSOCIATION PAC; Committee ID 1068960

Dear ARA HOVANESIAN:

In 2012, the Legislature passed Senate Bill 1001. SB 1001, effective January 1, 2013, became section 84101.5 of the Political Reform Act¹ (the "Act") and requires every recipient committee in California to pay a \$50 annual fee to the Secretary of State's office ("SOS"). Committees that fail to pay the fee on time are subject to a \$150 fine, in addition to the fee, which is enforceable by the Fair Political Practices Commission ("Commission"). The LAGUNA BEACH TAXPAYERS' ASSOCIATION PAC was referred to the Commission's Enforcement Division for failing to timely pay the \$50 annual fee and failing to pay the \$150 penalty.²

Based on the fact that the LAGUNA BEACH TAXPAYERS' ASSOCIATION PAC paid the \$50 annual fee to SOS albeit late, the Enforcement Division has decided not to pursue collection of the \$150 fee for 2013, nor issue an additional penalty for violating the requirements of the Act. However, please be advised that the Act requires a committee to pay the \$50 annual fee no later than January 15th each year, or 15 days after filing the statement of organization.³ Failure to timely pay the annual fee in the future will result in an SOS fine of three times the amount of the fee⁴ and an assessment of the Commission penalty of up to \$5,000 for the violation of the Act. Additionally, if LAGUNA BEACH TAXPAYERS' ASSOCIATION PAC has not paid the 2014 fee, we may be contacting you regarding a penalty in the future.

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 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 Enforcement Division 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 Commission's website ten (10) days from the date of this letter.

¹ The Act is contained in Government Code sections 81000 through 91014. The Commission's regulations are contained in sections 18110 through 18997 of Title 2 of the California Code of Regulations.

² Section 84101.5.

³ Id.

⁴ Id.

If you have any questions, please contact Bridgette Castillo at [REDACTED]. Thank you for your prompt attention to this matter.

Sincerely,

[REDACTED]

Bridgette Castillo
Senior Commission Counsel, Enforcement Division