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

September 12, 2011

Alan S. Lowenthal
Alan Lowenthal for Lt. Governor 2010

REDACTED

Jane Leiderman
Padilla & Associates

REDACTED

Re: Warning Letter Re: FPPC No. 11/691; Alan S. Lowenthal, Alan Lowenthal for Lt. Governor 2010, and Jane Leiderman, Treasurer

Dear Mr. Lowenthal and Ms. Leiderman:

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 an audit referral from the Franchise Tax Board that alleged you have failed to file a late contribution report.

The FPPC has completed its investigation of the facts in this case. Specifically, the FPPC found that you failed to file a late contribution report when required with the Secretary of State's office.

The Act requires that candidates and their committees file campaign statements at periodic intervals. Specifically the Act provides that each candidate or committee that makes a late contribution, as defined in Section 82036, shall report the late contribution to each office with which the candidate or committee is required to file within 24 hours of the time it is made. Your actions violated the Act because you failed to file a late contribution report within the 24-hour period of making a contribution totaling $63,300 on May 25, 3010, $59,400 of which was made to the California Democratic Party and $3,900 to Mary Salas for State Senate 2010. (GC § 84203.)

[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 the audit report demonstrated you have substantially complied with the disclosure and recordkeeping provisions of the Act and filed other late contribution reports when receiving contributions but did not appear to know that late contribution reports are also filed when contributions are made, 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 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.

Although the FPPC is not seeking a penalty in the current matter, you are still responsible for any late filing fees assessed by your filing officer. (Section 91013.) 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. Please also 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,

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Gary S. Winuk
Chief, Enforcement Division

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