



FAIR POLITICAL PRACTICES COMMISSION

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October 29, 2013

Mr. James R. Sutton

The Sutton Law Firm

Treasurer, Moving Forward, a Coalition of Labor Unions, Small Businesses, Public Safety and Firefighters Associations Supporting Bell, Bates, Roberson, and Opposing Martinez and Langlois, Major Funding by Chevron

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Warning Letter Re: FPPC No. 13/525, Moving Forward, a Coalition of Labor Unions, Small Businesses, Public Safety and Firefighters Associations Supporting Bell, Bates, Roberson, and Opposing Martinez and Langlois, Major Funding by Chevron: James R. Sutton, Treasurer

Dear Mr. Sutton:

The Fair Political Practices Commission (the "FPPC") enforces provisions of the Political Reform Act (the "Act").¹ As you are aware, the Enforcement Division of the FPPC recently investigated whether certain campaign statements filed pursuant to the Act's requirements by the committee Moving Forward, a Coalition of Labor Unions, Small Businesses, Public Safety and Firefighters Associations Supporting Bell, Bates, Roberson, and Opposing Martinez and Langlois, Major Funding by Chevron ("Moving Forward") violated the disclosure requirements of the Act.

The Enforcement Division has completed its investigation of the facts in this case. Specifically, the FPPC found that Moving Forward failed to clearly identify the corporation Chevron as its sponsor on numerous campaign statement filings required by the Act.

The Act provides that a committee is sponsored if it receives 80 percent or more of its contributions from a person. (Section 82048.7 sub. (b).) Applying this standard, Moving Forward was sponsored by the corporation Chevron from its inception through the end of the calendar year 2012. A sponsored committee must include in its name the sponsor's name and indicate on the committee's Statement of Organization (Form 410) the industry group or affiliation of the sponsor. (Regulation 18419, sub. (b).) Moreover, when identification of a

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.

sponsored committee is required by the Act, the full name of the committee, as identified in its Statement of Organization, is required. (Section 84106.)

Although Moving Forward, a committee that was primarily formed to support and oppose candidates in the City of Richmond's City Council election on November 6, 2012, received more than 80 percent of its contributions from Chevron, twenty Late Independent Expenditure Reports (Form 496) filed prior to the election did not contain the name of Chevron as a sponsor. Additionally, an amended Form 410 Statement of Organization and Form 460, Recipient Committee Campaign Statement, filed on January 31, 2013, failed to contain the name of Chevron as well.

The Enforcement Division has concluded that your actions violated disclosure provisions of the Act as set forth in Sections 84101 and 84211. However, because you have since amended all of the statements in question to correctly reflect the fact that Chevron was a sponsor of the committee, your committee does not have a prior enforcement history, and you cooperated with the investigation, we are closing your case with this 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 discovered information or future conduct. Failure to comply with the advertisement provisions of the Act in the future will result in monetary penalties of up to \$5,000 for each violation or three times the cost of the advertisement 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 any questions, please feel free to contact Adrienne Korchmaros at 916-322-8241.

Sincerely,

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Gary S. Winuk
Chief, Enforcement Division

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