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

December 31, 2010

Larry and Rose Urdahl
Redacted

RE: Warning Letter
FPPC No. 09/614; Friends of Rose Urdahl, Rose Urdahl, and Larry Urdahl

Dear Mr. and Ms. Urdahl:

The Fair Political Practices Commission ("Commission") enforces the provisions of the Political Reform Act (the "Act")[1]. This letter is in response to a proactive investigation begun against you by the Commission that alleged that you and the Friends of Rose Urdahl Committee (the "Committee") violated the campaign reporting and campaign funds usage provisions of the Act. These allegations include failing to properly disclose the true source of loans to the Committee and misuse of campaign funds. The Commission has decided to close this case with this warning letter.

The Commission has completed its investigation into the facts in this case. We determined that you failed to properly disclose Rose Urdahl as the true source of the loans to the Committee and instead reported Larry Urdahl as the source. In addition, we found that campaign funds were not misused when spent to challenge the ballot description of Rose Urdahl's opponent, Mark C. Anderson.

Under the Act, a candidate is required to file campaign statements disclosing contributions received and expenditures made. (Sections 84200 - 84213.) Specifically, Section 84211 requires information regarding contributions of $100 or more, including loans, to the disclosure of the name, address, occupation and employer of the contributor. In addition, campaign funds are held in trust and can only be used for political, legislative or governmental purposes permitted under the Act. (Sections 89510 – 89522.)

[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.

Your actions violated the Act because you improperly reported Larry Urdahl as the source of the loans to the Committee during the first half of 2008, then amended to properly reflect the loans as from the candidate, Rose Urdahl, after inquiries from the press.

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 provisions of the Act in the future could result in monetary penalties up to $5,000 per violation.

A warning letter is a Commission 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 Commission 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.

If you have any questions regarding this matter, please feel free to contact me at 916-322-5660.

Sincerely,

Redacted

Galena West
Senior Commission Counsel
Enforcement Division