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

February 14, 2011

Mr. Kevin Gorospe
REDACTED

Warning Letter Re: FPPC No. 10/104, Kevin Gorospe, Respondent

Dear Mr. Gorospe:

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 a pro-active investigation begun against you by the FPPC concerning your failure to report gifts of travel during your tenure with the Department of Health Services.

The FPPC has completed its investigation of the facts in this case. Specifically, the FPPC found that you failed to report receipt of a gift of travel to Phoenix, Arizona in June of 2007 to make a speech at two sessions of the Fall Managed Market Summit 2007 sponsored by Pinsonalt Associates.

The Act provides that public officials must disclose the receipt of gifts valued at $50 or more. (Section 87207(a)(1).) Additionally, the Act provides a limit on the value of a gift that a public official may receive from any one source. (Section 89503.) In 2007, the gift limit was $390. The Act contains exceptions to gifts that are subject to the gift limit. Specifically, with regard to gifts of travel in connection with a speech, Commission regulations provide that a gift of travel, lodging and subsistence is not subject to the gift limit provided the travel is within the United States, is reasonably related to a legislative or governmental purpose, and the lodging and subsistence is limited to the day before, day of and day following the speech. (Regulation 18950.1(a).) The gift provided to you in connection with the speech at the Fall Managed Market

[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 18109 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.

Summit is not subject to the gift limit, but nevertheless, must be reported by you on your Statement of Economic Interest (Form 700.)

Your actions violated the Act because you failed to report this gift on your 2007 Annual Statement of Economic Interests. However, since you voluntarily provided information concerning receipt of this gift and because you are no longer an official within the Department of Health Services, we are closing our file on this matter.

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 will result in monetary penalties of up to $5,000 for each violation.

You must, however, amend your 2007 Annual Statement of Economic Interests to disclose this gift of travel. The gift schedule is enclosed for your use. Once completed, it must be sent to the Department of Health Services to be included with your 2007 annual statement.

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.

Please feel free to contact me with any questions you may have regarding this letter.

Sincerely,

REDACTED

Gary S. Winuk, Chief
Enforcement Division

GSW/jt
Enclosure