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

May 6, 2010

Senator Alan Lowenthal

REDACTED

Warning Letter Re: FPPC No. 10/327; Alan Lowethal

Dear Senator Lowenthal:

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 referral from the FPPC's Technical Assistance Division alleging that you violated the gift limits.

The FPPC has completed its investigation of the facts in this case. Specifically, the FPPC found that on the Schedule D of the Statement of Economic Interests you filed on or about March 1, 2010, covering calendar year 2009, you disclosed that you received a gift from the Port of Long Beach in excess of the gift limits imposed by the Act in Section 89503.

The Act prohibits certain public officials from accepting gifts valued beyond the gift limit. Specifically, the term "gift" is defined as "any payment that confers a personal benefit on the recipient, to the extent that consideration of equal or greater value is not received." (GC § 82028(a).) The Act places limitations on the acceptance of gifts by certain public officials. As an elected state officer, you are prohibited from accepting gifts from any single source in any calendar year with a total value of more than the gift limit. (GC § 89503(a).) The gift limit in 2009 was $420. (Regulation 18940.2.) On May 19, 2009, according to Schedule D of your Form 700, you received a gift totaling $1,380 from the Port of Long Beach for Grand Prix of Long Beach tickets. Within 30 days of receipt of a gift over the gift limit, you are able to pay the donor the difference between the value of the gift and the gift limit to bring the value of the gift below the gift limit. (Regulation 18943.) According to your Form 700, you made a payment to the donor bringing the total below the gift limit on March 1, 2010, well past the 30 days.

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[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 received a gift over the limit. However, because you ultimately did pay the donor the difference between the gift's value and the gift limit, we have decided to close this case.

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.

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 questions regarding this matter, please contact Adrianne Korchmaros at (916) 322-8241.

Sincerely,

REDACTED

Gary S. Winuk, Chief
Enforcement Division

GSW:ak

cc: FPPC Technical Assistance Division