FAIR POLITICAL PRACTICES COMMISSION
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September 29, 2009

Kasey Christopher Clark
General Manager/Chief Counsel
CA Statewide Law Enforcement Association

REDACTED

**Warning Letter: FPPC No. 07/462, State Park Peace Officers Association of CA and Scott Pace**

Dear Mr. Clark:

On July 24, 2007, you sent a referral to the Enforcement Division concerning possible campaign money laundering in 2006 by one of your affiliates – the State Park Peace Officers Association of California ("SPPOAC"). SPPOAC is a registered non-profit organization under Internal Revenue Code section 501(c)(3), which does not have a political action committee. At all times, Scott Pace was a Supervising State Park Ranger and a non-voting member of the SPPOAC Board of Directors.

In 2007, your office conducted an audit of the financial activities of SPPOAC and found that Mr. Pace had made seven campaign contributions to various state candidates and one federal candidate during 2006[1], and that SPPOAC had reimbursed Mr. Pace for each of the contributions. The state contributions were as follows:

| Date of Contribution | Recipient Candidate | Amount | Reported Contributor |
|---|---|---|---|
| 04/06/06 | Phil Angelides | $200 | Scott Pace |
| 04/12/06 | Steve Westly | $200 | Scott Pace |
| 06/07/06 | Phil Angelides | $200 | Scott Pace |
| 06/28/06 | John Garamendi | $100 | Scott Pace |
| 06/29/06 | Phil Angelides | $200 | Scott Pace |
| 07/13/06 | Phil Angelides | $400 | Scott Pace |
| **Total** | | **$1,300** | |

[1] Mr. Pace also made a $200 contribution to the congressional campaign of Steve Filson on April 6, 2006. This contribution is outside of our jurisdiction, and is therefore, not further addressed herein.

You provided copies of Mr. Pace's personal checks issued to the recipient candidates, copies of candidate campaign statements reporting the contributions, and copies of checks issued on the bank account of SPPOAC reimbursing Mr. Pace for each contribution. The campaign statements reflect that for each contribution Mr. Pace was reported as the contributor and his occupation and employment with SPPOAC was disclosed. As such, the public was aware of Mr. Pace's employment with SPPOAC. During 2006, Steve Westly and Phil Angelides were both statewide candidates for Governor with individual contributions limited to $20,000 per contributor, and John Garamendi was a candidate for Lieutenant Governor with a $5,000 contribution limit.

Based on the information you provided, it appears that SPPOAC, apparently through the actions Mr. Pace, violated sections 84300, subdivision (c) and 84301 by making six campaign contributions in the name of another person without disclosing to the recipient that SPPOAC was the true source of the contribution. However, we found that there were several mitigating factors in this case, including the fact that: 1) these contributions, individually and in total, were very small in relation to the contribution limits in effect for these statewide candidates; 2) the name of Mr. Pace and his affiliation with SPPOAC was reported on all of the recipients' campaign statements; 3) as such, there was no intent to avoid contribution limits or hide the identity of SPPOAC; 4) you, as SPPOAC's parent organization, conducted an internal audit and voluntarily reported these violations to the Commission; 5) the reimbursement activity by SPPOAC appears to be an isolated incident in 2006; and 6) it is unlikely that these violations would have been discovered without your investigation and self-reporting of SPPOAC. Although the violations are founded, based on these mitigating factors, we have determined not to prosecute SPPOAC for the violations of the Act. Accordingly, our file in this matter has been closed.

However, this letter does serve 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 SPPOAC with the opportunity for a probable cause hearing or a 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 at (916) 322-5660 with any questions you may have regarding this letter.

Sincerely

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Melodee A. Mathay
Staff Counsel IV
Enforcement Division