FAIR POLITICAL PRACTICES COMMISSION
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November 18, 2009

Michael Lighty
Californians for Clean Elections: Yes on 89

REDACTED

RE: Warning Letter
FPPC Case No. 06/742; Californians for Clean Elections: Yes on 89 and Michael Lighty

Dear Mr. Lighty:

The Fair Political Practices Commission ("FPPC") enforces the provisions of the Political Reform Act (the "Act")[1]. This letter is in response to a complaint filed against you and Californians for Clean Elections: Yes on 89 (the "Committee") that alleged you and the Committee failed to timely file electronic reports, in violation of Section 85309, subdivisions (b) and (d) of the Act.

The FPPC has completed its investigation of the facts in this case. Specifically, the FPPC found that, at all relevant times, you were the treasurer of the Committee. The Committee was a primarily formed state ballot measure committee that was sponsored by the CA Nurses Association and the CA Nurses Association Initiative PAC. On July 7, 2006, the Committee received a contribution for $259,340 from the California Nurses Association. On August 4, 2006, the Committee received a contribution in the amount of $80,000 from the California Nurses Association. On September 7, 2006, the Committee received a contribution in the amount of $154,842 from the California Nurses Association. The electronic reports disclosing these contributions were not timely filed.

The Act provides in Section 84605, subdivision (a), that all committees are required to file campaign statements in connection with a state elective office or state measure to file online

[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.

or electronically with the Office of the Secretary of State, if they receive contributions or make expenditures of fifty thousand dollars ($50,000) or more in a calendar year. The Committee met the $50,000 threshold at least by July 7, 2006.

Additionally, during the election cycle, a committee primarily formed to support or oppose one or more state ballot measures that is required to file reports online, pursuant to Section 84605, is required to file online or electronically with the Secretary of State a report disclosing the receipt of a contribution of one thousand ($1,000) or more received during an election cycle. (Section 85309, subd. (b).) According to Section 85204, the election cycle is the period of time commencing 90 days before the election and ending on the date of the election. Proposition 89 was voted on in the November 7, 2006 election. The reports must disclose the same information required by Section 84203, subdivision (a) and shall be filed within 24 hours of receipt of the contribution.

Further, a committee primarily formed to support or oppose a state ballot measure that is required to file reports pursuant to Section 84605 shall file online or electronically with the Secretary of State a report disclosing receipt of a contribution of $5,000 or more received at any time other than during an election cycle. (Section 85309, subd. (d).) These reports shall disclose the same information required by subdivision (a) of Section 84203 and shall be filed within 10 days of receipt of the contribution.

Specifically, we found that you were required to file an electronic report within 24 hours of receiving the September 7, 2006 contribution. However, this electronic report was not filed until September 13, 2006, in violation of Section 85309, subdivision (b). Additionally, we found that you were required to file an electronic report within 10 days of receiving the July 7, 2006, and August 4, 2006 contributions. However, these electronic reports were not filed until September 12, 2006, in violation of Section 85309, subdivision (d).

You and the Committee violated the Act because you failed to timely file the above mentioned electronic reports, in violation of Section 85309, subdivisions (b) and (d).

This letter serves as a written warning. The Commission has decided to close this case with this warning letter, based in part, on the fact that you and the Committee filed these electronic reports prior to the November 7, 2006 election and prior to receiving any notice from the Enforcement Division. However, 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.

The Commission publishes forms and manuals to facilitate compliance with the provisions of the Act. If you need forms or manuals, or guidance regarding your obligations, please call the Commission's Technical Assistance Division at 1-866-275-3772. Please also visit our website at www.fppc.ca.gov.

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

Sincerely

REDACTED

Bridgette Castillo
Commission Counsel
Enforcement Division