

1 GALENA WEST
Enforcement Chief
2 RUTH YANG
Commission Counsel
3 Fair Political Practices Commission
1102 Q Street, Suite 3000
4 Sacramento, CA 95811
Telephone: (916) 322-5660
5 Facsimile: (916) 322-1932

6 Attorneys for Complainant
Enforcement Division of the Fair Political Practices Commission
7

8
9 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
10 STATE OF CALIFORNIA

11
12 In the Matter of:

13 LOS ANGELES LEAGUE OF
14 CONSERVATION VOTERS,

15 Respondents.

FPPC No. 16/19925

16 STIPULATION, DECISION, AND ORDER

17 **INTRODUCTION**

18 Los Angeles League of Conservation Voters (the “Committee”) qualified as a committee on or
19 about March 9, 1981, and is now a county general purpose committee. Moe Stavnezer was the
20 Committee’s treasurer through the end of 2017, but he is now deceased. The Committee violated the
21 Political Reform Act (the “Act”)¹ by failing to timely file four pre-election campaign statements, three
22 semi-annual campaign statements, and twenty 24-hour contribution reports.

23 **SUMMARY OF THE LAW**

24 The violations in this case occurred in 2016 and 2017. All legal references and discussions of law
25 pertain to the Act’s provisions as they existed at the time.

26 ///

27 _____
28 ¹ The Political Reform Act is contained in Government Code sections 81000 through 91014, and all statutory
references are to this code. The regulations of the Fair Political Practices Commission are contained in Sections 18110
through 18997 of Title 2 of the California Code of Regulations, and all regulatory references are to this source.

1 Need for Liberal Construction and Vigorous Enforcement of the Act

2 When enacting the Act, the people of California found and declared that previous laws regulating
3 political practices suffered from inadequate enforcement by state and local authorities.² Thus, it was
4 decreed that the Act “should be liberally construed to accomplish its purposes.”³ One purpose of the Act
5 is to promote transparency by ensuring that receipts and expenditures in election campaigns are fully and
6 truthfully disclosed so that voters are fully informed and improper practices are inhibited.⁴ Another
7 purpose of the Act is to provide adequate enforcement mechanisms so that the Act will be “vigorously
8 enforced.”⁵

9 General Purpose Committee

10 A committee is any person or combination of persons who, among other qualifications, receives
11 contributions totaling \$2,000 or more in a calendar year.⁶ A general purpose committee is a committee
12 which is formed or exists primarily to support or oppose more than one candidate or ballot measure.⁷ A
13 county general purpose committee is a committee formed to support or oppose candidates or measures
14 voted on in only one county, or in more than one jurisdiction within one county.⁸

15 Pre-Election Campaign Statements

16 The Act requires a county general purpose committee to file pre-election campaign statements if
17 it makes contributions or independent expenditures totaling \$500 or more in connection with a statewide
18 primary or general election during the period covered by the pre-election campaign statements.⁹ The
19 committee must file the first pre-election campaign statement for the period ending 45 days before the
20 election no later than 40 days before the election.¹⁰ The committee must also file a second pre-election
21 campaign statement for the period ending 17 days before the election no later than 12 days before the

22 ///

23
24
25 ² Section 81001, subd. (h).

26 ³ Section 81003.

27 ⁴ Section 81002, subd. (a).

28 ⁵ Section 81002, subd. (f).

⁶ Section 82013, subd. (a).

⁷ Section 82027.5, subd. (a).

⁸ Section 82027.5, subd. (c).

⁹ Section 84200.5, subd. (c).

¹⁰ Section 84200.8, subd. (a).

1 election.¹¹ Whenever the deadline falls on a Saturday, Sunday, or official state holiday, the filing deadline
2 for a statement shall be extended to the next regular business day.¹²

3 Semi-Annual Campaign Statements

4 The Act requires a county general purpose committee to file two semi-annual campaign
5 statements each year no later than July 31 for the period ending June 30 and no later than January 31 for
6 the period ending December 31.¹³ Whenever the deadline falls on a Saturday, Sunday, or official state
7 holiday, the filing deadline for a statement shall be extended to the next regular business day.¹⁴

8 24-Hour Reports

9 A late contribution is a contribution that totals in the aggregate \$1,000 or more that is made or
10 received by a candidate, a controlled committee, or a primarily formed committee within 90 days before
11 or on the date of the election.¹⁵ Late contributions must be reported within 24 hours of the time it is made
12 and must be reported on subsequent campaign statements.¹⁶ Whenever the deadline falls on a Saturday,
13 Sunday, or official state holiday, the filing deadline for a statement shall be extended to the next regular
14 business day except when it is immediately prior to an election.¹⁷

15 **SUMMARY OF THE FACTS**

16 This case was opened as a result of a sworn complaint alleging that the Committee had not reported
17 late contributions from 2016 that were separately reported by their recipients. After requesting the
18 Committee's filing history, the Enforcement Division discovered other reporting deficiencies that were
19 later corrected in amended statements filed in conjunction with this settlement.

20 Reporting Periods During January 1, 2016 through June 30, 2016

21 On February 4, 2016, the Committee made a contribution of \$1,500 to Janice Hahn, who was on
22 the ballot for the June 7, 2016 election. This contribution triggered the pre-election filing obligation for
23 the Committee. The Committee was required to file pre-election campaign statements for the reporting
24 periods covering January 1, 2016 through April 23, 2016 by April 28, 2016; and April 24, 2016 through
25

26 ¹¹ Section 84200.8, subd. (b).

¹² Regulation 18116, subd. (a).

¹³ Section 84200, subd. (a).

¹⁴ Regulation 18116, subd. (a).

¹⁵ Section 82036, subd. (a).

¹⁶ Sections 84203, subd. (b), and 84204, subd. (a).

¹⁷ Regulation 18116, subd. (b).

1 May 21, 2016 by May 26, 2016. The Committee also was required to file a semi-annual campaign
2 statement for the reporting period covering May 22, 2016 through June 30, 2016 by August 1, 2016. The
3 Committee failed to timely file the pre-election campaign statements and the semi-annual campaign
4 statement.

5 Instead, the Committee filed a campaign statement for the period covering January 1, 2016 through
6 June 30, 2016 on September 12, 2016. On that campaign statement, the Committee reported \$31,890 in
7 contributions; \$23,321 in expenditures, and \$75,757 in ending cash balance. The campaign statement also
8 showed that the Committee had failed to file 24-hour contribution reports for the following contributions:

Contribution Date	Report Due Date	Contribution Recipient	Contribution Amount	Election Date
February 11, 2016	February 12, 2016	Meghan Sahli-Wells	\$1,000	April 12, 2016
March 8, 2016	March 9, 2016	Thomas Small	\$1,000	April 12, 2016
March 11, 2016	March 14, 2016	Janice Hahn	\$2,000	June 7, 2016

9 Reporting Periods During July 1, 2016 through December 31, 2016

10 On August 10, 2016, the Committee made a contribution of \$5,000 to Jim Kennedy, who was on
11 the ballot for the November 8, 2016 election. This contribution triggered the pre-election filing obligation
12 for the Committee. The Committee was required to file pre-election campaign statements for the reporting
13 periods covering July 1, 2016 through September 24, 2016 by September 29, 2016; and
14 September 25, 2016 through October 22, 2016 by October 27, 2016. The Committee also was required to
15 file a semi-annual campaign statement for the reporting period covering October 23, 2016 through
16 December 31, 2016 by January 31, 2017. The Committee failed to timely file the pre-election campaign
17 statements and semi-annual campaign statement.

18 Instead, the Committee filed a campaign statement for the period covering July 1, 2016 through
19 December 31, 2016 on August 11, 2017. On that campaign statement, the Committee reported \$12,225 in
20 contributions; \$46,072 in expenditures; and \$41,910 in ending cash balance. The campaign statement also
21 showed that the Committee had failed to file 24-hour contribution reports for the following contributions:

22 ///

Contribution Date	Report Due Date	Contribution Recipient	Contribution Amount	Election Date
August 10, 2016	August 11, 2016	Jim Kennedy	\$5,000	November 8, 2016
August 15, 2016	August 16, 2016	Santa Monica Forward Issues Committee	\$1,000	November 8, 2016
September 13, 2016	September 14, 2016	Build Better LA (Measure JJJ)	\$1,000	November 8, 2016
September 14, 2016	September 15, 2016	Measure A	\$10,000	November 8, 2016
		Yes on A	\$5,000	November 8, 2016
		Safe Clean Neighborhood (Measure A)	\$15,000	November 8, 2016
		End Homelessness in LA (Measure HHH)	\$1,000	November 8, 2016
September 20, 2016	September 21, 2016	Tim Sandoval	\$1,000	November 8, 2016
October 5, 2016	October 6, 2016	Santa Monica Forward Supporting Terry O'Day, etc.	\$2,000	November 8, 2016

The Committee also had failed to report the late contributions it made on August 15, 2016 and October 5, 2016 on the campaign statement.

Reporting Periods During January 1, 2017 through June 30, 2017

The Committee did not make any contributions or independent expenditures in connection with a statewide primary or general election during the period covering January 1, 2017 through May 20, 2017, the period covered by pre-election campaign statement. Therefore, it was not required to file pre-election campaign statements during this time. The Committee, however, was required to file a semi-annual campaign statement for the reporting period covering January 1, 2017 through June 30, 2017 by July 31, 2017, but did not file it until September 17, 2017. The Committee reported \$51,356 in contributions; \$37,114 in expenditures; and \$56,152 in ending cash balance. The semi-annual campaign statement also showed that the Committee had failed to file 24-hour contribution reports for the following contributions:

///

Contribution Date	Report Due Date	Contribution Recipient	Contribution Amount	Election Date
February 6, 2017	February 7, 2017	Nils Nehrenheim	\$1,000	March 7, 2017
		Todd Lowenstein	\$1,000	March 7, 2017
February 9, 2017	February 10, 2017	Laurie Guillen	\$5,000	March 7, 2017
February 10, 2017	February 13, 2017	Bill Brand	\$5,000	March 7, 2017
March 27, 2017	March 28, 2017	Sharon Springer	\$8,478	April 11, 2017

VIOLATION

Count 1: Failure to Timely File Pre-Election Campaign Statements

The Committee failed to timely file pre-election campaign statements for the reporting periods ending on April 23, 2016 and May 21, 2016, in violation of Government Code section 84200.5, subdivision (c).

Count 2: Failure to Timely File Pre-Election Campaign Statements

The Committee failed to timely file pre-election campaign statements for the reporting periods ending on September 24, 2016 and October 22, 2016, in violation of Government Code section 84200.5, subdivision (c).

Count 3: Failure to Timely File Semi-Annual Campaign Statement

The Committee failed to timely file semi-annual campaign statement for the reporting periods ending on June 30, 2016; December 31, 2016; and June 30, 2017, in violation of Government Code section 84200, subdivision (a).

Count 4: Failure to Timely File 24-Hour Reports

In 2016, the Committee failed to timely file 24-hour contribution reports for twelve late contributions made amounting to \$45,000, in violation of Government Code section 84203.

Count 5: Failure to Timely File 24-Hour Reports

In 2017, the Committee failed to timely file 24-hour contribution reports for five late contributions made amounting to \$20,478, in violation of Government Code section 84203.

Count 6: Failure to Timely File 24-Hour Reports

In 2018, the Committee failed to timely file 24-hour contribution reports for three late contributions made amounting to \$3,000, in violation of Government Code sections 84203.

///

1 **PROPOSED PENALTY**

2 This matter consists of five counts. The maximum penalty that may be imposed is \$5,000 per
3 count. Thus, the maximum penalty that may be imposed is \$25,000.

4 In determining the appropriate penalty for a particular violation of the Act, the Commission
5 considers the facts of the case, the public harm involved, and the purpose of the Act. Also, the
6 Commission considers factors such as: (a) the seriousness of the violation; (b) the presence or absence of
7 any intention to conceal, deceive, or mislead; (c) whether the violation was deliberate, negligent, or
8 inadvertent; (d) whether the violation was isolated or part of a pattern; (e) whether corrective amendments
9 voluntarily were filed to provide full disclosure; and (f) whether the violator has a prior record of
10 violations.¹⁸

11 Applying the factors to this case, these six violations resulted in a lack of transparency for the
12 public into the Committee’s campaign activities due to various reporting issues. Furthermore, the
13 Committee had a prior case open with the Enforcement Division for failing to timely file a semi-annual
14 campaign statement for the period covering July 1, 2015 through December 31, 2015. The Committee
15 filed that statement 56 days past due, and the case was resolved with a stipulation. That previous case
16 and this current case demonstrate that the Committee has a pattern of failing to timely file campaign
17 statements.

18 In mitigation, the Committee’s lack of timely disclosure does not seem to be a result of an intent
19 to conceal, deceive, or mislead, but seem negligent in nature. Additionally, the Committee made
20 voluntary corrective amendments to lessen the harm.

21 The Commission also considers penalties in prior cases with comparable violations. Recent cases
22 with similar violations include the following:

23 Counts 1 and 2

24 *In the Matter of Humboldt Deputy Sheriff’s Organization PAC, Leslie S. Borges, and Scott N.*
25 *Hicks*; FPPC No. 15/1966. (The Commission approved a stipulated agreement on December 21, 2017.)
26 The county general purpose committee failed to timely file two pre-election campaign statements. The
27 ///

28 _____
¹⁸ Regulation 18361.5, subd. (d).

1 Commission approved a penalty of \$3,000 for the violation. As to Counts 1 and 2, the Committee also
2 failed to timely file two pre-election campaign statements.

3 Count 3

4 *In the Matter of Humboldt Deputy Sheriff's Organization PAC, Leslie S. Borges, and Scott N.*
5 *Hicks*; FPPC No. 15/1966. (The Commission approved a stipulated agreement on December 21, 2017.)
6 The county general purpose committee failed to timely file three semi-annual campaign statements. The
7 Commission approved a penalty of \$2,500 for the violation. As to Count 3, the Committee also failed to
8 timely file three semi-annual campaign statements.

9 Counts 4 and 5

10 *In the Matter of Humboldt Deputy Sheriff's Organization PAC, Leslie S. Borges, and Scott N.*
11 *Hicks*; FPPC No. 15/1966. (The Commission approved a stipulated agreement on December 21, 2017.)
12 The county general purpose committee failed to timely file a 24-hour contribution report for four different
13 contributions made amounting to \$9,000. The Commission approved a penalty of \$2,000 for the violation.

14 *In the Matter of Contra Costa Supervisor John Gioia 2010 Officeholder Account, Contra Costa*
15 *Supervisor John Gioia 2014 Officeholder Account, John Gioia, and Jennifer Peck*; FPPC Nos. 17/84 and
16 17/86. (The Commission approved a stipulated agreement on August 17, 2017.) The candidate-controlled
17 committee failed to timely file a 24-hour contribution report for two different contributions received
18 amounting to \$2,250, and three different contributions made amounting to \$4,350. The committee failed
19 to report a total of \$6,600 of contributions made and received. The Commission approved a penalty of
20 \$2,000 for the violation.

21 Counts 4 and 5 are similar to *Humboldt PAC* and *Gioia* in that Respondents here failed to report
22 the late contributions and expenditures prior to the pertinent elections, thereby depriving the public of this
23 information before they voted. In aggravation, the quantity and value of late contributions not reported for
24 Counts 4 and 5 exceed the numbers in *Humboldt* and *Gioia*.

25 The Committee had also failed to report on a campaign statement two different contributions made
26 on August 15, 2016 and October 5, 2016. However, in the interest of keeping the proposed penalty to an
27 amount commensurate with the violations committed and because Enforcement is charging a count for
28 failure to timely file 24-hour reports, the Enforcement Division will not pursue these violations separately.

1 For the foregoing reasons, the following penalties are recommended:

2

Count	Violation	Proposed Penalty
1	Failure to Timely File Pre-Election Campaign Statements	\$3,000
2	Failure to Timely File Pre-Election Campaign Statements	\$3,000
3	Failure to Timely File Semi-Annual Campaign Statements	\$2,500
4	Failure to Timely File 24-Hour Reports	\$2,500
5	Failure to Timely File 24-Hour Reports	\$2,500
Total		\$13,500

6

7 **CONCLUSION**

8 Complainant, the Enforcement Division of the Fair Political Practices Commission, and
9 Respondent, Los Angeles League of Conservation Voters, hereby agree as follows:

10 1. Respondent violated the Act as described in the foregoing pages, which are a true and
11 accurate summary of the facts in this matter.

12 2. This stipulation will be submitted for consideration by the Fair Political Practices
13 Commission at its next regularly scheduled meeting—or as soon thereafter as the matter may be heard.

14 3. This stipulation resolves all factual and legal issues raised in this matter—for the purpose
15 of reaching a final disposition without the necessity of holding an administrative hearing to determine
16 the liability of the Respondent pursuant to Section 83116.

17 4. The Respondent has consulted its attorney, Joseph Guardarrama of Kaufman Legal Group,
18 and understands, and hereby knowingly and voluntarily waives, any and all procedural rights set forth in
19 Sections 83115.5, 11503, 11523, and Regulations 18361.1 through 18361.9. This includes, but is not
20 limited to the right to appear personally at any administrative hearing held in this matter, to be represented
21 by an attorney at the Respondent’s own expense, to confront and cross-examine all witnesses testifying
22 at the hearing, to subpoena witnesses to testify at the hearing, to have an impartial administrative law
23 judge preside over the hearing as a hearing officer, and to have the matter judicially reviewed.

24 5. The Respondent agrees to the issuance of the decision and order set forth below. Also, the
25 Respondent agrees to the Commission imposing against it an administrative penalty in the amount of
26 \$15,000. One or more cashier’s checks or money orders totaling said amount—to be paid to the General
27 Fund of the State of California—is/are submitted with this stipulation as full payment of the

28 ///

1 administrative penalty described above, and same shall be held by the State of California until the
2 Commission issues its decision and order regarding the matter.

3 6. If the Commission declines to approve this stipulation—then this stipulation shall become
4 null and void, and within fifteen business days after the Commission meeting at which the stipulation is
5 rejected, all payments tendered by the Respondent in connection with this stipulation shall be reimbursed
6 to the Respondent. If this stipulation is not approved by the Commission, and if a full evidentiary hearing
7 before the Commission becomes necessary, neither any member of the Commission, nor the Executive
8 Director, shall be disqualified because of prior consideration of this Stipulation.

9 7. The parties to this agreement may execute their respective signature pages separately. A
10 copy of any party's executed signature page including a hardcopy of a signature page transmitted via fax
11 or as a PDF email attachment is as effective and binding as the original.

12
13 Dated: _____
14 Galena West, Chief of Enforcement
15 Fair Political Practices Commission

16 Dated: _____
17 _____, on behalf of Los Angeles
18 League of Conservation Voters

1 The foregoing stipulation of the parties “In the Matter of Los Angeles League of Conservation Voters,”
2 FPPC No. 16/19925, is hereby accepted as the final decision and order of the Fair Political Practices
3 Commission, effective upon execution below by the Chair.
4

5 IT IS SO ORDERED.
6

7 Dated: _____
8 Alice T. Germond, Chair
9 Fair Political Practices Commission
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28