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Chief of Enforcement  
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3 **FAIR POLITICAL PRACTICES COMMISSION**  
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5 Telephone: (916) 322-5660

6 Attorneys for Complainant

7  
8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION

9 STATE OF CALIFORNIA

10 In the Matter of ) FPPC No.: 15/2202  
11 )  
12 )  
13 COMMITTEE TO CLEAN HOUSE AND ) DEFAULT DECISION AND  
KEVIN MCVEY, ) ORDER  
14 Respondents. ) (Government Code Sections 11506  
and 11520)  
15 )

16 Complainant, the Enforcement Division of the Fair Political Practices Commission, hereby  
17 submits this Default Decision and Order for consideration by the Fair Political Practices Commission at  
18 its next regularly scheduled meeting.

19 Pursuant to the California Administrative Procedure Act,<sup>1</sup> Committee to Clean House (the  
20 “Committee”) and Kevin McVey (“McVey”) have been served with all of the documents necessary to  
21 conduct an administrative hearing regarding the above-captioned matter, including the following:

- 22
- 23 1. An Order Finding Probable Cause;
  - 24 2. An Accusation;
  - 25 3. A Notice of Defense (Two Copies per Respondent);
  - 26 4. A Statement to Respondent; and
  - 27 5. Copies of Sections 11506, 11507.5, 11507.6 and 11507.7 of the Government Code.

28 <sup>1</sup> The California Administrative Procedure Act, which governs administrative adjudications, is contained in Sections 11370 through 11529 of the Government Code.

1 Government Code Section 11506 provides that failure of a respondent to file a Notice of Defense  
2 within fifteen days after being served with an Accusation shall constitute a waiver of respondent's right  
3 to a hearing on the merits of the Accusation. The Statement to Respondent, served on the Committee and  
4 McVey, stated that a Notice of Defense must be filed in order to request a hearing. The Committee and  
5 McVey failed to file a Notice of Defense within fifteen days of being served with an Accusation.  
6 Government Code Section 11520 provides that, if the respondent fails to file a Notice of Defense, the  
7 Commission may take action, by way of a default, based upon the respondent's express admissions or  
8 upon other evidence, and that affidavits may be used as evidence without any notice to the respondent.

9 The Committee and McVey violated the Political Reform Act as described in Exhibit 1, which is  
10 attached hereto and incorporated by reference as though fully set forth herein. Exhibit 1 is a true and  
11 accurate summary of the law and evidence in this matter. This Default Decision and Order is submitted  
12 to the Commission to obtain a final disposition of this matter.

13  
14 Dated: \_\_\_\_\_

\_\_\_\_\_  
Galena West, Chief of Enforcement  
Fair Political Practices Commission

15  
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17  
18 **ORDER**

19 The Commission issues this Default Decision and Order and imposes a total administrative penalty  
20 of \$29,000 upon Committee to Clean House and Kevin McVey, payable to the "General Fund of the State  
21 of California."

22 IT IS SO ORDERED, effective upon execution below by the Chair of the Fair Political Practices  
23 Commission at Sacramento, California.

24  
25 Dated: \_\_\_\_\_

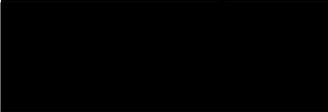
\_\_\_\_\_  
Alice T. Germond, Chair  
Fair Political Practices Commission

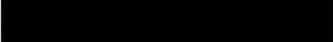


STATE OF CALIFORNIA  
FAIR POLITICAL PRACTICES COMMISSION  
1102 Q Street, Suite 3000 • Sacramento, CA 95811

February 25, 2019

Committee to Clean House  
c/o Kevin McVey



Via email: 

**NOTICE OF INTENT TO ENTER DEFAULT DECISION AND ORDER**

**Re: FPPC No. 15/2202, In the Matter of COMMITTEE TO CLEAN HOUSE and KEVIN MCVEY**

Dear Mr. McVey and Committee to Clean House:

Enclosed please find a copy of the Default Decision and Order, and accompanying Exhibit and attachments, for the above-referenced matter. The Fair Political Practices Commission (the "Commission") will consider these papers at its public meeting on **March 21, 2019**, and decide whether to impose an administrative penalty of \$23,000 against you.

You were previously served a Report in Support of a Finding of Probable Cause, commonly known as a Probable Cause Report, advising you of your right to request a probable cause conference or submit a written response to the probable cause report. You did not request a probable cause conference, nor did you submit anything in writing for the Commission's Hearing Officer to consider in his determination of probable cause.

Following the issuance of the Report in Support of a Finding of Probable Cause, the Commission's Hearing Officer found probable cause that you committed thirteen violations of the Political Reform Act's campaign provisions. Thereafter, the Commission's Chief of Enforcement issued an Accusation against you on these violations. The Accusation was personally served on you on October 10, 2018. Under the law, you have therefore received adequate notice of these proceedings and the action filed against you. Under the Administrative Procedure Act, you were required to file your Notices of Defense within 15 days after service of the Accusation. You failed to file the Notice of Defense forms. As such, your right to an administrative hearing on this matter has been forfeited, and you are in a default position.

You may, but you are not required to, provide a response brief, along with any supporting materials, no later than five calendar days before the Commission hearing at which the default is scheduled to be heard. Your response brief must be served on the Commission Assistant, at the above address.

Following the issuance of the default order and imposition of the administrative penalty, we will commence legal proceedings to collect this fine, which may include converting the Commission's order to a court judgment. Please be advised that administrative penalties for violations of the Political Reform Act cannot be discharged in bankruptcy proceedings.

This letter is your last opportunity to resolve this matter informally by way of a stipulated settlement, before the default proceedings are commenced. If we do not reach a resolution, the enclosed documents will be placed on the Commission's agenda for the March 21, 2019 meeting. Please contact me at (916) 322-5021 or [cburton@fppc.ca.gov](mailto:cburton@fppc.ca.gov) if you wish to enter into a negotiated settlement.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Burton", written over a faint, illegible typed name.

Christopher B. Burton  
Senior Commission Counsel  
Enforcement Division

Enclosures

1 GALENA WEST  
2 Chief of Enforcement  
3 CHRISTOPHER BURTON  
4 Senior Commission Counsel  
5 **FAIR POLITICAL PRACTICES COMMISSION**  
6 1102 Q Street, Suite 3000  
7 Sacramento, CA 95811  
8 Telephone: (916) 322-5660

9 Attorneys for Complainant

10 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION

11 STATE OF CALIFORNIA

12 In the Matter of

13 COMMITTEE TO CLEAN HOUSE AND  
14 KEVIN MCVEY,

15 Respondents.

) FPPC No.: 15/2202

) DEFAULT DECISION AND  
ORDER

) (Government Code Sections 11506  
and 11520)

16 Complainant, the Enforcement Division of the Fair Political Practices Commission, hereby  
17 submits this Default Decision and Order for consideration by the Fair Political Practices Commission at  
18 its next regularly scheduled meeting.

19 Pursuant to the California Administrative Procedure Act,<sup>1</sup> Committee to Clean House (the  
20 "Committee") and Kevin McVey ("McVey") have been served with all of the documents necessary to  
21 conduct an administrative hearing regarding the above-captioned matter, including the following:

- 22 1. An Order Finding Probable Cause;
- 23 2. An Accusation;
- 24 3. A Notice of Defense (Two Copies per Respondent);
- 25 4. A Statement to Respondent; and
- 26 5. Copies of Sections 11506, 11507.5, 11507.6 and 11507.7 of the Government Code.

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4 on the Committee and McVey, stated that a Notice of Defense must be filed in order to request a  
5 hearing. The Committee and McVey failed to file a Notice of Defense within fifteen days of being  
6 served with an Accusation. Government Code Section 11520 provides that, if the respondent fails to  
7 file a Notice of Defense, the Commission may take action, by way of a default, based upon the  
8 respondent's express admissions or upon other evidence, and that affidavits may be used as evidence  
9 without any notice to the respondent.

10 The Committee and McVey violated the Political Reform Act as described in Exhibit 1, which  
11 is attached hereto and incorporated by reference as though fully set forth herein. Exhibit 1 is a true and  
12 accurate summary of the law and evidence in this matter. This Default Decision and Order is submitted  
13 to the Commission to obtain a final disposition of this matter.

14  
15 Dated: 25 Feb 19

  
\_\_\_\_\_  
Galena West, Chief of Enforcement  
Fair Political Practices Commission

16  
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18  
19 **ORDER**

20 The Commission issues this Default Decision and Order and imposes a total administrative  
21 penalty of \$23,000 upon Committee to Clean House and Kevin McVey, payable to the "General Fund  
22 of the State of California."

23 IT IS SO ORDERED, effective upon execution below by the Chair of the Fair Political  
24 Practices Commission at Sacramento, California.

25  
26 Dated: \_\_\_\_\_

\_\_\_\_\_  
Alice T. Germond, Chair  
Fair Political Practices Commission

## **EXHIBIT 1**

### **INTRODUCTION**

Committee to Clean House (the “Committee”) was a committee primarily formed to oppose Ginny Foat (“Foat”), candidate for Mayor of Palm Springs, and Paul Lewin (“Lewin”), candidate for the Palm Springs City Council, in the November 3, 2015 General Election. The Committee’s principal officer and initial treasurer was Kevin McVey (“McVey”).

The Political Reform Act (“Act”)<sup>1</sup> requires that a primarily formed committee identify itself as such on its statement of organization, and meet certain naming requirements. The Act also requires that committees include certain disclosures on advertisements. In addition, the Act requires reporting of campaign contributions and expenditures, and mandates detailed record keeping by committees. The Act also prohibits cash contributions and expenditures of \$100 or more. Finally, the Act requires that committees file 24-hour reports disclosing “late contributions” and “late independent expenditures.”

This matter arose out of a proactive investigation by the Fair Political Practices Commission’s (“Commission”) Enforcement Division in response to a newspaper article regarding a television and YouTube advertisement that attacked Foat and Lewin and stated it was paid for by the Committee.

Despite its obligations, the Committee failed to properly name itself or identify itself as primarily formed, failed to comply with the Act’s disclosure requirements for political advertisements, failed to maintain sufficient campaign records, unlawfully accepted cash contributions and made cash expenditures of \$100 or more, failed to timely report financial activity on one preelection and one semiannual campaign statement, failed to timely file four 24-hour contribution reports, and failed to timely file three 24-hour independent expenditure reports.

### **DEFAULT PROCEEDINGS UNDER THE ADMINISTRATIVE PROCEDURE ACT**

When the Commission determines that there is probable cause for believing that the Act has been violated, it may hold a hearing to determine if a violation has occurred.<sup>2</sup> Notice of the hearing, and the hearing itself, must be conducted in accordance with the Administrative Procedure Act (the “APA”).<sup>3</sup> A hearing to determine whether the Act has been violated is

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<sup>1</sup> The 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 (“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.

<sup>2</sup> Section 83116.

<sup>3</sup> The California Administrative Procedure Act, which governs administrative adjudications, is contained in Sections 11370 through 11529 of the Government Code; Section 83116.

initiated by the filing of an accusation, which shall be a concise written statement of the charges, specifying the statutes and rules which the respondent is alleged to have violated.<sup>4</sup>

Included among the rights afforded a respondent under the APA, is the right to file a Notice of Defense with the Commission within 15 days after service of the accusation, by which the respondent may (1) request a hearing; (2) object to the accusation on the ground it does not state acts or omissions upon which the agency may proceed; (3) object to the form of the accusation on the ground that it is so indefinite or certain that the respondent cannot identify the transaction or prepare a defense; (4) admit the accusation in whole or in part; (5) present new matter by way of a defense; or (6) object to the accusation on the ground that, under the circumstances, compliance with a Commission regulation would result in a material violation of another department's regulation affecting substantive rights.<sup>5</sup>

The APA provides that a respondent's failure to file a Notice of Defense within 15 days after service of an accusation constitutes a waiver of the respondent's right to a hearing.<sup>6</sup> Moreover, when a respondent fails to file a Notice of Defense, the Commission may take action based on the respondent's express admissions or upon other evidence and affidavits may be used as evidence without any notice to the respondent.<sup>7</sup>

## PROCEDURAL REQUIREMENTS AND HISTORY

### A. Initiation of the Administrative Action

The service of the probable cause hearing notice, as required by Section 83115.5, upon the person alleged to have violated starts the administrative action.<sup>8</sup>

A finding of probable cause may not be made by the Commission unless the person alleged to have violated the Act is 1) notified of the violation by service of process or registered mail with return receipt requested; 2) provided with a summary of the evidence; and 3) informed of his or her right to be present in person and represented by counsel at any proceeding of the Commission held for the purpose of considering whether probable cause exists for believing the person violated the Act.<sup>9</sup> Additionally, the required notice to the alleged violator shall be deemed made on the date of service, the date the registered mail receipt is signed, or if the registered mail receipt is not signed, the date returned by the post office.<sup>10</sup>

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<sup>4</sup> Section 11503.

<sup>5</sup> Section 11506, subds. (a)(1)-(6).

<sup>6</sup> Section 11506, subd. (c).

<sup>7</sup> Section 11520, subd. (a).

<sup>8</sup> Section 91000.5, subd. (a).

<sup>9</sup> Section 83115.5.

<sup>10</sup> Section 83115.5.

No administrative action pursuant to Chapter 3 of the Act alleging a violation of any of the provisions of the Act may be commenced more than five years after the date on which the violation occurred.<sup>11</sup>

Documents supporting the procedural history are included in the attached Certification of Records (“Certification”) filed herewith at Exhibit A, A-1 through A-15, and incorporated herein by reference.

In accordance with Sections 83115.5 and 91000.5, the Enforcement Division initiated the administrative action against the Committee and McVey in this matter by serving them with a Report in Support of a Finding of Probable Cause (the “Report”). (Certification, Exhibit A-1.) The Committee was served with the Report by certified mail, return receipt requested,<sup>12</sup> on March 3, 2018 and April 23, 2018 (Certification, Exhibits A-2 and A-3), and McVey was served with the Report by certified mail, return receipt requested, on April 23, 2018 (Certification, Exhibit A-3). The administrative action commenced on April 23, 2018, and the five-year statute of limitations was effectively tolled on this date.

As required by Section 83115.5, the packet served on the Committee and McVey contained a cover letter and a memorandum describing probable cause proceedings, advising that the Committee and McVey had 21 days in which to request a probable cause conference and/or to file a written response to the Report. (Certification, Exhibit A-4.) Neither the Committee nor McVey requested a probable cause conference or submitted a written response to the Report.

**B. Ex Parte Request for a Finding of Probable Cause**

Because the Committee and McVey failed to request a probable cause conference by the statutory deadline, the Enforcement Division submitted an Ex Parte Request for a Finding of Probable Cause and an Order that an Accusation Be Prepared and Served to the Hearing Officer of the Commission on May 31, 2018. (Certification, Exhibit A-5.)

On May 31, 2018, Hearing Officer John M. Feser, Jr., Senior Commission Counsel, Legal Division, issued a Finding of Probable Cause and an Order to Prepare and Serve an Accusation on the Committee and McVey. (Certification, Exhibit A-6.)

**C. The Issuance and Service of the Accusation**

Under the Act, if the Hearing Officer makes a finding of probable cause, the Enforcement Division must prepare an accusation pursuant to Section 11503 of the APA, and have it served on the persons who are the subject of the probable cause finding.<sup>13</sup>

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<sup>11</sup> Section 91000.5.

<sup>12</sup> Section 83115.5.

<sup>13</sup> Regulation 18361.4, subd. (e).

Section 11503 states:

A hearing to determine whether a right, authority, license, or privilege should be revoked, suspended, limited, or conditioned shall be initiated by filing an accusation or District Statement of Reduction in Force. The accusation or District Statement of Reduction in Force shall be a written statement of charges that shall set forth in ordinary and concise language the acts or omissions with which the respondent is charged, to the end that the respondent will be able to prepare his or her defense. It shall specify the statutes and rules that the respondent is alleged to have violated, but shall not consist merely of charges phrased in the language of those statutes and rules. The accusation or District Statement of Reduction in Force shall be verified unless made by a public officer acting in his or her official capacity or by an employee of the agency before which the proceeding is to be held. The verification may be on information and belief.

Upon the filing of the accusation, the agency must 1) serve a copy thereof on the respondent as provided in Section 11505, subdivision (c); 2) include a post card or other form entitled Notice of Defense that, when signed by or on behalf of the respondent and returned to the agency, will acknowledge service of the accusation and constitute a notice of defense under Section 11506; 3) include (i) a statement that respondent may request a hearing by filing a notice of defense as provided in Section 11506 within 15 days after service upon the respondent of the accusation, and that failure to do so will constitute a waiver of the respondent's right to a hearing, and (ii) copies of Sections 11507.5, 11507.6, and 11507.7.<sup>14</sup> The APA also sets forth the language required in the accompanying statement to the respondent.<sup>15</sup>

The accusation and accompanying information may be sent to the respondent by any means selected by the agency, but no order adversely affecting the rights of the respondent may be made by the agency in any case unless the respondent has been served personally or by registered mail as set forth in the APA.<sup>16</sup>

On July 5, 2018, the Commission's Chief of Enforcement, Galena West, issued an accusation against the Committee and McVey. (Certification, Exhibit A-7.) In accordance with Section 11505, the Accusation and accompanying information, consisting of a Statement to Respondent, two copies of a Notice of Defense Form for each respondent, copies of Government Code Sections 11506, 11507.5, 11507.6, and 11507.7, were served upon the Committee on October 10, 2018 and October 15, 2018, and upon McVey on October 10, 2018. (Certification, Exhibit A-8.)

Along with the Accusation, the Enforcement Division served the Committee and McVey with a "Statement to Respondent," which notified them that they could request a hearing on the merits and warned that, unless a Notice of Defense was filed within 15 days of service of the

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<sup>14</sup> Section 11505, subd. (a).

<sup>15</sup> Section 11505, subd. (b).

<sup>16</sup> Section 11505, subd. (c).

Accusation, they would be deemed to have waived the right to a hearing. (Certification, Exhibit A-9.) The Committee and McVey did not file a Notice of Defense within the statutory time period, which ended on October 25, 2018.

As a result, on February 4, 2019, the Enforcement Division sent a letter to the Committee and McVey advising that this matter would be submitted for a Default Decision and Order at the Commission's public meeting scheduled for March 21, 2019. (Certification, Exhibit A-15.)

On February 25, 2019, the Enforcement Division sent another letter to the Committee and McVey advising that this matter would be submitted for a Default Decision and Order at the Commission's public meeting scheduled for March 21, 2019. (Certification, Exhibit A-16.) A copy of the Default Decision and Order, and this accompanying Exhibit 1 with attachments, was included with the letter.

### SUMMARY OF THE LAW

The Act and its regulations are amended from time to time. The violations in this case occurred in 2015. For this reason, all legal references and discussions of law pertain to the Act's provisions as they existed at that time.

When enacting the Act, the people of California found and declared that previous laws regulating political practices suffered from inadequate enforcement by state and local authorities.<sup>17</sup> For this reason, the Act is to be construed liberally to accomplish its purposes.<sup>18</sup>

One purpose of the Act is to promote transparency by ensuring that receipts and expenditures in election campaigns are fully and truthfully disclosed so that voters are fully informed and improper practices are inhibited.<sup>19</sup> Along these lines, the Act includes a comprehensive campaign reporting system.<sup>20</sup> Another purpose of the Act is to provide adequate enforcement mechanisms so that the Act will be "vigorously enforced."<sup>21</sup>

The Act defines "primarily formed committee" to include a committee which is formed or exists primarily to support or oppose a group of specific candidates being voted upon in the same city, county, or multicounty election.<sup>22</sup> In particular, a committee "formed or existing primarily to support or oppose" a group of specific candidates includes, but is not limited to, a committee created for the purpose of or involved in running the principal campaign against a group of candidates or whose primary purpose and activities are to oppose a group of candidates.<sup>23</sup>

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<sup>17</sup> Section 81001, subd. (h).

<sup>18</sup> Section 81003.

<sup>19</sup> Section 81002, subd. (a).

<sup>20</sup> Sections 84200, *et seq.*

<sup>21</sup> Section 81002, subd. (f).

<sup>22</sup> Section 82047.5.

<sup>23</sup> Regulation 18247.5, subd. (d).

The name of a non-candidate controlled committee primarily formed to support or oppose one or more candidates shall include the last name of each candidate whom the committee supports or opposes as listed on its statement of organization, the office sought and year of the election, and shall state whether the committee supports or opposes the candidate.<sup>24</sup> Further, a committee's statement of organization shall include the name of the committee, as well as the full name and office sought by a candidate that the committee supports or opposes as its primary activity.<sup>25</sup>

An "advertisement" under the Act means any general or public advertisement which is authorized and paid for by a person or committee for the purpose of supporting or opposing a candidate for elective office or a ballot measure(s).<sup>26</sup>

Under the Act, an independent expenditure advertisement that supports or opposes a candidate must include a disclosure statement identifying the committee making the independent expenditure.<sup>27</sup> Further, an advertisement supporting or opposing a candidate that is paid for by an independent expenditure must include a disclosure statement that the advertisement is "not authorized or paid for by a candidate for [that] office."<sup>28</sup>

Principal officers and treasurers have a duty to maintain detailed accounts, records, bills, and receipts necessary to prepare campaign statements and establish campaign statements were properly filed.<sup>29</sup> For any expenditure of \$25 or more, a committee must maintain source documentation such as copies of checks, credit card charge slips, bills, receipts, invoices and any other documents reflecting expenditures made by the committee.<sup>30</sup> The committee must maintain copies of the records for four years from the date the campaign statement reflecting the expenditures is filed.<sup>31</sup>

No contribution of \$100 or more may be made or received in cash.<sup>32</sup> All contributions of \$100 or more must be made in the form of a written instrument containing the name of the contributor and the name of the payee, and drawn from the account of the contributor.<sup>33</sup> The Act further prohibits making an expenditure of \$100 or more in cash.<sup>34</sup> The Act defines "expenditure" as a payment, forgiveness of a loan, payment of a loan by a third party, or an enforceable promise to make a payment, unless it is clear from the surrounding circumstances that it is not made for political purposes.<sup>35</sup>

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<sup>24</sup> Regulation 18402, subd. (c)(3).

<sup>25</sup> Section 84102, subds. (a) and (d).

<sup>26</sup> Section 84501.

<sup>27</sup> Section 84506, subd. (a)(1).

<sup>28</sup> Section 84605.5.

<sup>29</sup> Section 84104.

<sup>30</sup> Regulation 18401, subd. (a)(4).

<sup>31</sup> Regulation 18401, subd. (b).

<sup>32</sup> Section 84300, subd. (a).

<sup>33</sup> Section 84300, subd. (c).

<sup>34</sup> Section 84300, subd. (b).

<sup>35</sup> Section 82025.

At the core of the Act's campaign reporting system is the requirement that committees file campaign statements and reports for certain reporting periods, by certain deadlines, and including certain information.<sup>36</sup>

The Act requires that committees report the total amount of contributions received during the period covered by the campaign statement from (i) persons who have given a cumulative amount of \$100 or more; and (ii) persons who have given a cumulative amount of less than \$100.<sup>37</sup> Further, the Act requires that committees report the name, address, occupation, and employer of each person that contributes \$100 or more on its campaign statements.<sup>38</sup>

The Act also requires that, for loans over \$100, committees must report the name, address, occupation, and employer of each payor, as well as the original date and loan amount, the due date and interest rate, the cumulative payment made or received to date and the outstanding balance at the end of the reporting period, and the cumulative amount of contributions.<sup>39</sup>

The Act also requires that committees report the total amount of expenditures made during the period covered by the campaign statement to (i) persons who have received \$100 or more; and (ii) persons who have received less than \$100.<sup>40</sup> For each person to whom an expenditure of \$100 or more has been made, the committee must report the name and address of the recipient, the amount of the expenditure, and a brief description of the consideration for which each expenditure was made.<sup>41</sup>

Each candidate or committee that makes or receives a late contribution must file a report within 24 hours of making or receiving the contribution.<sup>42</sup> A "late contribution" includes a contribution aggregating \$1,000 or more that is made or received by a candidate or his or her controlled committee during the 90-day period preceding an election or on the date of the election.<sup>43</sup>

When a committee makes a late independent expenditure, the committee must disclose the expenditure in a 24-hour independent expenditure report filed at each office with which the committee is required to file its next campaign statement within 24 hours of making the late independent expenditure.<sup>44</sup> A "late independent expenditure" means any independent

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<sup>36</sup> Section 84200, *et seq.*

<sup>37</sup> Section 84211, subds. (a), (c), and (d).

<sup>38</sup> Section 84211, subd. (f).

<sup>39</sup> Section 84211, subd. (g).

<sup>40</sup> Section 84211, subd. (b), (i), and (j).

<sup>41</sup> Section 84211, subd. (k).

<sup>42</sup> Section 84203.

<sup>43</sup> Section 82036.

<sup>44</sup> Section 84204.

expenditure which totals in the aggregate \$1,000 or more and is made for or against any specific candidate or measure involved in an election within 90 days before the date of the election.<sup>45</sup>

It is the duty of a committee treasurer to ensure that the committee complies with the reporting provisions of the Act.<sup>46</sup> It is the duty of the committee's principal officer to authorize the content of communications made by the committee, authorize expenditures made by the committee, and determine the committee's campaign strategy.<sup>47</sup> A treasurer and principal officer may be held jointly and severally liable, along with the committee, for violations committed by the committee.<sup>48</sup>

### SUMMARY OF THE EVIDENCE

The Committee filed its initial statement of organization on October 23, 2015, indicating that it qualified on October 19, 2015, and claiming to be a city general purpose committee created to "raise awareness of local political issues and candidates." (Certification, Exhibit A-10.) On November 5, 2015, the Committee filed an amendment to its statement of organization, changing its treasurer from McVey to Janice Smith ("Smith").<sup>49</sup> (Certification, Exhibit A-11.) On or about May 26, 2016, the Committee filed a statement of organization terminating the Committee as of December 31, 2015. (Certification, Exhibit A-12.)

The Committee's sole political activity was the production of television and YouTube advertisements attacking Foat and Lewin. As a result, the Committee was formed primarily to oppose Foat and Lewin, despite any purpose stated in its statement of organization. Despite the Committee's true purpose, the Committee never identified as a primarily formed committee.

The Committee filed two campaign statements during its existence – a preelection statement covering the reporting period of January 1 to October 22, 2015, and a semiannual statement covering the period of October 23 to December 31, 2015. (Certification, Exhibits A-13 and A-14.) The Committee reported a total of \$10,486.50 in contributions and \$8,436.50 in expenditures. At the end of October 2015, when the Committee was required to review its status, it had made \$3,875 in independent expenditures, all of which were related to advertisements opposing Foat and Lewin.

Given the Committee's primary purpose of opposing Foat and Lewin, as evidenced, in part, by its expenditures, the Committee was primarily formed during its existence. Therefore, the Committee should have named itself to include the last names of the opposed candidates, the offices sought and year of the election, and the fact that the Committee opposed the candidates;

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<sup>45</sup> Section 82036.5.

<sup>46</sup> Sections 81004, 84100, 84104, and 84213; Regulation 18427.

<sup>47</sup> Section 82047.6; Regulation 18402.1, subd. (b).

<sup>48</sup> Sections 83116.5 and 91006.

<sup>49</sup> Smith was also a respondent in this case, and was served with the Report and Accusation. However, given that Smith's culpability was mitigated greatly by her minimal involvement with the Committee (i.e. only two of the counts contained in the Accusation applied to her), Smith was excluded from this default decision and, instead, sent a warning letter regarding her liability for violating the Act.

however, it did not. Further, the advertisements opposing Foat and Lewin failed to disclose that they were not authorized or paid for by a candidate and the advertisements did not disclose that the Committee was primarily formed as required.

The Committee also failed to maintain adequate source documentation for 100 percent of its contributions received, amounting to \$10,486.50; and approximately 93 percent of expenditures made, amounting to \$7,836, which made any financial reconciliation by the Enforcement Division difficult. Further, the Committee accepted all contributions in cash, including five of \$100 or more totaling \$6,750, which represented approximately 76 percent of all contributions; and made all expenditures in cash, including at least three of \$100 or more totaling \$1,600, which accounted for approximately 19 percent of all expenditures, until October 24, 2015, when a campaign bank account was opened.

The Committee also failed to timely report a variety of financial activity on the Committee’s campaign statements. In particular, although the Committee received contributions under \$50, as admitted by McVey, the Committee failed to timely report any amount of unitemized contributions of less than \$100 on the Committee’s preelection campaign statement covering the period of January 1 to October 22, 2015.

Further, the Committee failed to report certain financial activity on its semiannual campaign statement covering the period of October 23 to December 31, 2015. Despite reporting a loan in the amount of \$1,631.50 received from McVey on its preelection campaign statement covering the period of January 1 to October 22, 2015, the Committee failed to continue to report the loan, along with repayment information, on the subsequent statement, as required to track the loan. In addition, because Smith was not provided with complete campaign records from McVey, she was unable to disclose contributor information for an unknown amount of itemized contributions of \$100 or more. Finally, based on bank statements, the Committee also failed to report expenditures amounting to \$1,121.71.

Finally, the Committee failed to timely file the following 24-hour contribution reports and 24-hour independent expenditure reports:

<b>Statement/ Report Type</b>	<b>Contribution/ Independent Expenditure Date</b>	<b>Due Date</b>	<b>Date Filed</b>	<b>Amount of Contribution</b>
24-Hour Contribution (loan)	10/9/15	10/12/15	N/A	\$1,631.50
24-Hour Contribution	10/17/15	10/19/12	N/A	\$1,300

24-Hour Contribution	10/26/15	10/27/15	N/A	\$1,700
24-Hour Contribution	10/28/15	10/29/15	N/A	\$1,500
24-Hour Contribution	10/28/15	10/29/15	N/A	\$1,500
<b>TOTAL:</b>				<b>\$7,631.50</b>
24-Hour Independent Expenditure	10/27/15	10/28/15	N/A	\$1,125
24-Hour Independent Expenditure	10/29/15	10/30/15	N/A	\$500
24-Hour Independent Expenditure	10/29/15	10/30/15	N/A	\$1,500
24-Hour Independent Expenditure	11/3/15	11/4/15	N/A	\$1,350
<b>TOTAL:</b>				<b>\$4,475</b>

With the exception of the \$1,300 contribution received on October 17, 2015, each of the aforementioned contributions and independent expenditures went unreported prior to the election, whether on a timely-filed campaign statement or 24-hour report.

Foat and Lewin were both unsuccessful in the November 3, 2015 General Election.

#### Summary of Contacts

Overall, Respondents were contacted at least 19 times regarding possible settlement, as follows:

- November 20, 2017: letter from Enforcement Division
- December 5, 2017: email from Enforcement Division
- December 21, 2017: email from Enforcement Division

- January 17, 2018: email and voicemail from Enforcement Division
- January 30, 2018: email from Enforcement Division
- January 31, 2018: phone call with Enforcement Division
- February 2, 2018: email from Enforcement Division
- March 3, 2018: Report in Support of a Finding of Probable Cause served on the Committee
- April 23, 2018: Report in Support of a Finding of Probable Cause served on the Committee and McVey
- May 21, 2018: Report in Support of a Finding of Probable Cause emailed to McVey
- May 31, 2018: copy of Ex Parte Request for a Finding of Probable Cause and an Order that an Accusation Be Prepared and Served mailed to the Committee and McVey
- October 10, 2018: Accusation served upon the Committee and McVey
- October 15, 2018: Accusation served upon the Committee
- November 29, 2018: email from Enforcement Division
- December 14, 2018: phone call with Enforcement Division
- January 24, 2019: email from Enforcement Division
- January 29, 2019: phone call with Enforcement Division
- January 31, 2019: email from Enforcement Division
- February 4, 2019: letter from Enforcement Division

Although Respondents and the Enforcement Division engaged in some settlement negotiations in December 2018 and January 2019, the parties were unable to reach an agreeable settlement.

## **VIOLATIONS**

The Committee and McVey committed seven violations of the Act, as follows:

### COUNT 1

#### **Failure to Properly Name the Committee and Identify the Committee as Primarily Formed**

The Committee and McVey had a duty in naming the Committee to include the last names of the opposed candidates, the offices sought and year of the election, and the fact that the Committee opposed the candidates in the name; and identify the Committee as being primarily formed on its statement of organization. The Committee and McVey failed to name the Committee to include the last names of the opposed candidates, the offices sought and year of the election, and the fact that the Committee opposed the candidates; and failed to identify the Committee as being primarily formed on its statement of organization. By failing to properly name and identify the Committee, the Committee and McVey violated Section 84102, and Regulation 18402, subdivision (c)(3).

COUNT 2

**Failure to Comply With Disclosure Requirements for Political Advertisements**

The Committee and McVey had a duty to disclose, on certain television advertisements paid for by the Committee, that the advertisements were not authorized or paid for by a candidate or committee controlled by a candidate; and disclose the proper committee name on those advertisements. The Committee and McVey failed to disclose, on those television advertisements, that the advertisements were not authorized or paid for by a candidate or committee controlled by a candidate; and failed to disclose the proper committee name on advertisements. By failing to disclose, on those television advertisements, that the advertisements were not authorized or paid for by a candidate or committee controlled by a candidate; and disclose the proper committee name on those advertisements, the Committee and McVey violated Sections 84506.5, subdivision (a); and 84506, subdivision (a)(1).

COUNT 3

**Failure to Maintain Campaign Records**

The Committee and McVey had a duty to maintain certain records for all contributions and other receipts received and expenditures made. The Committee and McVey failed to maintain adequate records for certain contributions and other receipts received; and certain expenditures made. By failing to maintain adequate source documentation for certain contributions and expenditures, the Committee and McVey violated Section 84104 and Regulation 18401.

COUNT 4

**Unlawful Cash Contributions and Expenditures of \$100 or More**

The Committee and McVey were not permitted to receive cash contributions or make cash expenditures of \$100 or more. The Committee and McVey accepted cash contributions of \$100 or more, and made cash expenditures of \$100 or more. By accepting cash contributions of \$100 or more, and making cash expenditures of \$100 or more, the Committee and McVey violated Section 84300, subdivisions (a) and (b).

COUNTS 5 AND 6

**Failure to Timely File 24-Hour Contribution Reports**

The Committee and McVey had a duty to file 24-hour contribution reports within 24 hours of making or receiving late contributions. The Committee and McVey failed to timely file 24-hour contribution reports for a loan in the amount of \$1,631.50, received on October 9, 2015; a contribution in the amount of \$1,300, received on October 17, 2015; a contribution in the

amount of \$1,700, received on October 26, 2015; and two contributions amounting to \$3,000, received on October 28, 2015. By failing to timely file the necessary 24-hour contribution reports, the Committee and McVey violated Section 84203.

#### COUNT 7

#### **Failure to Timely File 24-Hour Independent Expenditure Reports**

The Committee and McVey had a duty to file 24-hour independent expenditure reports within 24 hours of making late independent expenditures. The Committee and McVey failed to timely file 24-hour independent expenditure reports for an independent expenditure in the amount of \$1,125, made on October 28, 2015; independent expenditures amounting to \$2,000, made on October 30, 2015; and an independent expenditure in the amount of \$1,350, made on November 4, 2015. By failing to timely file the necessary 24-hour independent expenditure reports, the Committee and McVey violated Section 84204.

#### **CONCLUSION**

This matter consists of seven counts of violating the Act, which carry a maximum total administrative penalty of \$35,000.<sup>50</sup>

In determining the appropriate penalty for a particular violation of the Act, the Enforcement Division considers the typical treatment of a violation in the overall statutory scheme of the Act, with an emphasis on serving the purposes and intent of the Act. Additionally, the Enforcement Division considers the facts and circumstances of the violation in the context of the following factors set forth in Regulation 18361.5 subdivision (d)(1) through (6): (1) The seriousness of the violation; (2) The presence or absence of any intention to conceal, deceive or mislead; (3) Whether the violation was deliberate, negligent or inadvertent; (4) Whether the violator demonstrated good faith by consulting the Commission staff or any other governmental agency in a manner not constituting complete defense under Government Code Section 83114(b); (5) Whether the violation was isolated or part of a pattern and whether the violator has a prior record of violations of the Political Reform Act or similar laws; and (6) Whether the violator, upon learning of a reporting violation, voluntarily filed amendments to provide full disclosure.

In this case, the Enforcement Division found no evidence that Respondents intended to conceal, deceive, or mislead the public. Instead, the violations contained herein appear to be the result of negligence and Respondents' inexperience with the Act. Further, the Committee's total amount of activity was modest and Respondents had no record of prior violations. Respondents also cooperated to some degree with the Enforcement Division's investigation in this matter. That being said, Respondents' negligence resulted in a number of serious errors, and the Committee's failure to maintain sufficient campaign records made it impossible for it to file corrective amendments.

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<sup>50</sup> Section 83116, subd. (c).

The Enforcement Division also takes into consideration previous cases that were approved by the Commission in determining penalties. In this matter, the following cases were used as guidelines:

Count 1

- *In the Matter of Our Water Now – H2Own “Yes on Measure W,” Richard Piercy, and Adolph Collaso*; FPPC No. 16/19934. Respondents, a primarily formed ballot measure committee and its treasurer and principal officer, failed to timely change the name of the committee to reflect the supported ballot measure, in violation of Sections 84103 and 84107. In June 2017, the Commission approved a stipulation that included a fine of \$3,500 on one count.

Count 2

- *In the Matter of Save Avalon Now, A Committee Supporting Mayor Marshall, Council Candidates Montano and Hernandez, Opposing Council Candidates MacGugan-Cassidy, Olsen and Fertig 2016; Mike Sheehan; and Lysa Ray*; FPPC No. 16/19829. Respondents, a primarily formed committee and its principal officer and treasurer, failed to disclose the proper name of the committee on 14 different advertisements, and failed to include the necessary independent expenditure disclaimer on seven different advertisements, in violation of Sections 84506 and 84506.5. In September 2018, the Commission approved a stipulation that included a fine of \$3,000 on one count

Count 3

- *In the Matter of Jose Esteves, Esteves for Mayor 2012, and Arsenio Iloreta*; FPPC No. 15/147. Respondents, a candidate, his controlled committee, and its treasurer, failed to maintain adequate source documentation for 79 of 98 expenditures, in violation of Section 84104 and Regulation 18401, subdivision (a)(4). In March 2017, the Commission approved a stipulation that included a fine of \$2,500 on one count.

Count 4

- *In the Matter of Luis Castro, Committee to Elect Luis Castro for Calexico City Council Member 2012, and Ana Castro*; FPPC No. 13/1200. Respondents, a candidate, his controlled committee, and its treasurer, accepted over \$5,800 in cash contributions over \$100 and made over \$4,700 in expenditures over \$100, in violation of Section 84300. In October 2016, the Commission approved a stipulation that included a fine of \$2,000 on one count.

## Counts 5-7

- *In the Matter of Angel Santiago, Friends of Angel Santiago for Inland Empire Utilities Agency Director Division 4, and Valerie Santiago*; FPPC No. 13/547. Respondents, a candidate, his controlled committee, and its treasurer, failed to timely file four different 24-hour contribution reports disclosing late contributions amounting to \$10,500, in violation of Section 84203. In December 2015, the Commission approved a default decision imposing a fine of \$4,000 on each of four counts.
- *In the Matter of Vallejo Citizens Deserve Better and Richard Grant*; FPPC No. 13/1132. Respondents, a primarily formed committee and its treasurer, failed to timely file a 24-hour independent expenditure report disclosing a late independent expenditure in the amount of \$3,000, in violation of Section 84204. In March 2016, the Commission approved a default decision imposing a fine of \$4,000 on one count.

As to Count 1, a penalty higher than that approved in the *Our Water Now* case is warranted. Although the nature of the violations is similar, here, Respondents did not agree to a settlement, resulting in the default decision proposed herein.

As to Count 2, a penalty similar to that approved in the comparable case is recommended. In aggravation, the penalty here is sought pursuant to a default decision, and not in conjunction with a negotiated settlement. However, in mitigation, details surrounding the Committee's funding were revealed in the press weeks prior to the election, giving the public some disclosure related to the Committee.

As to Count 3, a penalty higher than that approved in the *Esteves* matter is warranted. In *Esteves*, the subject committee failed to report 79 of 98 expenditures. Here, Respondents failed to provide proper source documentation for almost all contributions and expenditures during the life of the Committee. Also setting this case apart is the fact that approval of a default decision is sought here, as opposed to a negotiated stipulation.

Further, the recordkeeping violation is aggravated by Respondents' failure to timely report certain financial activity on the Committee's campaign statements. In particular, Respondents failed to timely report the total amount of contributions received from persons who gave a cumulative amount of less than \$100 on the Committee's preelection campaign statement covering the period of January 1, 2015 to October 22, 2015; and a loan in the amount of \$1,631.50 along with repayment information, contributor information for contributions of \$100 or more, and expenditures amounting to \$1,121.71 on the Committee's semiannual campaign statement covering the period of October 23, 2015 to December 31, 2015.

As to Count 4, Respondents are deserving of a penalty higher than what was approved in the comparable case given the fact that 100 percent of all contributions of \$100 or more accepted by the Committee were paid in cash. Further, the violation here is aggravated by the fact that the Enforcement Division was unable to confirm the total amount of cash contributions and

expenditures of \$100 or more accepted and spent by the Committee, given its insufficient recordkeeping. As a result, the violation charged herein relies on a conservative estimate of contributions and expenditures of \$100 or more. Further, a higher fine is justified given that approval of a default decision, and not a negotiated settlement, is at issue here.

As to Counts 5 through 7, Respondents are deserving of a per count penalty lower than those imposed in the comparable cases. Although, on a per count basis, there was a higher amount of unreported financial activity at issue here, this case is mitigated by the fact that Respondents did not appear to be experienced with the Act, whereas the respondents in *Santiago* were. Further, in mitigation, details surrounding the Committee’s funding were revealed in the press weeks prior to the election, giving the public some disclosure related to the Committee.

### PROPOSED PENALTY

After considering the factors of Regulation 18361.5 and the penalties imposed in prior cases, the following penalties are proposed:

Count	Violation	Proposed Penalty
1	Failure to Properly Name the Committee and Identify the Committee as Primarily Formed	\$4,000
2	Failure to Comply With Disclosure Requirements for Political Advertisements	\$3,000
3	Failure to Maintain Campaign Records	\$3,000
4	Unlawful Cash Contributions and Expenditures of \$100 or More	\$2,500
5	Failure to Timely File 24-Hour Contribution Reports	\$3,500
6	Failure to Timely File 24-Hour Contribution Reports	\$3,500
7	Failure to Timely File 24-Hour Independent Expenditure Reports	\$3,500
TOTAL:		\$23,000



**DECLARATION OF CUSTODIAN OF RECORDS  
CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION  
Enforcement Division**

**CERTIFICATION OF RECORDS**

The undersigned declares and certifies as follows:

1. I am employed as an Associate Governmental Program Analyst by the California Fair Political Practices Commission (Commission). My business address is: California Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, CA 95811.
2. I am a duly authorized custodian of the records maintained by the Commission in the Enforcement Division. As such, I am authorized to certify copies of those records as being true and correct copies of the original business records which are in the custody of the Commission.
3. I have reviewed documents maintained in *FPPC Case No. 15/2202; Committee to Clean House and Kevin McVey*, and have caused copies to be made of documents contained therein. I certify that the copies attached hereto are true and correct copies of the documents prepared in the normal course of business and which are contained in files maintained by the Commission. The attached documents are as follows:

EXHIBIT A-1: Report in Support of a Finding of Probable Cause, dated March 1, 2018

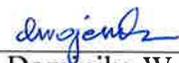
EXHIBIT A-2: Proof of Service for the Report in Support of a Finding of Probable Cause and applicable statutes and regulations, dated March 1, 2018, and Return Receipt signed on March 3, 2018

EXHIBIT A-3: Proof of Service for the Report in Support of a Finding of Probable Cause and applicable statutes and regulations, dated March 27, 2018, and Return Receipt signed on April 23, 2018

EXHIBIT A-4: Cover letter to the respondents regarding the Report in Support of a Finding of Probable Cause, memorandum describing Probable Cause Proceedings, and applicable statutes and regulations, dated March 1, 2018

EXHIBIT A-5: Ex Parte Request for a Finding of Probable Cause and an Order that an Accusation Be Prepared and Served, dated May 31, 2018

- EXHIBIT A-6: Finding of Probable Cause and Order to Prepare and Serve an Accusation and Proof of Service, dated May 31, 2018
- EXHIBIT A-7: Accusation, dated July 5, 2018
- EXHIBIT A-8: Proofs of Service for Accusation, dated August 7, 2018 and October 10, 2018, and accompanying documents from process server
- EXHIBIT A-9: Statements to the Respondent, Notices of Defense, and applicable statutes, accompanying Accusation
- EXHIBIT A-10: Initial statement of organization filed by Committee to Clean House on October 23, 2015
- EXHIBIT A-11: Amendment to statement of organization filed by Committee to Clean House on November 5, 2015
- EXHIBIT A-12: Amendment to statement of organization filed by Committee to Clean House on May 26, 2016
- EXHIBIT A-13: Pre-election campaign statement for the reporting period of January 1, 2015 to October 22, 2015, filed by Committee to Clean House on October 22, 2015
- EXHIBIT A-14: Semiannual campaign statement for the reporting period of October 23, 2015 to December 31, 2015, filed by Committee to Clean House on October 19, 2017
- EXHIBIT A-15: Notice of Default Decision and Order, dated February 4, 2019
- EXHIBIT A-16: Notice of Intent to Enter Default Decision and Order, dated February 25, 2019
- I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on February 25, 2019, at Sacramento, California.



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Dominika Wojenska  
Associate Governmental Program Analyst  
Enforcement Division  
Fair Political Practices Commission

**Exhibit A-1**

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

6 Attorneys for Complainant  
Fair Political Practices Commission, Enforcement Division  
7

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

11 In the Matter of

12 COMMITTEE TO CLEAN HOUSE,  
13 KEVIN MCVEY, AND JANICE SMITH,

14 Respondents.

FPPC Case No. 15/2202

**REPORT IN SUPPORT OF A FINDING OF  
PROBABLE CAUSE**

15 Conference Date: TBA  
16 Conference Time: TBA  
17 Conference Location: 1102 Q Street, Suite 3000  
Sacramento, CA 95811

18 **INTRODUCTION**

19 Committee to Clean House (the "Committee") was a committee primarily formed to oppose  
20 Ginny Foat ("Foat"), candidate for Mayor of Palm Springs, and Paul Lewin (Lewin"), candidate for the  
21 Palm Springs City Council, in the November 3, 2015 General Election. The Committee's principal  
22 officer and initial treasurer was Kevin McVey ("McVey"). On or about November 5, 2015, the  
23 Committee changed its treasurer to Janice Smith ("Smith").

24 Respondents committed numerous violations of the Political Reform Act (the "Act")<sup>1</sup> in 2015.  
25 First, as a primarily formed committee, Respondents failed to properly name the Committee to reflect its  
26 opposition to Foat and Lewin, including on certain television advertisements. In addition, Respondents  
27 failed to disclose that the advertisements were not authorized or paid for by a candidate or committee

28 <sup>1</sup> The 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.

1 controlled by a candidate. Respondents also failed to maintain adequate source documentation for 100  
2 percent of the Committee's contributions received, and approximately 93 percent of expenditures made.  
3 Additionally, Respondents improperly accepted all contributions of \$100 or more in cash and made  
4 expenditures of \$100 or more in cash. Further, Respondents failed to timely report certain financial  
5 activity on the Committee's campaign statements. Finally, Respondents failed to timely file 24-hour  
6 reports for certain late contributions and independent expenditures.

## 7 SUMMARY OF THE LAW

8 The Act and its regulations are amended from time to time. The discussion below regarding  
9 jurisdiction, the standard for finding probable cause, and the contents of the probable cause report  
10 includes references to current law. Unless otherwise noted, all other legal references and discussions of  
11 law pertain to the Act's provisions as they existed at the time of the violations in this case (2015).

### 12 Jurisdiction

13 The Fair Political Practices Commission (the "Commission") has primary responsibility for the  
14 impartial, effective administration and implementation of the Act.<sup>2</sup> This includes enforcement through  
15 administrative prosecution.<sup>3</sup> However, before the Commission's Enforcement Division may commence  
16 administrative prosecution by filing/serving an Accusation, a hearing officer (either the General Counsel  
17 of the Commission or another attorney in the Commission's Legal Division) must determine whether  
18 there is probable cause to believe that one or more violations of the Act occurred.<sup>4</sup> Any finding of  
19 probable cause is required by law to be announced publicly, which includes the posting of a summary of  
20 the allegations on the Commission's website.<sup>5</sup> After a finding of probable cause, the Commission may  
21 then hold a hearing to determine what violations have occurred—and levy an administrative penalty of  
22 up to \$5,000 for each violation.<sup>6</sup>

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25 <sup>2</sup> Section 83111.

26 <sup>3</sup> Section 83116.

27 <sup>4</sup> Sections 83115.5 and 83116; Regulations 18361, subd. (b), and 18361.4.

28 <sup>5</sup> Regulation 18361.4, subd. (e).

<sup>6</sup> Section 83116; Regulation 18361.4, subd. (e).

1 Standard for Finding Probable Cause

2 For the hearing officer to make a finding of probable cause, it is only necessary that he or she be  
3 presented with sufficient evidence to lead a person of ordinary caution and prudence to believe, or  
4 entertain a strong suspicion, that a proposed respondent committed or caused a violation.<sup>7</sup>

5 Contents of the Probable Cause Report

6 The probable cause report is required to contain a summary of the law and evidence gathered in  
7 connection with the investigation, including any exculpatory and mitigating information of which the  
8 staff has knowledge and any other relevant material and arguments. The evidence recited in the probable  
9 cause report may include hearsay.<sup>8</sup>

10 Need for Liberal Construction and Vigorous Enforcement of the Political Reform Act

11 When enacting the Act, the people of California found and declared that previous laws regulating  
12 political practices suffered from inadequate enforcement by state and local authorities.<sup>9</sup> For this reason,  
13 the Act is to be construed liberally to accomplish its purposes.<sup>10</sup>

14 One purpose of the Act is to promote transparency by ensuring that receipts and expenditures in  
15 election campaigns are fully and truthfully disclosed so that voters are fully informed and improper  
16 practices are inhibited.<sup>11</sup> Along these lines, the Act includes a comprehensive campaign reporting  
17 system.<sup>12</sup> Another purpose of the Act is to provide adequate enforcement mechanisms so that the Act  
18 will be “vigorously enforced.”<sup>13</sup>

19 Duty to Identify Committee as Primarily Formed

20 The Act defines “primarily formed committee” to include a committee which is formed or exists  
21 primarily to support or oppose a group of specific candidates being voted upon in the same city, county,  
22 or multicounty election.<sup>14</sup> In particular, a committee “formed or existing primarily to support or oppose”

23  
24 <sup>7</sup> Section 83115.5; Regulation 18361.4, subd. (e).

25 <sup>8</sup> Regulation 18361.4, subd. (a).

26 <sup>9</sup> Section 81001, subd. (h).

27 <sup>10</sup> Section 81003.

28 <sup>11</sup> Section 81002, subd. (a).

<sup>12</sup> Sections 84200, *et seq.*

<sup>13</sup> Section 81002, subd. (f).

<sup>14</sup> Section 82047.5.

1 a group of specific candidates includes, but is not limited to, a committee created for the purpose of or  
2 involved in running the principal campaign against a group of candidates or whose primary purpose and  
3 activities are to oppose a group of candidates.<sup>15</sup>

4 The name of a non-candidate controlled committee primarily formed to support or oppose one or  
5 more candidates shall include the last name of each candidate whom the committee supports or opposes  
6 as listed on its statement of organization, the office sought and year of the election, and shall state  
7 whether the committee supports or opposes the candidate.<sup>16</sup> Further, a committee's statement of  
8 organization shall include the name of the committee, as well as the full name and office sought by a  
9 candidate that the committee supports or opposes as its primary activity.<sup>17</sup>

#### 10 Advertisement Disclosure

11 An "advertisement" under the Act means any general or public advertisement which is  
12 authorized and paid for by a person or committee for the purpose of supporting or opposing a candidate  
13 for elective office or a ballot measure(s).<sup>18</sup>

14 Under the Act, an independent expenditure advertisement that supports or opposes a candidate  
15 must include a disclosure statement identifying the committee making the independent expenditure.<sup>19</sup>  
16 Further, an advertisement supporting or opposing a candidate that is paid for by an independent  
17 expenditure must include a disclosure statement that the advertisement is "not authorized or paid for by  
18 a candidate for [that] office."<sup>20</sup>

#### 19 Recordkeeping Requirements

20 Principal officers and treasurers have a duty to maintain detailed accounts, records, bills, and  
21 receipts necessary to prepare campaign statements and establish campaign statements were properly  
22 filed.<sup>21</sup> For any expenditure of \$25 or more, a committee must maintain source documentation such as  
23

24 <sup>15</sup> Regulation 18247.5, subd. (d).

25 <sup>16</sup> Regulation 18402, subd. (c)(3).

26 <sup>17</sup> Section 84102, subds. (a) and (d).

27 <sup>18</sup> Section 84501.

28 <sup>19</sup> Section 84506, subd. (a)(1).

<sup>20</sup> Section 84605.5.

<sup>21</sup> Section 84104.

1 copies of checks, credit card charge slips, bills, receipts, invoices and any other documents reflecting  
2 expenditures made by the committee.<sup>22</sup> The committee must maintain copies of the records for four  
3 years from the date the campaign statement reflecting the expenditures is filed.<sup>23</sup>

#### 4 Prohibited Cash Contributions and Expenditures of \$100 or More

5 No contribution of \$100 or more may be made or received in cash.<sup>24</sup> All contributions of \$100 or  
6 more must be made in the form of a written instrument containing the name of the contributor and the  
7 name of the payee, and drawn from the account of the contributor.<sup>25</sup>

8 The Act further prohibits making an expenditure of \$100 or more in cash.<sup>26</sup> The Act defines  
9 “expenditure” as a payment, forgiveness of a loan, payment of a loan by a third party, or an enforceable  
10 promise to make a payment, unless it is clear from the surrounding circumstances that it is not made for  
11 political purposes.<sup>27</sup>

#### 12 Content of Campaign Statements

13 At the core of the Act’s campaign reporting system is the requirement that committees file  
14 campaign statements and reports for certain reporting periods, by certain deadlines, and including certain  
15 information.<sup>28</sup>

16 The Act requires that committees report the total amount of contributions received during the  
17 period covered by the campaign statement from (i) persons who have given a cumulative amount of \$100  
18 or more; and (ii) persons who have given a cumulative amount of less than \$100.<sup>29</sup> Further, the Act  
19 requires that committees report the name, address, occupation, and employer of each person that  
20 contributes \$100 or more on its campaign statements.<sup>30</sup>

21 The Act also requires that, for loans over \$100, committees must report the name, address,  
22

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23 <sup>22</sup> Regulation 18401, subd. (a)(4).

24 <sup>23</sup> Regulation 18401, subd. (b).

25 <sup>24</sup> Section 84300, subd. (a).

26 <sup>25</sup> Section 84300, subd. (c).

27 <sup>26</sup> Section 84300, subd. (b).

28 <sup>27</sup> Section 82025.

<sup>28</sup> Section 84200, *et seq.*

<sup>29</sup> Section 84211, subds. (a), (c), and (d).

<sup>30</sup> Section 84211, subd. (f).

1 occupation, and employer of each payor, as well as the original date and loan amount, the due date and  
2 interest rate, the cumulative payment made or received to date and the outstanding balance at the end of  
3 the reporting period, and the cumulative amount of contributions.<sup>31</sup>

4 The Act also requires that committees report the total amount of expenditures made during the  
5 period covered by the campaign statement to (i) persons who have received \$100 or more; and (ii)  
6 persons who have received less than \$100.<sup>32</sup> For each person to whom an expenditure of \$100 or more  
7 has been made, the committee must report the name and address of the recipient, the amount of the  
8 expenditure, and a brief description of the consideration for which each expenditure was made.<sup>33</sup>

9 Duty to File 24-Hour Contribution Reports

10 Each candidate or committee that makes or receives a late contribution must file a report within  
11 24 hours of making or receiving the contribution.<sup>34</sup> A "late contribution" includes a contribution  
12 aggregating \$1,000 or more that is made or received by a candidate or his or her controlled committee  
13 during the 90-day period preceding an election or on the date of the election.<sup>35</sup>

14 Duty to File 24-Hour Independent Expenditure Reports

15 When a committee makes a late independent expenditure, the committee must disclose the  
16 expenditure in a 24-hour independent expenditure report filed at each office with which the committee is  
17 required to file its next campaign statement within 24 hours of making the late independent expenditure.<sup>36</sup>  
18 A "late independent expenditure" means any independent expenditure which totals in the aggregate \$1,000  
19 or more and is made for or against any specific candidate or measure involved in an election within 90  
20 days before the date of the election.<sup>37</sup>

21 Joint and Several Liability of Committee, Principal Officer, and Treasurer

22 It is the duty of a committee treasurer to ensure that the committee complies with the reporting  
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24 <sup>31</sup> Section 84211, subd. (g).  
25 <sup>32</sup> Section 84211, subd. (b), (i), and (j).  
26 <sup>33</sup> Section 84211, subd. (k).  
27 <sup>34</sup> Section 84203.  
28 <sup>35</sup> Section 82036.  
<sup>36</sup> Section 84204.  
<sup>37</sup> Section 82036.5.

1 provisions of the Act.<sup>38</sup> It is the duty of the committee's principal officer to authorize the content of  
2 communications made by the committee, authorize expenditures made by the committee, and determine  
3 the committee's campaign strategy.<sup>39</sup> A treasurer and principal officer may be held jointly and severally  
4 liable, along with the committee, for violations committed by the committee.<sup>40</sup>

#### 5 SUMMARY OF THE EVIDENCE

6 The Enforcement Division of the Fair Political Practices Commission initiated a proactive  
7 investigation in response to a newspaper article regarding a television and YouTube advertisement  
8 attacking Foat and Lewin that aired in October and November 2015. The ad provided that it was paid for  
9 by the Committee.

10 The Committee filed its initial statement of organization on October 23, 2015, indicating that it  
11 qualified on October 19, 2015, and claiming to be a city general purpose committee created to "raise  
12 awareness of local political issues and candidates." On November 5, 2015, the Committee filed an  
13 amendment to its statement of organization, changing its treasurer from McVey to Smith. Despite the ads  
14 opposing Foat and Lewin, the Committee never identified as a primarily formed committee. On or about  
15 April 14, 2017, the Committee filed a statement of organization terminating the Committee as of  
16 December 31, 2015.

17 The Committee filed two campaign statements during its existence – a pre-election statement  
18 covering the reporting period of January 1 to October 22, 2015, and a semiannual statement covering the  
19 period of October 23 to December 31, 2015. The Committee reported a total of \$10,486.50 in  
20 contributions and \$8,436.50 in expenditures. At the end of October 2016, when the Committee was  
21 required to review its status, it had made \$3,875 in independent expenditures, all of which were related to  
22 advertisements opposing Foat and Lewin.

23 Given the Committee's primary purpose of opposing Foat and Lewin, as evidenced, in part, by its  
24 expenditures, the Committee was primarily formed during its existence. Therefore, the Committee should  
25 have named itself to include the last names of the opposed candidates, the offices sought and year of the  
26

27 <sup>38</sup> Sections 81004, 84100, 84104, and 84213; Regulation 18427.

28 <sup>39</sup> Section 82047.6; Regulation 18402.1, subd. (b).

<sup>40</sup> Sections 83116.5 and 91006.

1 election, and the fact that the Committee opposed the candidates; however, it did not. Further, the  
2 advertisements opposing Foat and Lewin failed to disclose that they were not authorized or paid for by a  
3 candidate and the advertisements did not disclose that the Committee was primarily formed as required.

4 The Committee also failed to maintain adequate source documentation for 100 percent of its  
5 contributions received, amounting to \$10,486.50; and approximately 93 percent of expenditures made,  
6 amounting to \$7,836, which made any financial reconciliation by the Enforcement Division difficult.  
7 Further, the Committee accepted all contributions in cash, including five of \$100 or more totaling \$6,750,  
8 which represented approximately 76 percent of all contributions; and made all expenditures in cash,  
9 including at least three of \$100 or more totaling \$1,600, which accounted for approximately 19 percent  
10 of all expenditures, until October 24, 2015 when a campaign bank account was opened.

11 The Committee also failed to timely report a variety of financial activity on the Committee's  
12 campaign statements. In particular, although the Committee received contributions under \$50, as  
13 admitted by McVey, the Committee failed to timely report any amount of unitemized contributions of  
14 less than \$100 on the Committee's pre-election campaign statement covering the period of January 1,  
15 2015 to October 22, 2015.

16 Further, the Committee failed to report certain financial activity on its semiannual campaign  
17 statement covering the period of October 23, 2015 to December 31, 2015. Despite reporting a loan in the  
18 amount of \$1,631.50 received from McVey on its pre-election campaign statement covering the period of  
19 January 1, 2015 to October 22, 2015, the Committee failed to continue to report the loan, along with  
20 repayment information, on the subsequent statement, as required to track the loan. In addition, because  
21 Smith was not provided with complete campaign records from McVey, she was unable to disclose  
22 contributor information for an unknown amount of itemized contributions of \$100 or more. Finally,  
23 based on bank statements, the Committee also failed to report expenditures amounting to \$1,121.71.

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1 Finally, the Committee failed to timely file the following 24-hour contribution reports and 24-  
 2 hour independent expenditure reports:

Statement/ Report Type	Contribution/ Independent Expenditure Date	Due Date	Date Filed	Amount of Contribution
24-Hour Contribution (loan)	10/9/15	10/12/15	N/A	\$1,631.50
24-Hour Contribution	10/17/15	10/19/12	N/A	\$1,300
24-Hour Contribution	10/26/15	10/27/15	N/A	\$1,700
24-Hour Contribution	10/28/15	10/29/15	N/A	\$1,500
24-Hour Contribution	10/28/15	10/29/15	N/A	\$1,500
<b>TOTAL:</b>				<b>\$7,631.50</b>
24-Hour Independent Expenditure	10/27/15	10/28/15	N/A	\$1,125
24-Hour Independent Expenditure	10/29/15	10/30/15	N/A	\$500
24-Hour Independent Expenditure	10/29/15	10/30/15	N/A	\$1,500
24-Hour Independent Expenditure	11/3/15	11/4/15	N/A	\$1,350
<b>TOTAL:</b>				<b>\$4,475</b>

23 With the exception of the \$1,300 contribution received on October 17, 2015, each of the  
 24 aforementioned contributions and independent expenditures went unreported prior to the election,  
 25 whether on a timely-filed campaign statement or 24-hour report.

26 Foat and Lewin were both unsuccessful in the November 3, 2015 General Election.

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## VIOLATIONS

Count 1: Failure to Properly Name the Committee and Identify the Committee as Primarily Formed

The Committee and McVey failed to name the Committee to include the last names of the opposed candidates, the offices sought and year of the election, and the fact that the Committee opposed the candidates, and failed to identify the committee as being primarily formed on its statement of organization, in violation of Section 84102, and Regulation 18402, subdivision (c)(3).

Count 2: Failure to Comply With Disclosure Requirements for Political Advertisements

The Committee and McVey failed to disclose, on certain television advertisements, that the advertisements were not authorized or paid for by a candidate or committee controlled by a candidate, in violation of Section 84506.5, subdivision (a); and failed to disclose the proper committee name on advertisements, in violation of Section 84506, subdivision (a)(1).

Count 3: Failure to Maintain Campaign Records

The Committee, McVey, and Smith failed to maintain adequate source documentation for 100 percent of its contributions received, amounting to \$10,486.50; and approximately 93 percent of expenditures made, amounting to \$7,836, in violation of Section 84104 and Regulation 18401.

Count 4: Unlawful Cash Contributions and Expenditures of \$100 or More

The Committee and McVey accepted cash contributions of \$100 or more, and made cash expenditures of \$100 or more, in violation of Section 84300, subdivisions (a) and (b).

Count 5: Failure to Timely Report Financial Activity on Campaign Statement

The Committee and McVey failed to timely report contributions less than \$100 on the Committee's pre-election campaign statement covering the period of January 1, 2015 to October 22, 2015, in violation of Section 84211, subdivisions (a) and (d).

Count 6: Failure to Timely Report Financial Activity on Campaign Statement

The Committee, McVey, and Smith failed to timely report a loan in the amount of \$1,631.50 along with repayment information; contributor information for contributions of \$100 or more; and expenditures amounting to \$1,121.71, on the Committee's semiannual campaign statement covering the period of October 23, 2015 to December 31, 2015, in violation of Section 84211, subdivisions (a), (c), (f), (g), (i), (j), and (k).

1           Count 7: Failure to Timely File 24-Hour Contribution Report

2           The Committee and McVey failed to timely file a 24-hour contribution report for a loan in the  
3 amount of \$1,631.50 received on October 9, 2015, in violation of Section 84203.

4           Count 8: Failure to Timely File 24-Hour Contribution Report

5           The Committee and McVey failed to timely file a 24-hour contribution report for a contribution in  
6 the amount of \$1,300 received on October 17, 2015, in violation of Section 84203.

7           Count 9: Failure to Timely File 24-Hour Contribution Report

8           The Committee and McVey failed to timely file a 24-hour contribution report for a contribution in  
9 the amount of \$1,700 received on October 26, 2015, in violation of Section 84203.

10          Count 10: Failure to Timely File 24-Hour Contribution Report

11          The Committee and McVey failed to timely file a 24-hour contribution report for two  
12 contributions amounting to \$3,000 received on October 28, 2015, in violation of Section 84203.

13          Count 11: Failure to Timely File 24-Hour Independent Expenditure Report

14          The Committee and McVey failed to timely file a 24-hour independent expenditure report for an  
15 independent expenditure in the amount of \$1,125 made on October 28, 2015, in violation of Section  
16 84204.

17          Count 12: Failure to Timely File 24-Hour Independent Expenditure Report

18          The Committee and McVey failed to timely file a 24-hour independent expenditure report for  
19 independent expenditures amounting to \$2,000 made on October 30, 2015, in violation of Section 84204.

20          Count 13: Failure to Timely File 24-Hour Independent Expenditure Report

21          The Committee and McVey failed to timely file a 24-hour independent expenditure report for an  
22 independent expenditure in the amount of \$1,350 made on November 4, 2015, in violation of Section  
23 84204.

24                                   **EXCULPATORY AND MITIGATING INFORMATION**

25          Respondents were cooperative with the Enforcement Division in their investigation into the  
26 potential violations in this case.

27          ///

28          ///

1 **CONCLUSION**

2 For all of the foregoing reasons, probable cause exists to believe that the Committee, McVey, and  
3 Smith violated the Act as described in Counts 1 through 13. Therefore, the Enforcement Division  
4 respectfully requests that the hearing officer issue an order finding probable cause pursuant to Section  
5 83115.5 and Regulation 18361.4.

6  
7 Dated: March 1, 2018

8 Respectfully Submitted,

9 **FAIR POLITICAL PRACTICES COMMISSION**

10 Galena West  
11 Chief, Enforcement Division

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14 By: Christopher Burton  
15 Commission Counsel, Enforcement Division  
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**Exhibit A-2**

## PROOF OF SERVICE

At the time of service, I was over 18 years of age and not a party to this action. My business address is: Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811. On March 1, 2018, I served the following document(s):

1. Letter dated March 1, 2018 from Christopher Burton;
2. FPPC No. 15/2202 Report in Support of a Finding of Probable Cause;
3. Probable Cause Fact Sheet;
4. Selected Sections of the California Government Code regarding Probable Cause Proceedings for the Fair Political Practices Commission; and
5. Selected Regulations of the Fair Political Practices Commission regarding Probable Cause Proceedings

By Personal Delivery. I personally delivered the document(s) listed above to the person(s) at the address(es) as shown on the service list below.

By United States Postal Service. I enclosed the document(s) in a sealed envelope or package addressed to the person(s) at the addresses listed below and placed the envelope or package for collection and mailing by certified mail, return receipt requested, following my company's ordinary business practices. I am readily familiar with this business' practice for collection and processing correspondence for mailing with the United States Postal Service. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail in Sacramento County, California.

### SERVICE LIST

#### Certified Mail, Return Receipt Requested

Committee to Clean House  
c/o Janice Smith



c/o Kevin McVey



I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on March 1, 2018.

\_\_\_\_\_  
Christopher B. Burton

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Committee to Clean House  
c/o Kevin McVey



2. Article Number  
(Transfer from service label)

7006 0810 0000 5127 6715

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
X *[Signature]*  Agent  Addressee

B. Received by (Printed Name) *JANICE P SMITH* C. Date of Delivery *3/3/18*

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

**Exhibit A-3**

## PROOF OF SERVICE

At the time of service, I was over 18 years of age and not a party to this action. My business address is: Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811. On March 27, 2018, I served the following document(s):

1. Letter dated March 1, 2018 from Christopher Burton;
2. FPPC No. 15/2202 Report in Support of a Finding of Probable Cause;
3. Probable Cause Fact Sheet;
4. Selected Sections of the California Government Code regarding Probable Cause Proceedings for the Fair Political Practices Commission; and
5. Selected Regulations of the Fair Political Practices Commission regarding Probable Cause Proceedings

By Personal Delivery. I personally delivered the document(s) listed above to the person(s) at the address(es) as shown on the service list below.

By United States Postal Service. I enclosed the document(s) in a sealed envelope or package addressed to the person(s) at the addresses listed below and placed the envelope or package for collection and mailing by certified mail, return receipt requested, following my company's ordinary business practices. I am readily familiar with this business' practice for collection and processing correspondence for mailing with the United States Postal Service. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail in Sacramento County, California.

### SERVICE LIST

#### Certified Mail, Return Receipt Requested

Kevin McVey  


I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on March 27, 2018.

  
\_\_\_\_\_  
Christopher B. Burton

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

4. Article Addressed to:

Kevin McVey



9590 9403 0903 5223 7448 73

2. Article Number (Transfer from service label)

7010 1870 0000 1626 1628

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

4-23

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

**Exhibit A-4**



## FAIR POLITICAL PRACTICES COMMISSION

1102 Q Street • Suite 3000 • Sacramento, CA 95811

March 1, 2018

### **CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

Committee to Clean House  
c/o Janice Smith



c/o Kevin McVey



### **Re: In the Matter of Committee to Clean House, Kevin McVey, and Janice Smith; FPPC No. 15/2202**

Dear Ms. Smith and Mr. McVey:

The Enforcement Division of the Fair Political Practices Commission (the "Commission") is proceeding with an administrative action against you for your failure to comply with various campaign-related provisions of the Political Reform Act (the "Act"). The enclosed Report in Support of a Finding of Probable Cause (the "Report") contains a summary of the alleged violations and the relevant law and evidence.

You have the right to file a written response to the Report. That response may contain any information you think is relevant and that you wish to bring to the attention of the Hearing Officer. In your response, please indicate whether you would like the Hearing Officer to make a determination of probable cause based on the written materials alone (the Report and your response) or request a conference, during which you may orally present your case to the Hearing Officer. Probable cause conferences are held in our office, which is located at 1102 Q Street, Suite 3000, Sacramento, CA 95811. You may appear at the conference in person or by telephone and you are entitled to be represented by counsel. **If you wish to submit a written response or request a probable cause conference, it must be filed with the Commission Assistant at the address listed above within 21 days from the date of service of this letter.** You can reach the Commission Assistant at (916) 327-8269.

Please note that probable cause conferences are not settlement conferences. The sole purpose of a probable cause conference is to determine whether there is probable cause to believe that the Act was violated. However, settlement discussions are encouraged by the Commission and may take

place at any time except during a probable cause conference. **If you are interested in reaching a settlement in this matter, please contact me at (916) 322-5021 or [cburton@fppc.ca.gov](mailto:cburton@fppc.ca.gov).**

Finally, you have the right to request discovery of the evidence in possession of, and relied upon by, the Enforcement Division. **This request must also be filed with the Commission Assistant within 21 days from the date of service of this letter.** Should you request discovery, the Enforcement Division will provide the evidence by service of process or certified mail. From the date you are served with the evidence, you would have an additional 21 days to file a written response to the Report, just as described above.

**Should you take no action within 21 days from the date of service of this letter, your rights to respond and to request a conference are automatically waived and the Enforcement Division will independently pursue the issuance of an accusation.**

For your convenience, I have enclosed a fact sheet on probable cause proceedings and copies of the most relevant statutes and regulations.

Sincerely,



Christopher B. Burton  
Commission Counsel  
Enforcement Division

Enclosures

## **PROBABLE CAUSE FACT SHEET**

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### **INTRODUCTION**

The Fair Political Practices Commission is required by law to determine whether probable cause exists to believe that the Political Reform Act (the "Act") was violated before a public administrative accusation may be issued.

The probable cause proceedings before the Fair Political Practices Commission are unique, and most respondents and their attorneys are unfamiliar with them. Therefore, we have prepared this summary to acquaint you with the process.

### **THE LAW**

Government Code sections 83115.5 and 83116 set forth the basic requirement that a finding of probable cause be made in a "private" proceeding before a public accusation is issued and a public hearing conducted in accordance with the Administrative Procedure Act.

The Commission has promulgated regulations further defining the probable cause procedure and delegating to the General Counsel (the "Hearing Officer" for purposes of these proceedings) the authority to preside over such proceedings and decide probable cause. A copy of these statutes and regulations are attached for your convenience.

In summary, the statutes and regulations entitle you to the following:

- a) A written probable cause report containing a summary of the law alleged to have been violated, and a summary of the evidence, including any exculpatory and mitigating information and any other relevant material and arguments;
- b) The opportunity to request discovery, respond in writing, and to request a probable cause conference within 21 days of service of the probable cause report;
- c) If the Commission met to consider whether a civil lawsuit should be filed in this matter, a copy of any staff memoranda submitted to the Commission and a transcript of staff discussions with the Commission at any such meeting; and
- d) If a timely request was made, a non-public conference with the General Counsel and the Enforcement Division staff to consider whether or not probable cause exists to believe the Act was violated.

### **THE PROCEDURE**

#### **Probable Cause Report**

Administrative enforcement proceedings are commenced with the service, by registered or certified mail or in person, of a probable cause report. The report will contain a summary of the law and the evidence, including any exculpatory and mitigating information of which the staff has knowledge and any other relevant material and arguments. It is filed with the Hearing Officer.

## **Discovery**

Within 21 calendar days following the service of the probable cause report, you may request discovery of the evidence in the possession of the Enforcement Division. This is not a right to full discovery of the Enforcement Division file, but to the evidence relied upon by the Division along with any exculpatory or mitigating evidence<sup>1</sup>.

This request must be sent by registered or certified mail to the Commission Assistant.

## **Response to Probable Cause Report**

Within 21 calendar days following the service of the probable cause report (or, if you timely requested discovery, within 21 calendar days from the service of the evidence) you may submit a response to the Report. By regulation, the written response may contain, "... a summary of evidence, legal arguments, and any mitigating or exculpatory information." (Cal. Code Regs., tit. 2, § 18361.4, subd. (c).)

You must file your response with the Commission Assistant and provide a copy, by service of process or registered or certified mail with return receipt requested, to all other proposed respondents listed in the probable cause report.

## **Staff Reply**

Within 10 calendar days following the date the response was filed with the Commission Assistant, Commission staff may submit any evidence or argument in rebuttal. You will be served with a copy of any such reply.

## **Probable Cause Conference**

Probable cause conferences are held at the offices of the Fair Political Practices Commission, which is located at 428 J Street, Ste. 620, Sacramento, CA 95814. You may appear at the conference in person or by telephone. The proceedings are not public unless all proposed respondents agree to open the conference to the public. Otherwise, the probable cause report, any written responses, and the probable cause conference itself are confidential.

Unless the probable cause conference is public, the only persons who may attend are the staff of the Commission, any proposed respondent and his or her attorney or representative, and, at the discretion of the Hearing Officer, witnesses.

The Hearing Officer may, but need not, permit testimony from witnesses. Probable cause conferences are less formal than court proceedings. The rules of evidence do not apply. The conferences will be recorded and a copy of the recording will be provided upon request.

Since it has the burden of proof, the Enforcement Division is permitted to open and close the conference presentations. The Hearing Officer may also hold the record open to receive additional evidence or arguments.

Probable cause conferences are not settlement conferences. The sole purpose of a probable cause conference is to determine whether or not there is probable cause to believe that the

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<sup>1</sup> But see Title 2, California Code of Regulations, Section 18362, which states that the Commission provides access to complaints, responses to complaints, and investigative files and information in accordance with the requirements of the Public Records Act. (Govt. Code § 6250, et seq.)

Political Reform Act was violated. Anyone who wishes to discuss settlement with the Enforcement Division may do so before or after the probable cause conference but not during the conference.

Pursuant to Title 2, California Code of Regulations, Section 18361.4, subdivision (e), the Hearing Officer will find probable cause "if the evidence is sufficient to lead a person of ordinary caution and prudence to believe or entertain a strong suspicion that a proposed respondent committed or caused a violation."

Ordinarily, probable cause determinations are made based upon the written probable cause report, any written response by the respondent, any written reply by the Enforcement Division, and the oral arguments presented at the conference. Timely written presentations are strongly recommended.

### **Probable Cause Order and Accusation**

Once the matter is submitted to the Hearing Officer, the probable cause decision will normally be made within ten days. If the Hearing Officer finds probable cause, he will issue a Finding of Probable Cause, which will be publicly announced at the next Commission Meeting. An accusation will be issued soon after the Finding of Probable Cause is publicly announced.

### **Continuances**

Every reasonable effort is made to accommodate the schedules of parties and counsel. However, once a date has been set it is assumed to be firm and will not be continued except upon the order of the Hearing Officer after a showing of good cause. Settlement negotiations will be considered good cause only if the Hearing Officer is presented with a fully executed settlement, or is convinced that settlement is imminent.

### **Settlements**

Settlement discussions may take place at any time except during the probable cause conference. In order to open settlement discussions, a proposed respondent or his or her counsel or representative should present a written offer to settle stating, where appropriate, the violations to be admitted, and the monetary penalty or other remedy to be tendered.

The Enforcement Division attorney assigned to the case will negotiate any potential settlement on behalf of the Fair Political Practices Commission, and will draft the language of the settlement agreement. The Hearing Officer will not directly participate in the negotiations, but will be represented by Enforcement Division attorneys. Staff attorneys will present settlement offers to the Hearing Officer for his/her approval.

### **CONCLUSION**

This fact sheet was intended to give you a brief summary of the probable cause process at the Fair Political Practices Commission. Such a summary cannot answer every question that might arise in such proceedings. Therefore, if you have any questions that are not addressed by this fact sheet or the copies of the law and regulations we have attached, feel free to contact the attorney whose name appears on the probable cause report.

*Attachments: Relevant Sections of (1) California Government Code, and (2) Regulations of the Fair Political Practices Commission, Title 2, Division 6 of the California Code of Regulations.*

## CALIFORNIA GOVERNMENT CODE

### Probable Cause Statutes

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#### **§ 83115.5. Probable cause; violation of title; notice of violation; summary of evidence; notice of rights; private proceedings**

No finding of probable cause to believe this title has been violated shall be made by the commission unless, at least 21 days prior to the commission's consideration of the alleged violation, the person alleged to have violated this title is notified of the violation by service of process or registered mail with return receipt requested, provided with a summary of the evidence, and informed of his right to be present in person and represented by counsel at any proceeding of the commission held for the purpose of considering whether probable cause exists for believing the person violated this title. Notice to the alleged violator shall be deemed made on the date of service, the date the registered mail receipt is signed, or if the registered mail receipt is not signed, the date returned by the post office. A proceeding held for the purpose of considering probable cause shall be private unless the alleged violator files with the commission a written request that the proceeding be public.

#### **§ 83116. Violation of title; probable cause; hearing; order**

When the Commission determines there is probable cause for believing this title has been violated, it may hold a hearing to determine if a violation has occurred. Notice shall be given and the hearing conducted in accordance with the Administrative Procedure Act (Chapter 5 (commencing with Section 11500), Part 1, Division 3, Title 2, Government Code). The Commission shall have all the powers granted by that chapter. When the Commission determines on the basis of the hearing that a violation has occurred, it shall issue an order that may require the violator to do all or any of the following:

- (a) Cease and desist violation of this title.
- (b) File any reports, statements, or other documents or information required by this title.
- (c) Pay a monetary penalty of up to five thousand dollars (\$5,000) per violation to the General Fund of the state. When the Commission determines that no violation has occurred, it shall publish a declaration so stating.

**REGULATIONS OF THE FAIR POLITICAL PRACTICES COMMISSION  
TITLE 2, DIVISION 6 OF THE CALIFORNIA CODE OF REGULATIONS**

**Probable Cause Regulations**

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**§ 18361 (b). Delegation by the Executive Director Pertaining to Enforcement Proceedings and Authority to Hear Probable Cause Proceedings.**

Probable cause proceedings under Regulation 18361.4 shall be heard by the General Counsel or an attorney from the Legal Division. The General Counsel may delegate the authority to hear probable cause proceedings, in writing, to an administrative law judge.

**§ 18361.4. Probable Cause Proceedings**

(a) Probable Cause Report. If the Chief of the Enforcement Division decides to commence probable cause proceedings pursuant to Sections 83115.5 and 83116, he or she shall direct the Enforcement Division staff to prepare a written report, hereafter referred to as "the probable cause report." The probable cause report shall contain a summary of the law and evidence gathered in connection with the investigation, including any exculpatory and mitigating information of which the staff has knowledge and any other relevant material and arguments. The evidence recited in the probable cause report may include hearsay, including declarations of investigators or others relating the statements of witnesses or concerning the examination of physical evidence.

(b) No probable cause hearing will take place until at least 21 calendar days after the Enforcement Division staff provides the following, by service of process or registered or certified mail with return receipt requested, to all proposed respondents:

- (1) A copy of the probable cause report;
- (2) Notification that the proposed respondents have the right to respond in writing to the probable cause report and to request a probable cause conference at which the proposed respondent may be present in person and represented by counsel, and;
- (3) If the Commission met in executive session on this matter pursuant to Regulation 18361.2, a copy of any staff memoranda submitted to the Commission at that time along with the recording of any discussion between the Commission and the staff at the executive session as required in subdivision (b) of Regulation 18361.2.

(c) Response to Probable Cause Report.

- (1) Each proposed respondent may submit a written response to the probable cause report. The response may contain a summary of evidence, legal arguments, and any mitigating or exculpatory information. A proposed respondent who submits a response must file it with the Commission Assistant who will forward the response to the General Counsel or an attorney in the Legal Division (the "hearing officer") and provide a copy, by service of process or registered or certified mail with return receipt requested, to all other proposed respondents listed in the probable cause report not later than 21 days following service of the probable cause report.
- (2) Within 21 calendar days following the service of the probable cause report, a proposed

respondent may request discovery of evidence in the possession of the Enforcement Division. This request must be sent by registered or certified mail to the Commission Assistant. Upon receipt of the request, the Enforcement Division shall provide discovery of evidence relied upon by the Enforcement Division sufficient to lead a person of ordinary caution and prudence to believe or entertain a strong suspicion that a proposed respondent committed or caused a violation, along with any exculpatory or mitigating evidence. This is not a right to full discovery of the Enforcement Division file. The Enforcement Division shall provide access to documents for copying by the Respondent, or upon agreement among the parties, the Enforcement Division will provide copies of the requested documents upon payment of a fee for direct costs of duplication. The Enforcement Division shall provide such evidence by service of process or registered or certified mail with return receipt requested to all respondents, with a copy to the Commission Assistant. A respondent may submit a written response to the probable cause report described in subsection (1) no later than 21 calendar days after service of discovery.

- (3) The Commission staff may submit any evidence or argument in rebuttal to the response. When the Commission staff submits evidence or argument in rebuttal to the response, it shall provide a copy, by service of process or registered or certified mail with return receipt requested, to all proposed respondents listed in the probable cause report not later than 10 calendar days following the date the response was filed with the Commission Assistant. The hearing officer may extend the time limitations in this section for good cause. At any time prior to a determination of probable cause, the hearing officer may allow additional material to be submitted as part of the initial response or rebuttal.

(d) Probable Cause Conference. Any proposed respondent may request a probable cause conference. The request shall be served upon the Commission Assistant and all other proposed respondents not later than 21 days after service of the probable cause report unless the hearing officer extends the time for good cause. The Commission Assistant shall fix a time for the probable cause conference and the hearing officer shall conduct the conference informally. The conference shall be closed to the public unless a proposed respondent requests and all other proposed respondents agree to a public conference. If the conference is not public, only members of the Commission staff, any proposed respondent and his or her legal counsel or representative shall have the right to be present and participate. The hearing officer may allow witnesses to attend and participate in part or all of the probable cause conference. In making this determination, the hearing officer shall consider the relevancy of the witness' proposed testimony, whether the witness has a substantial interest in the proceedings, and whether fairness requires that the witness be allowed to participate. Representatives of any civil or criminal prosecutor with jurisdiction may attend the conference at the discretion of the hearing officer if they agree to respect the confidential nature of the proceedings. If the conference is not open to the public and none of the parties and the presiding officer object, the conference may be conducted in whole or in part by telephone. The probable cause conference shall be recorded. The hearing officer may determine whether there is probable cause based solely on the probable cause report, any responses or rebuttals filed and any arguments presented at the probable cause conference by the interested parties. If the hearing officer requires additional information before determining whether there is probable cause, he or she may permit any party to submit additional evidence at the probable cause conference.

(e) Finding of Probable Cause. The hearing officer may find there is probable cause to believe a violation has occurred if the evidence is sufficient to lead a person of ordinary caution and prudence to believe or entertain a strong suspicion that a proposed respondent committed or caused a violation. A finding of probable cause by the hearing officer does not constitute a finding that a violation has actually occurred. The hearing officer shall not make a finding of probable cause if he or she is presented with clear and convincing evidence that, at a time prior to the alleged violation, the violator consulted with the staff of the Commission in good faith, disclosed truthfully all the material facts, and committed the acts complained of either in reliance on the advice of the staff or because of the staff's failure to provide advice. If the hearing officer makes a finding of probable cause, the Enforcement Division shall prepare an Accusation pursuant to Section 11503 and have it served upon the person or persons who are subjects of the probable cause finding. The hearing officer shall publicly announce the finding of probable cause. The announcement shall contain a summary of the allegations and a cautionary statement that the respondent is presumed to be innocent of any violation of the Act unless a violation is proved in a subsequent proceeding. The Chief of the Enforcement Division shall be responsible for the presentation of the case in support of the Accusation at an administrative hearing held pursuant to Section 83116.

#### **§ 18362. Access to Enforcement Records**

(a) Production of Enforcement Records. The Commission will make complaints, investigative files, and related records available to the public and members of the media in accordance with the Public Records Act (Government Code Section 6250, et seq.) Enforcement records requests should specifically identify the documents sought.

(b) Format of Enforcement Records. The Commission will make records available for inspection at its office during office hours. The Commission may provide copies of requested records either in paper or electronic format to the person that requested the records in lieu of inspecting the records at the Commission offices. Any person requesting paper copies of records must reimburse the Commission ten cents (\$0.10) per page to pay the cost of copying, or supply copying equipment and make copies in the offices of the Commission. Original records of the Commission may not be removed from the offices of the Commission.

(c) Complaint Notice Period. The Commission may not provide or make available complaints or related records until after the disclosure periods provided in Regulation 18360.

#### **§ 18361.2. Memorandum Respecting Civil Litigation.**

(a) If the Executive Director concludes civil litigation should be initiated, he or she shall submit to the Commission a written memorandum, which shall be first reviewed by the General Counsel, or an attorney from the Legal Division, summarizing the facts and the applicable law of the case and recommending the initiation of a lawsuit. The memorandum shall include all exculpatory and mitigating information known to the staff.

(b) The Commission shall review the memorandum at an executive session. The General

Counsel, or an attorney from the Legal Division, and the Commission Assistant shall be in attendance. No other member of the staff may be present unless the Commission meets with a member of the staff for that person to answer questions. The Commission may not resume its deliberations until the person is no longer present. Any communication between the Commission and the person during the executive session shall be recorded. After review of the memorandum, the Commission may direct the Executive Director to do any of the following:

- (1) Initiate civil litigation.
- (2) Decide whether probable cause proceedings should be commenced pursuant to 2 Cal. Code of Regulations Section 18361.4.
- (3) Return the matter to the staff for further investigation.
- (4) Take no further action on the matter or take any other action it deems appropriate.

(c) If the Commission decides to initiate civil litigation, the Commission may then permit other members of the staff to attend the executive session.

(d) If the Executive Director deems it necessary, he or she may call a special meeting of the Commission to review a staff memorandum recommending the initiation of civil litigation.

(e) It is the intent of the Commission in adopting this section to preserve for the members of the Commission the authority to decide whether alleged violations should be adjudicated in administrative hearings or in civil litigation, while at the same time avoiding the possibility that discussions with members of the staff might cause members of the Commission to prejudge a case that might be heard by the Commission under Government Code Section 83116.

**Exhibit A-5**

1 GALENA WEST  
Chief of Enforcement  
2 CHRISTOPHER BURTON  
Commission Counsel  
3 FAIR POLITICAL PRACTICES COMMISSION  
1102 Q Street  
4 Sacramento, CA 95811  
Telephone: (916) 322-5660

5 Attorneys for Complainant  
6 Fair Political Practices Commission, Enforcement Division

7  
8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION  
9 STATE OF CALIFORNIA

10  
11 In the Matter of

12 COMMITTEE TO CLEAN HOUSE,  
13 KEVIN MCVEY, AND JANICE SMITH,

14 Respondents.

FPPC Case No. 15/2202

**EX PARTE REQUEST FOR A FINDING OF  
PROBABLE CAUSE AND AN ORDER THAT  
AN ACCUSATION BE PREPARED AND  
SERVED**

Gov. Code § 83115.5

15  
16 **TO THE HEARING OFFICER OF THE FAIR POLITICAL PRACTICES COMMISSION:**

17 Pursuant to Section 83115.5 of the Political Reform Act (the "Act")<sup>1</sup> and Regulation 18361.4,  
18 Respondents Committee to Clean House (the "Committee"), Kevin McVey ("McVey"), and Janice Smith  
19 ("Smith") were served with a copy of a Report in Support of a Finding of Probable Cause (the "Report")  
20 in the above-entitled matter.<sup>2</sup> The Report, attached hereto as "Exhibit A," was part of a packet of  
21 materials, including a cover letter and a memorandum describing probable cause proceedings, which was  
22 sent to the Committee, McVey, and Smith on March 1, 2018; and to McVey, again, on March 7, 2018;  
23 March 14, 2018; and March 27, 2018, by certified mail, with a return receipt requested, and received by  
24 the Committee and Smith on March 3, 2018; and McVey on April 23, 2018. A copy of the return receipts  
25 are attached hereto as "Exhibit B."

26  
27 <sup>1</sup> The Political Reform Act is contained in Government Code §§ 81000 through 91014, and all statutory references are  
28 to this code. The regulations of the Fair Political Practices Commission are contained in §§ 18110 through 18997 of Title 2 of  
the California Code of Regulations, and all regulatory references are to this source.

<sup>2</sup> Gov. Code, § 83115.5; Cal. Code Reg., tit. 2, § 18361.4.

1 In the cover letter dated March 1, 2018, and the attached materials, the Committee, McVey, and  
2 Smith were advised that they could respond in writing to the Report and orally present the case to the  
3 Hearing Officer at a probable cause conference to be held in Sacramento. The Committee, McVey, and  
4 Smith were further advised that in order to have a probable cause conference, they needed to make a  
5 written request for one on or before 21 days of the date they received the Report. Additionally, the  
6 Committee, McVey, and Smith were advised that if they did not request a probable cause conference,  
7 such a conference would not be held and probable cause would be determined based solely on the Report  
8 and any written response that they submitted within 21 days of the date they were served with the Report.  
9 On or about March 19, 2018, a written response from Smith was filed with the Hearing Officer.

10 However, to date, neither the Committee, McVey, or Smith have requested a probable cause conference.

11 WHEREFORE, based on the attached Report, the Enforcement Division requests a finding by the  
12 Hearing Officer that probable cause exists to believe that the Committee, McVey, and Smith committed  
13 13 violations of the Act, stated as follows:

14 Count 1: The Committee and McVey failed to name the Committee to include the last names of the  
15 opposed candidates, the offices sought and year of the election, and the fact that the  
16 Committee opposed the candidates, and failed to identify the committee as being primarily  
17 formed on its statement of organization, in violation of Section 84102, and Regulation  
18 18402, subdivision (c)(3).

19 Count 2: The Committee and McVey failed to disclose, on certain television advertisements, that  
20 the advertisements were not authorized or paid for by a candidate or committee controlled  
21 by a candidate, in violation of Section 84506.5, subdivision (a); and failed to disclose the  
22 proper committee name on advertisements, in violation of Section 84506, subdivision  
23 (a)(1).

24 Count 3: The Committee, McVey, and Smith failed to maintain adequate source documentation for  
25 100 percent of its contributions received, amounting to \$10,486.50; and approximately 93  
26 percent of expenditures made, amounting to \$7,836, in violation of Section 84104 and  
27 Regulation 18401.

28 Count 4: The Committee and McVey accepted cash contributions of \$100 or more, and made cash  
expenditures of \$100 or more, in violation of Section 84300, subdivisions (a) and (b).

Count 5: The Committee and McVey failed to timely report contributions less than \$100 on the  
Committee's pre-election campaign statement covering the period of January 1, 2015 to  
October 22, 2015, in violation of Section 84211, subdivisions (a) and (d).

Count 6: The Committee, McVey, and Smith failed to timely report a loan in the amount of  
\$1,631.50 along with repayment information; contributor information for contributions of

1 \$100 or more; and expenditures amounting to \$1,121.71, on the Committee's semiannual  
2 campaign statement covering the period of October 23, 2015 to December 31, 2015, in  
violation of Section 84211, subdivisions (a), (c), (f), (g), (i), (j), and (k).

3 Count 7: The Committee and McVey failed to timely file a 24-hour contribution report for a loan in  
4 the amount of \$1,631.50 received on October 9, 2015, in violation of Section 84203.

5 Count 8: The Committee and McVey failed to timely file a 24-hour contribution report for a  
6 contribution in the amount of \$1,300 received on October 17, 2015, in violation of Section  
84203.

7 Count 9: The Committee and McVey failed to timely file a 24-hour contribution report for a  
8 contribution in the amount of \$1,700 received on October 26, 2015, in violation of Section  
84203.

9 Count 10: The Committee and McVey failed to timely file a 24-hour contribution report for two  
10 contributions amounting to \$3,000 received on October 28, 2015, in violation of Section  
11 84203.

12 Count 11: The Committee and McVey failed to timely file a 24-hour independent expenditure report  
13 for an independent expenditure in the amount of \$1,125 made on October 28, 2015, in  
violation of Section 84204.

14 Count 12: The Committee and McVey failed to timely file a 24-hour independent expenditure report  
15 for independent expenditures amounting to \$2,000 made on October 30, 2015, in violation  
of Section 84204.

16 Count 13: The Committee and McVey failed to timely file a 24-hour independent expenditure report  
17 for an independent expenditure in the amount of \$1,350 made on November 4, 2015, in  
18 violation of Section 84204.

19 Additionally, after finding probable cause exists, the Enforcement Division requests an order by  
20 the Hearing Officer that an accusation be prepared against the Committee, McVey, and Smith and served  
21 upon them.<sup>3</sup>

22 A copy of this Request was mailed via U.S. Mail to the Committee, McVey, and Smith on May  
23 31, 2018, at the last known addresses, as follows:

24 Committee to Clean House  
25 c/o Kevin McVey  
26 

27  
28 <sup>3</sup> Gov. Code, § 11503.

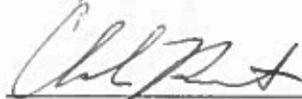
1 c/o Janice Smith  
2 [REDACTED]  
3

4 Dated: May 31, 2018  
5

6 Respectfully Submitted,

7 **FAIR POLITICAL PRACTICES COMMISSION**

8 Galena West  
9 Chief, Enforcement Division

10 

11 By: Christopher Burton  
12 Commission Counsel, Enforcement Division  
13  
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28

## **Exhibit A**

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

6 Attorneys for Complainant  
Fair Political Practices Commission, Enforcement Division  
7

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

11 In the Matter of

12 COMMITTEE TO CLEAN HOUSE,  
13 KEVIN MCVEY, AND JANICE SMITH,

14 Respondents.

FPPC Case No. 15/2202

15 **REPORT IN SUPPORT OF A FINDING OF  
PROBABLE CAUSE**

16 Conference Date: TBA  
17 Conference Time: TBA  
18 Conference Location: 1102 Q Street, Suite 3000  
19 Sacramento, CA 95811

20 **INTRODUCTION**

21 Committee to Clean House (the "Committee") was a committee primarily formed to oppose  
22 Ginny Foat ("Foat"), candidate for Mayor of Palm Springs, and Paul Lewin (Lewin"), candidate for the  
23 Palm Springs City Council, in the November 3, 2015 General Election. The Committee's principal  
24 officer and initial treasurer was Kevin McVey ("McVey"). On or about November 5, 2015, the  
25 Committee changed its treasurer to Janice Smith ("Smith").

26 Respondents committed numerous violations of the Political Reform Act (the "Act")<sup>1</sup> in 2015.  
27 First, as a primarily formed committee, Respondents failed to properly name the Committee to reflect its  
28 opposition to Foat and Lewin, including on certain television advertisements. In addition, Respondents  
failed to disclose that the advertisements were not authorized or paid for by a candidate or committee

<sup>1</sup> The 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.

1 controlled by a candidate. Respondents also failed to maintain adequate source documentation for 100  
2 percent of the Committee's contributions received, and approximately 93 percent of expenditures made.  
3 Additionally, Respondents improperly accepted all contributions of \$100 or more in cash and made  
4 expenditures of \$100 or more in cash. Further, Respondents failed to timely report certain financial  
5 activity on the Committee's campaign statements. Finally, Respondents failed to timely file 24-hour  
6 reports for certain late contributions and independent expenditures.

### 7 **SUMMARY OF THE LAW**

8 The Act and its regulations are amended from time to time. The discussion below regarding  
9 jurisdiction, the standard for finding probable cause, and the contents of the probable cause report  
10 includes references to current law. Unless otherwise noted, all other legal references and discussions of  
11 law pertain to the Act's provisions as they existed at the time of the violations in this case (2015).

#### 12 Jurisdiction

13 The Fair Political Practices Commission (the "Commission") has primary responsibility for the  
14 impartial, effective administration and implementation of the Act.<sup>2</sup> This includes enforcement through  
15 administrative prosecution.<sup>3</sup> However, before the Commission's Enforcement Division may commence  
16 administrative prosecution by filing/serving an Accusation, a hearing officer (either the General Counsel  
17 of the Commission or another attorney in the Commission's Legal Division) must determine whether  
18 there is probable cause to believe that one or more violations of the Act occurred.<sup>4</sup> Any finding of  
19 probable cause is required by law to be announced publicly, which includes the posting of a summary of  
20 the allegations on the Commission's website.<sup>5</sup> After a finding of probable cause, the Commission may  
21 then hold a hearing to determine what violations have occurred—and levy an administrative penalty of  
22 up to \$5,000 for each violation.<sup>6</sup>

23 ///

24  
25  
26 <sup>2</sup> Section 83111.

27 <sup>3</sup> Section 83116.

28 <sup>4</sup> Sections 83115.5 and 83116; Regulations 18361, subd. (b), and 18361.4.

<sup>5</sup> Regulation 18361.4, subd. (e).

<sup>6</sup> Section 83116; Regulation 18361.4, subd. (e).

1 Standard for Finding Probable Cause

2 For the hearing officer to make a finding of probable cause, it is only necessary that he or she be  
3 presented with sufficient evidence to lead a person of ordinary caution and prudence to believe, or  
4 entertain a strong suspicion, that a proposed respondent committed or caused a violation.<sup>7</sup>

5 Contents of the Probable Cause Report

6 The probable cause report is required to contain a summary of the law and evidence gathered in  
7 connection with the investigation, including any exculpatory and mitigating information of which the  
8 staff has knowledge and any other relevant material and arguments. The evidence recited in the probable  
9 cause report may include hearsay.<sup>8</sup>

10 Need for Liberal Construction and Vigorous Enforcement of the Political Reform Act

11 When enacting the Act, the people of California found and declared that previous laws regulating  
12 political practices suffered from inadequate enforcement by state and local authorities.<sup>9</sup> For this reason,  
13 the Act is to be construed liberally to accomplish its purposes.<sup>10</sup>

14 One purpose of the Act is to promote transparency by ensuring that receipts and expenditures in  
15 election campaigns are fully and truthfully disclosed so that voters are fully informed and improper  
16 practices are inhibited.<sup>11</sup> Along these lines, the Act includes a comprehensive campaign reporting  
17 system.<sup>12</sup> Another purpose of the Act is to provide adequate enforcement mechanisms so that the Act  
18 will be "vigorously enforced."<sup>13</sup>

19 Duty to Identify Committee as Primarily Formed

20 The Act defines "primarily formed committee" to include a committee which is formed or exists  
21 primarily to support or oppose a group of specific candidates being voted upon in the same city, county,  
22 or multicounty election.<sup>14</sup> In particular, a committee "formed or existing primarily to support or oppose"

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24 <sup>7</sup> Section 83115.5; Regulation 18361.4, subd. (e).

25 <sup>8</sup> Regulation 18361.4, subd. (a).

26 <sup>9</sup> Section 81001, subd. (h).

27 <sup>10</sup> Section 81003.

28 <sup>11</sup> Section 81002, subd. (a).

<sup>12</sup> Sections 84200, *et seq.*

<sup>13</sup> Section 81002, subd. (f).

<sup>14</sup> Section 82047.5.

1 a group of specific candidates includes, but is not limited to, a committee created for the purpose of or  
2 involved in running the principal campaign against a group of candidates or whose primary purpose and  
3 activities are to oppose a group of candidates.<sup>15</sup>

4 The name of a non-candidate controlled committee primarily formed to support or oppose one or  
5 more candidates shall include the last name of each candidate whom the committee supports or opposes  
6 as listed on its statement of organization, the office sought and year of the election, and shall state  
7 whether the committee supports or opposes the candidate.<sup>16</sup> Further, a committee's statement of  
8 organization shall include the name of the committee, as well as the full name and office sought by a  
9 candidate that the committee supports or opposes as its primary activity.<sup>17</sup>

#### 10 Advertisement Disclosure

11 An "advertisement" under the Act means any general or public advertisement which is  
12 authorized and paid for by a person or committee for the purpose of supporting or opposing a candidate  
13 for elective office or a ballot measure(s).<sup>18</sup>

14 Under the Act, an independent expenditure advertisement that supports or opposes a candidate  
15 must include a disclosure statement identifying the committee making the independent expenditure.<sup>19</sup>  
16 Further, an advertisement supporting or opposing a candidate that is paid for by an independent  
17 expenditure must include a disclosure statement that the advertisement is "not authorized or paid for by  
18 a candidate for [that] office."<sup>20</sup>

#### 19 Recordkeeping Requirements

20 Principal officers and treasurers have a duty to maintain detailed accounts, records, bills, and  
21 receipts necessary to prepare campaign statements and establish campaign statements were properly  
22 filed.<sup>21</sup> For any expenditure of \$25 or more, a committee must maintain source documentation such as  
23

24 <sup>15</sup> Regulation 18247.5, subd. (d).

25 <sup>16</sup> Regulation 18402, subd. (c)(3).

26 <sup>17</sup> Section 84102, subds. (a) and (d).

27 <sup>18</sup> Section 84501.

28 <sup>19</sup> Section 84506, subd. (a)(1).

<sup>20</sup> Section 84605.5.

<sup>21</sup> Section 84104.

1 copies of checks, credit card charge slips, bills, receipts, invoices and any other documents reflecting  
2 expenditures made by the committee.<sup>22</sup> The committee must maintain copies of the records for four  
3 years from the date the campaign statement reflecting the expenditures is filed.<sup>23</sup>

#### 4 Prohibited Cash Contributions and Expenditures of \$100 or More

5 No contribution of \$100 or more may be made or received in cash.<sup>24</sup> All contributions of \$100 or  
6 more must be made in the form of a written instrument containing the name of the contributor and the  
7 name of the payee, and drawn from the account of the contributor.<sup>25</sup>

8 The Act further prohibits making an expenditure of \$100 or more in cash.<sup>26</sup> The Act defines  
9 "expenditure" as a payment, forgiveness of a loan, payment of a loan by a third party, or an enforceable  
10 promise to make a payment, unless it is clear from the surrounding circumstances that it is not made for  
11 political purposes.<sup>27</sup>

#### 12 Content of Campaign Statements

13 At the core of the Act's campaign reporting system is the requirement that committees file  
14 campaign statements and reports for certain reporting periods, by certain deadlines, and including certain  
15 information.<sup>28</sup>

16 The Act requires that committees report the total amount of contributions received during the  
17 period covered by the campaign statement from (i) persons who have given a cumulative amount of \$100  
18 or more; and (ii) persons who have given a cumulative amount of less than \$100.<sup>29</sup> Further, the Act  
19 requires that committees report the name, address, occupation, and employer of each person that  
20 contributes \$100 or more on its campaign statements.<sup>30</sup>

21 The Act also requires that, for loans over \$100, committees must report the name, address,  
22

23 <sup>22</sup> Regulation 18401, subd. (a)(4).

24 <sup>23</sup> Regulation 18401, subd. (b).

25 <sup>24</sup> Section 84300, subd. (a).

26 <sup>25</sup> Section 84300, subd. (c).

27 <sup>26</sup> Section 84300, subd. (b).

28 <sup>27</sup> Section 82025.

<sup>28</sup> Section 84200, *et seq.*

<sup>29</sup> Section 84211, subds. (a), (c), and (d).

<sup>30</sup> Section 84211, subd. (f).

1 occupation, and employer of each payor, as well as the original date and loan amount, the due date and  
2 interest rate, the cumulative payment made or received to date and the outstanding balance at the end of  
3 the reporting period, and the cumulative amount of contributions.<sup>31</sup>

4 The Act also requires that committees report the total amount of expenditures made during the  
5 period covered by the campaign statement to (i) persons who have received \$100 or more; and (ii)  
6 persons who have received less than \$100.<sup>32</sup> For each person to whom an expenditure of \$100 or more  
7 has been made, the committee must report the name and address of the recipient, the amount of the  
8 expenditure, and a brief description of the consideration for which each expenditure was made.<sup>33</sup>

#### 9 Duty to File 24-Hour Contribution Reports

10 Each candidate or committee that makes or receives a late contribution must file a report within  
11 24 hours of making or receiving the contribution.<sup>34</sup> A "late contribution" includes a contribution  
12 aggregating \$1,000 or more that is made or received by a candidate or his or her controlled committee  
13 during the 90-day period preceding an election or on the date of the election.<sup>35</sup>

#### 14 Duty to File 24-Hour Independent Expenditure Reports

15 When a committee makes a late independent expenditure, the committee must disclose the  
16 expenditure in a 24-hour independent expenditure report filed at each office with which the committee is  
17 required to file its next campaign statement within 24 hours of making the late independent expenditure.<sup>36</sup>  
18 A "late independent expenditure" means any independent expenditure which totals in the aggregate \$1,000  
19 or more and is made for or against any specific candidate or measure involved in an election within 90  
20 days before the date of the election.<sup>37</sup>

#### 21 Joint and Several Liability of Committee, Principal Officer, and Treasurer

22 It is the duty of a committee treasurer to ensure that the committee complies with the reporting  
23

24 <sup>31</sup> Section 84211, subd. (g).

25 <sup>32</sup> Section 84211, subd. (b), (i), and (j).

26 <sup>33</sup> Section 84211, subd. (k).

27 <sup>34</sup> Section 84203.

28 <sup>35</sup> Section 82036.

<sup>36</sup> Section 84204.

<sup>37</sup> Section 82036.5.

1 provisions of the Act.<sup>38</sup> It is the duty of the committee's principal officer to authorize the content of  
2 communications made by the committee, authorize expenditures made by the committee, and determine  
3 the committee's campaign strategy.<sup>39</sup> A treasurer and principal officer may be held jointly and severally  
4 liable, along with the committee, for violations committed by the committee.<sup>40</sup>

#### 5 SUMMARY OF THE EVIDENCE

6 The Enforcement Division of the Fair Political Practices Commission initiated a proactive  
7 investigation in response to a newspaper article regarding a television and YouTube advertisement  
8 attacking Foat and Lewin that aired in October and November 2015. The ad provided that it was paid for  
9 by the Committee.

10 The Committee filed its initial statement of organization on October 23, 2015, indicating that it  
11 qualified on October 19, 2015, and claiming to be a city general purpose committee created to "raise  
12 awareness of local political issues and candidates." On November 5, 2015, the Committee filed an  
13 amendment to its statement of organization, changing its treasurer from McVey to Smith. Despite the ads  
14 opposing Foat and Lewin, the Committee never identified as a primarily formed committee. On or about  
15 April 14, 2017, the Committee filed a statement of organization terminating the Committee as of  
16 December 31, 2015.

17 The Committee filed two campaign statements during its existence – a pre-election statement  
18 covering the reporting period of January 1 to October 22, 2015, and a semiannual statement covering the  
19 period of October 23 to December 31, 2015. The Committee reported a total of \$10,486.50 in  
20 contributions and \$8,436.50 in expenditures. At the end of October 2016, when the Committee was  
21 required to review its status, it had made \$3,875 in independent expenditures, all of which were related to  
22 advertisements opposing Foat and Lewin.

23 Given the Committee's primary purpose of opposing Foat and Lewin, as evidenced, in part, by its  
24 expenditures, the Committee was primarily formed during its existence. Therefore, the Committee should  
25 have named itself to include the last names of the opposed candidates, the offices sought and year of the  
26

27 <sup>38</sup> Sections 81004, 84100, 84104, and 84213; Regulation 18427.

28 <sup>39</sup> Section 82047.6; Regulation 18402.1, subd. (b).

<sup>40</sup> Sections 83116.5 and 91006.

1 election, and the fact that the Committee opposed the candidates; however, it did not. Further, the  
2 advertisements opposing Foat and Lewin failed to disclose that they were not authorized or paid for by a  
3 candidate and the advertisements did not disclose that the Committee was primarily formed as required.

4 The Committee also failed to maintain adequate source documentation for 100 percent of its  
5 contributions received, amounting to \$10,486.50; and approximately 93 percent of expenditures made,  
6 amounting to \$7,836, which made any financial reconciliation by the Enforcement Division difficult.  
7 Further, the Committee accepted all contributions in cash, including five of \$100 or more totaling \$6,750,  
8 which represented approximately 76 percent of all contributions; and made all expenditures in cash,  
9 including at least three of \$100 or more totaling \$1,600, which accounted for approximately 19 percent  
10 of all expenditures, until October 24, 2015 when a campaign bank account was opened.

11 The Committee also failed to timely report a variety of financial activity on the Committee's  
12 campaign statements. In particular, although the Committee received contributions under \$50, as  
13 admitted by McVey, the Committee failed to timely report any amount of unitemized contributions of  
14 less than \$100 on the Committee's pre-election campaign statement covering the period of January 1,  
15 2015 to October 22, 2015.

16 Further, the Committee failed to report certain financial activity on its semiannual campaign  
17 statement covering the period of October 23, 2015 to December 31, 2015. Despite reporting a loan in the  
18 amount of \$1,631.50 received from McVey on its pre-election campaign statement covering the period of  
19 January 1, 2015 to October 22, 2015, the Committee failed to continue to report the loan, along with  
20 repayment information, on the subsequent statement, as required to track the loan. In addition, because  
21 Smith was not provided with complete campaign records from McVey, she was unable to disclose  
22 contributor information for an unknown amount of itemized contributions of \$100 or more. Finally,  
23 based on bank statements, the Committee also failed to report expenditures amounting to \$1,121.71.

24 ///

25 ///

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1 Finally, the Committee failed to timely file the following 24-hour contribution reports and 24-  
 2 hour independent expenditure reports:

Statement/ Report Type	Contribution/ Independent Expenditure Date	Due Date	Date Filed	Amount of Contribution
24-Hour Contribution (loan)	10/9/15	10/12/15	N/A	\$1,631.50
24-Hour Contribution	10/17/15	10/19/12	N/A	\$1,300
24-Hour Contribution	10/26/15	10/27/15	N/A	\$1,700
24-Hour Contribution	10/28/15	10/29/15	N/A	\$1,500
24-Hour Contribution	10/28/15	10/29/15	N/A	\$1,500
<b>TOTAL:</b>				<b>\$7,631.50</b>
24-Hour Independent Expenditure	10/27/15	10/28/15	N/A	\$1,125
24-Hour Independent Expenditure	10/29/15	10/30/15	N/A	\$500
24-Hour Independent Expenditure	10/29/15	10/30/15	N/A	\$1,500
24-Hour Independent Expenditure	11/3/15	11/4/15	N/A	\$1,350
<b>TOTAL:</b>				<b>\$4,475</b>

23 With the exception of the \$1,300 contribution received on October 17, 2015, each of the  
 24 aforementioned contributions and independent expenditures went unreported prior to the election,  
 25 whether on a timely-filed campaign statement or 24-hour report.

26 Foat and Lewin were both unsuccessful in the November 3, 2015 General Election.

27 ///

28 ///

1 **VIOLATIONS**

2 **Count 1: Failure to Properly Name the Committee and Identify the Committee as Primarily Formed**

3 The Committee and McVey failed to name the Committee to include the last names of the  
4 opposed candidates, the offices sought and year of the election, and the fact that the Committee opposed  
5 the candidates, and failed to identify the committee as being primarily formed on its statement of  
6 organization, in violation of Section 84102, and Regulation 18402, subdivision (c)(3).

7 **Count 2: Failure to Comply With Disclosure Requirements for Political Advertisements**

8 The Committee and McVey failed to disclose, on certain television advertisements, that the  
9 advertisements were not authorized or paid for by a candidate or committee controlled by a candidate, in  
10 violation of Section 84506.5, subdivision (a); and failed to disclose the proper committee name on  
11 advertisements, in violation of Section 84506, subdivision (a)(1).

12 **Count 3: Failure to Maintain Campaign Records**

13 The Committee, McVey, and Smith failed to maintain adequate source documentation for 100  
14 percent of its contributions received, amounting to \$10,486.50; and approximately 93 percent of  
15 expenditures made, amounting to \$7,836, in violation of Section 84104 and Regulation 18401.

16 **Count 4: Unlawful Cash Contributions and Expenditures of \$100 or More**

17 The Committee and McVey accepted cash contributions of \$100 or more, and made cash  
18 expenditures of \$100 or more, in violation of Section 84300, subdivisions (a) and (b).

19 **Count 5: Failure to Timely Report Financial Activity on Campaign Statement**

20 The Committee and McVey failed to timely report contributions less than \$100 on the  
21 Committee's pre-election campaign statement covering the period of January 1, 2015 to October 22,  
22 2015, in violation of Section 84211, subdivisions (a) and (d).

23 **Count 6: Failure to Timely Report Financial Activity on Campaign Statement**

24 The Committee, McVey, and Smith failed to timely report a loan in the amount of \$1,631.50  
25 along with repayment information; contributor information for contributions of \$100 or more; and  
26 expenditures amounting to \$1,121.71, on the Committee's semiannual campaign statement covering the  
27 period of October 23, 2015 to December 31, 2015, in violation of Section 84211, subdivisions (a), (c),  
28 (f), (g), (i), (j), and (k).



1 **CONCLUSION**

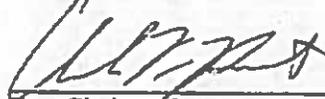
2 For all of the foregoing reasons, probable cause exists to believe that the Committee, McVey, and  
3 Smith violated the Act as described in Counts 1 through 13. Therefore, the Enforcement Division  
4 respectfully requests that the hearing officer issue an order finding probable cause pursuant to Section  
5 83115.5 and Regulation 18361.4.

6  
7 Dated: March 1, 2018

8 Respectfully Submitted,

9 **FAIR POLITICAL PRACTICES COMMISSION**

10 Galena West  
11 Chief, Enforcement Division

12 

13 By: Christopher Burton  
14 Commission Counsel, Enforcement Division

**PROOF OF SERVICE**

At the time of service, I was over 18 years of age and not a party to this action. My business address is: Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811. On March 1, 2018, I served the following document(s):

1. Letter dated March 1, 2018 from Christopher Burton;
2. FPPC No. 15/2202 Report in Support of a Finding of Probable Cause;
3. Probable Cause Fact Sheet;
4. Selected Sections of the California Government Code regarding Probable Cause Proceedings for the Fair Political Practices Commission; and
5. Selected Regulations of the Fair Political Practices Commission regarding Probable Cause Proceedings

**By Personal Delivery.** I personally delivered the document(s) listed above to the person(s) at the address(es) as shown on the service list below.

**By United States Postal Service.** I enclosed the document(s) in a sealed envelope or package addressed to the person(s) at the addresses listed below and placed the envelope or package for collection and mailing by certified mail, return receipt requested, following my company's ordinary business practices. I am readily familiar with this business' practice for collection and processing correspondence for mailing with the United States Postal Service. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail in Sacramento County, California.

**SERVICE LIST**

**Certified Mail, Return Receipt Requested**

Committee to Clean House  
c/o Janice Smith



c/o Kevin McVey



I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on March 1, 2018.

\_\_\_\_\_  
Christopher B. Burton

**PROOF OF SERVICE**

At the time of service, I was over 18 years of age and not a party to this action. My business address is: Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811. On March 7, 2018, I served the following document(s):

1. Letter dated March 1, 2018 from Christopher Burton;
2. FPPC No. 15/2202 Report in Support of a Finding of Probable Cause;
3. Probable Cause Fact Sheet;
4. Selected Sections of the California Government Code regarding Probable Cause Proceedings for the Fair Political Practices Commission; and
5. Selected Regulations of the Fair Political Practices Commission regarding Probable Cause Proceedings

By Personal Delivery. I personally delivered the document(s) listed above to the person(s) at the address(es) as shown on the service list below.

By United States Postal Service. I enclosed the document(s) in a sealed envelope or package addressed to the person(s) at the addresses listed below and placed the envelope or package for collection and mailing by certified mail, return receipt requested, following my company's ordinary business practices. I am readily familiar with this business' practice for collection and processing correspondence for mailing with the United States Postal Service. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail in Sacramento County, California.

**SERVICE LIST**

**Certified Mail, Return Receipt Requested**

Kevin McVey  


I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on March 7, 2018.

  
\_\_\_\_\_  
Christopher B. Burton

**PROOF OF SERVICE**

At the time of service, I was over 18 years of age and not a party to this action. My business address is: Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811. On March 14, 2018, I served the following document(s):

1. Letter dated March 1, 2018 from Christopher Burton;
2. FPPC No. 15/2202 Report in Support of a Finding of Probable Cause;
3. Probable Cause Fact Sheet;
4. Selected Sections of the California Government Code regarding Probable Cause Proceedings for the Fair Political Practices Commission; and
5. Selected Regulations of the Fair Political Practices Commission regarding Probable Cause Proceedings

By Personal Delivery. I personally delivered the document(s) listed above to the person(s) at the address(es) as shown on the service list below.

By United States Postal Service. I enclosed the document(s) in a sealed envelope or package addressed to the person(s) at the addresses listed below and placed the envelope or package for collection and mailing by certified mail, return receipt requested, following my company's ordinary business practices. I am readily familiar with this business' practice for collection and processing correspondence for mailing with the United States Postal Service. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail in Sacramento County, California.

**SERVICE LIST**

**Certified Mail, Return Receipt Requested**

Kevin McVey  


I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on March 14, 2018.

  
\_\_\_\_\_  
Christopher B. Burton

**PROOF OF SERVICE**

At the time of service, I was over 18 years of age and not a party to this action. My business address is: Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811. On March 27, 2018, I served the following document(s):

1. Letter dated March 1, 2018 from Christopher Burton;
2. FPPC No. 15/2202 Report in Support of a Finding of Probable Cause;
3. Probable Cause Fact Sheet;
4. Selected Sections of the California Government Code regarding Probable Cause Proceedings for the Fair Political Practices Commission; and
5. Selected Regulations of the Fair Political Practices Commission regarding Probable Cause Proceedings

By Personal Delivery. I personally delivered the document(s) listed above to the person(s) at the address(es) as shown on the service list below.

By United States Postal Service. I enclosed the document(s) in a sealed envelope or package addressed to the person(s) at the addresses listed below and placed the envelope or package for collection and mailing by certified mail, return receipt requested, following my company's ordinary business practices. I am readily familiar with this business' practice for collection and processing correspondence for mailing with the United States Postal Service. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

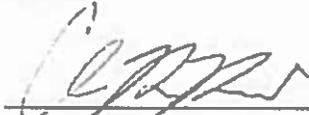
I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail in Sacramento County, California.

**SERVICE LIST**

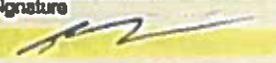
**Certified Mail, Return Receipt Requested**

Kevin McVey  


I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on March 27, 2018.

  
\_\_\_\_\_  
Christopher B. Burton

## Exhibit B

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<b>A. Signature</b> X  <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	
	<b>B. Received by (Printed Name)</b> 	<b>C. Date of Delivery</b> 4/23
<b>1. Article Addressed to:</b>  Kevin McVey    9590 9403 0903 5223 7448 73	<b>D. Is delivery address different from item 17?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:	
<b>2. Article Number (Transfer from service label)</b> 7010 1870 0000 1626 1628	<b>3. Service Type</b> <input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	
PS Form 3811, July 2015 PSN 7530-02-000-8053 <span style="float: right;">Domestic Return Receipt*</span>		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<b>A. Signature</b> X  <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	
	<b>B. Received by (Printed Name)</b> JANICE P SMITH	<b>C. Date of Delivery</b> 3/3/18
<b>1. Article Addressed to:</b>  Committee to Clean House c/o Kevin McVey 	<b>D. Is delivery address different from item 17?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:	
<b>2. Article Number (Transfer from service label)</b> 7006 0810 0000 5127 6715	<b>3. Service Type</b> <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
<b>4. Restricted Delivery? (Extra Fee)</b> <input type="checkbox"/> Yes		
PS Form 3811, February 2004 <span style="float: right;">Domestic Return Receipt 102595-02-M-1540</span>		

**Exhibit A-6**

1 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION

2 STATE OF CALIFORNIA

3  
4 In the Matter of

5 COMMITTEE TO CLEAN HOUSE,  
6 KEVIN MCVEY, AND JANICE SMITH,

7 Respondents.

FPPC Case No. 15/2202

**FINDING OF PROBABLE CAUSE AND  
ORDER TO PREPARE AND SERVE AN  
ACCUSATION**

Gov. Code § 83115.5

8  
9 By means of an Ex Parte Request for a Finding of Probable Cause and an Order that an Accusation  
10 Be Prepared and Served (the “Ex Parte Request”), dated May 31, 2018, the Enforcement Division  
11 submitted the above-entitled matter to the Hearing Officer for a determination of Probable Cause. As set  
12 forth in the Ex Parte Request, the Enforcement Division served a Report in Support of a Finding of Probable  
13 Cause (the “Report”) concerning this matter on Respondents Committee to Clean House (the “Committee”)  
14 and Janice Smith (“Smith”) on March 3, 2018; and Kevin McVey (“McVey”) on April 23, 2018, by  
15 certified mail, return receipt requested. Accompanying the Report was a packet of materials that informed  
16 the Committee, McVey, and Smith of their right to file a written response to the Report and to request a  
17 probable cause conference within 21 days following service of the Report. During the 21 days that followed  
18 service of the Report, Smith filed a written response to the Report. However, neither the Committee,  
19 McVey, or Smith requested a probable cause conference. Pursuant to California Code of Regulations title  
20 2, section 18361.4, determination of probable cause may be made solely on papers submitted when the  
21 respondent does not request a probable cause conference.<sup>1</sup>

22 In making a probable cause determination, it is the duty of the Hearing Officer of the Fair Political  
23 Practices Commission to determine whether probable cause exists to believe that a respondent violated the  
24 Political Reform Act as alleged by the Enforcement Division in the Report in Support of a Finding of  
25 Probable Cause served on the respondent.

26  
27 <sup>1</sup> The Political Reform Act is contained in Government Code sections 81000 through 91014. The regulations of the  
28 Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of  
Regulations.

1 Probable cause to believe a violation has occurred can be found to exist when “the evidence is  
2 sufficient to lead a person of ordinary caution and prudence to believe or entertain a strong suspicion that  
3 the proposed respondent(s) committed or caused a violation.”<sup>2</sup>

4 The Report served on the Committee, McVey, and Smith and the subsequent Ex Parte Request in  
5 this matter allege that 13 violations of the Political Reform Act were committed, as follows:

6 Count 1: The Committee and McVey failed to name the Committee to include the last names of the  
7 opposed candidates, the offices sought and year of the election, and the fact that the  
8 Committee opposed the candidates, and failed to identify the committee as being primarily  
9 formed on its statement of organization, in violation of Section 84102, and Regulation  
10 18402, subdivision (c)(3).

11 Count 2: The Committee and McVey failed to disclose, on certain television advertisements, that  
12 the advertisements were not authorized or paid for by a candidate or committee controlled  
13 by a candidate, in violation of Section 84506.5, subdivision (a); and failed to disclose the  
14 proper committee name on advertisements, in violation of Section 84506, subdivision  
15 (a)(1).

16 Count 3: The Committee, McVey, and Smith failed to maintain adequate source documentation for  
17 100 percent of its contributions received, amounting to \$10,486.50; and approximately 93  
18 percent of expenditures made, amounting to \$7,836, in violation of Section 84104 and  
19 Regulation 18401.

20 Count 4: The Committee and McVey accepted cash contributions of \$100 or more, and made cash  
21 expenditures of \$100 or more, in violation of Section 84300, subdivisions (a) and (b).

22 Count 5: The Committee and McVey failed to timely report contributions less than \$100 on the  
23 Committee’s pre-election campaign statement covering the period of January 1, 2015 to  
24 October 22, 2015, in violation of Section 84211, subdivisions (a) and (d).

25 Count 6: The Committee, McVey, and Smith failed to timely report a loan in the amount of  
26 \$1,631.50 along with repayment information; contributor information for contributions of  
27 \$100 or more; and expenditures amounting to \$1,121.71, on the Committee’s semiannual  
28 campaign statement covering the period of October 23, 2015 to December 31, 2015, in  
violation of Section 84211, subdivisions (a), (c), (f), (g), (i), (j), and (k).

Count 7: The Committee and McVey failed to timely file a 24-hour contribution report for a loan in  
the amount of \$1,631.50 received on October 9, 2015, in violation of Section 84203.

Count 8: The Committee and McVey failed to timely file a 24-hour contribution report for a  
contribution in the amount of \$1,300 received on October 17, 2015, in violation of Section  
84203.

Count 9: The Committee and McVey failed to timely file a 24-hour contribution report for a

<sup>2</sup> Cal. Code Reg., tit. 2, § 18361.4, subd. (e).

1 contribution in the amount of \$1,700 received on October 26, 2015, in violation of Section  
2 84203.

3 Count 10: The Committee and McVey failed to timely file a 24-hour contribution report for two  
4 contributions amounting to \$3,000 received on October 28, 2015, in violation of Section  
5 84203.

6 Count 11: The Committee and McVey failed to timely file a 24-hour independent expenditure report  
7 for an independent expenditure in the amount of \$1,125 made on October 28, 2015, in  
8 violation of Section 84204.

9 Count 12: The Committee and McVey failed to timely file a 24-hour independent expenditure report  
10 for independent expenditures amounting to \$2,000 made on October 30, 2015, in violation  
11 of Section 84204.

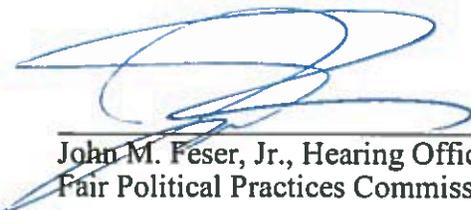
12 Count 13: The Committee and McVey failed to timely file a 24-hour independent expenditure report  
13 for an independent expenditure in the amount of \$1,350 made on November 4, 2015, in  
14 violation of Section 84204.

15 Based on the Ex Parte Request given to me, I find that notice has been given to the Committee,  
16 McVey, and Smith.<sup>3</sup> I further find, based on the Report and the Ex Parte Request, that there is probable  
17 cause to believe the Committee, McVey, and Smith violated the Political Reform Act as alleged in Counts  
18 1 through 13, as identified above.

19 I therefore direct that the Enforcement Division issue an accusation against the Committee, McVey,  
20 and Smith in accordance with this finding.

21 IT IS SO ORDERED.

22 Dated: 5/31/18

23   
24 \_\_\_\_\_  
25 John M. Feser, Jr., Hearing Officer  
26 Fair Political Practices Commission

27 <sup>3</sup> Gov. Code, § 83115.5; Cal. Code Reg., tit. 2, §18361.4, subd. (b).

**Exhibit A-7**

1 GALENA WEST  
Chief of Enforcement  
2 CHRISTOPHER BURTON  
Commission Counsel  
3 **FAIR POLITICAL PRACTICES COMMISSION**  
1102 Q Street, Suite 3000  
4 Sacramento, CA 95811  
Telephone: (916) 322-5660  
5

6 Attorneys for Complainant  
Fair Political Practices Commission, Enforcement Division  
7

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

11 In the Matter of ) FPPC No. 15/2202  
12 COMMITTEE TO CLEAN HOUSE, )  
KEVIN MCVEY, AND JANICE SMITH, )  
13 Respondents. ) **ACCUSATION**  
14 )  
15 ) (Gov. Code §11503)  
16 )

17 Complainant, the Enforcement Division of the Fair Political Practices Commission, after a  
18 finding of probable cause pursuant to Government Code section 83115.5, alleges the following:

19 **JURISDICTION**

20 1. Complainant is the Enforcement Division of the Fair Political Practices Commission (the  
21 "Commission") and makes this Accusation in its official capacity and in the public interest.

22 2. The authority to bring this action is derived from Title 2, California Code of Regulations,  
23 Sections 18361 and 18361.4, subdivision (e), and the statutory law of the State of California, specifically  
24 including, but not limited to, Government Code Sections 83111, 83116, and 91000.5, which assign to  
25 the Enforcement Division the duty to administer, implement, and enforce the provisions of the Political  
26 Reform Act, found at Government Code Sections 81000 through 91014.

27 ///

28 ///



1 11. In particular, a committee “formed or existing primarily to support or oppose” a group of  
2 specific candidates includes, but is not limited to, a committee created for the purpose of or involved in  
3 running the principal campaign against a group of candidates or whose primary purpose and activities  
4 are to oppose a group of candidates.<sup>6</sup>

5 12. A committee is also primarily formed if it makes more than 70 percent of its total  
6 contributions and expenditures on all candidates and measures on a specific single candidate or measure,  
7 or group of candidates or measures in the same election, during either the immediately preceding 24  
8 months or the current two-year period beginning January 1 of an odd-numbered year.<sup>7</sup>

9 13. A committee that files its initial statement of organization within six months of an  
10 election in connection with which the committee makes contributions and expenditures shall determine  
11 whether it is primarily formed at the end of each month prior to the election unless the committee has  
12 not made contributions and/or expenditures of \$1,000 or more to support or oppose candidates or  
13 measures during that month.<sup>8</sup>

14 14. The name of a non-candidate controlled committee primarily formed to support or oppose  
15 one or more candidates shall include the last name of each candidate whom the committee supports or  
16 opposes as listed on its statement of organization, the office sought and year of the election, and shall  
17 state whether the committee supports or opposes the candidate.<sup>9</sup>

18 15. Further, a committee’s statement of organization shall include the name of the committee,  
19 as well as the full name and office sought by a candidate that the committee supports or opposes as its  
20 primary activity.<sup>10</sup>

21 **B. Advertisement Disclosure**

22 16. An “advertisement” under the Act means any general or public advertisement which is  
23 authorized and paid for by a person or committee for the purpose of supporting or opposing a  
24 candidate for elective office or a ballot measure(s).<sup>11</sup>

25  
26 <sup>6</sup> Regulation 18247.5, subd. (d).

27 <sup>7</sup> Regulation 18247.5, subd. (d)(3).

28 <sup>8</sup> Regulation 18247.5, subd. (e)(2)(A).

<sup>9</sup> Regulation 18402, subd. (c)(3).

<sup>10</sup> Section 84102, subds. (a) and (d).

<sup>11</sup> Section 84501.

1           17.    An “independent expenditure” means an expenditure made by any person in connection  
2 with a communication which expressly advocates the election or defeat of a clearly identified  
3 candidate or the qualification, passage or defeat of a clearly identified measure, or taken as a whole and  
4 in context, unambiguously urges a particular result in an election but which is not made to or at the  
5 behest of the affected candidate or committee.<sup>12</sup>

6           18.    Under the Act, an advertisement supporting or opposing a candidate that is paid for by  
7 an independent expenditure must include a disclosure statement identifying the committee making the  
8 independent expenditure.<sup>13</sup>

9           19.    Further, an advertisement supporting or opposing a candidate that is paid for by an  
10 independent expenditure must include a disclosure statement that the advertisement is “not authorized  
11 or paid for by a candidate for [that] office.”<sup>14</sup>

12 **C.    Recordkeeping Requirements**

13           20.    Principal officers and treasurers have a duty to maintain detailed accounts, records,  
14 bills, and receipts necessary to prepare campaign statements and establish campaign statements were  
15 properly filed.<sup>15</sup>

16           21.    This duty includes maintenance of detailed information and original source  
17 documentation for a period of four years following the date the campaign statement to which they  
18 relate is filed.<sup>16</sup>

19           22.    Examples of original source documentation that must be maintained include copies of  
20 bills, receipts, and invoices for expenditures of \$25 or more.<sup>17</sup>

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22 ///

23 ///

24 ///

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26 <sup>12</sup> Section 82031.

27 <sup>13</sup> Section 84506, subd. (a)(1).

28 <sup>14</sup> Section 84605.5.

<sup>15</sup> Section 84104.

<sup>16</sup> Regulation 18401.

<sup>17</sup> Regulation 18401, subd. (a)(4).

1 **D. Prohibited Cash Contributions and Expenditures of \$100 or More**

2 23. No contribution of \$100 or more may be made or received in cash.<sup>18</sup> All contributions of  
3 \$100 or more must be made in the form of a written instrument containing the name of the contributor  
4 and the name of the payee, and drawn from the account of the contributor.<sup>19</sup>

5 24. The Act further prohibits making an expenditure of \$100 or more in cash.<sup>20</sup>

6 25. The Act defines “expenditure” as a payment, forgiveness of a loan, payment of a loan by  
7 a third party, or an enforceable promise to make a payment, unless it is clear from the surrounding  
8 circumstances that it is not made for political purposes.<sup>21</sup>

9 **E. Content of Campaign Statements**

10 26. At the core of the Act’s campaign reporting system is the requirement that committees  
11 file campaign statements and reports for certain reporting periods, by certain deadlines, and including  
12 certain information.<sup>22</sup>

13 27. The Act requires that committees report the total amount of contributions received during  
14 the period covered by the campaign statement from (i) persons who have given a cumulative amount of  
15 \$100 or more; and (ii) persons who have given a cumulative amount of less than \$100.<sup>23</sup> Further, the Act  
16 requires that committees report the name, address, occupation, and employer of each person that  
17 contributes \$100 or more on its campaign statements.<sup>24</sup>

18 28. The Act also requires that, for loans over \$100, committees must report the name,  
19 address, occupation, and employer of each payor, as well as the original date and loan amount, the due  
20 date and interest rate, the cumulative payment made or received to date and the outstanding balance at  
21 the end of the reporting period, and the cumulative amount of contributions.<sup>25</sup>

22 29. The Act also requires that committees report the total amount of expenditures made  
23 during the period covered by the campaign statement to (i) persons who have received \$100 or more;

24  
25 <sup>18</sup> Section 84300, subd. (a).  
26 <sup>19</sup> Section 84300, subd. (c).  
27 <sup>20</sup> Section 84300, subd. (b).  
28 <sup>21</sup> Section 82025.  
<sup>22</sup> Section 84200, *et seq.*  
<sup>23</sup> Section 84211, subds. (a), (c), and (d).  
<sup>24</sup> Section 84211, subd. (f).  
<sup>25</sup> Section 84211, subd. (g).

1 and (ii) persons who have received less than \$100.<sup>26</sup> For each person to whom an expenditure of \$100 or  
2 more has been made, the committee must report the name and address of the recipient, the amount of the  
3 expenditure, and a brief description of the consideration for which each expenditure was made.<sup>27</sup>

4 **F. Duty to File 24-Hour Contribution Reports**

5 30. Each candidate or committee that makes or receives a late contribution must file a  
6 report within 24 hours of making or receiving the contribution.<sup>28</sup>

7 31. A “late contribution” includes a contribution aggregating \$1,000 or more that is made or  
8 received by a candidate or his or her controlled committee during the 90-day period preceding an  
9 election or on the date of the election.<sup>29</sup>

10 **G. Duty to File 24-Hour Independent Expenditure Reports**

11 32. When a committee makes a late independent expenditure, the committee must disclose  
12 the expenditure in a 24-hour independent expenditure report filed at each office with which the  
13 committee is required to file its next campaign statement within 24 hours of making the late independent  
14 expenditure.<sup>30</sup>

15 33. A “late independent expenditure” means any independent expenditure which totals in the  
16 aggregate \$1,000 or more and is made for or against any specific candidate or measure involved in an  
17 election within 90 days before the date of the election.<sup>31</sup>

18 **H. Factors to be Considered by the Fair Political Practices Commission**

19 34. In framing a proposed order following a finding of a violation pursuant to Section 83116,  
20 the Commission and the administrative law judge shall consider all the surrounding circumstances  
21 including but not limited to: (1) The seriousness of the violation; (2) The presence or absence of any  
22 intention to conceal, deceive or mislead; (3) Whether the violation was deliberate, negligent or  
23 inadvertent; (4) Whether the violator demonstrated good faith by consulting the Commission staff or any  
24 other government agency in a manner not constituting a complete defense under Section 83114(b); (5)

25  
26 <sup>26</sup> Section 84211, subd. (b), (i), and (j).

27 <sup>27</sup> Section 84211, subd. (k).

28 <sup>28</sup> Section 84203.

<sup>29</sup> Section 82036.

<sup>30</sup> Section 84204.

<sup>31</sup> Section 82036.5.

1 Whether the violation was isolated or part of a pattern and whether the violator has a prior record of  
2 violations of the Act or similar laws; and (6) Whether the violator, upon learning of a reporting  
3 violation, voluntarily filed amendments to provide full disclosure.<sup>32</sup>

4 **GENERAL FACTS**

5 35. Complainant incorporates paragraphs 6 through 8 of this Accusation, as though  
6 completely set forth herein.

7 36. The Committee paid for a television and YouTube advertisement attacking Foat and  
8 Lewin that aired in October and November 2015.

9 37. The Committee filed its initial statement of organization on October 23, 2015, indicating  
10 that it qualified on October 19, 2015, and claiming to be a city general purpose committee created to  
11 “raise awareness of local political issues and candidates.”

12 38. On or about November 2, 2015, the Committee filed an amendment to its statement of  
13 organization, changing its treasurer from McVey to Smith.

14 39. Despite the ads opposing Foat and Lewin, the Committee never identified as a primarily  
15 formed committee.

16 40. On or about April 14, 2017, the Committee filed a statement of organization terminating  
17 the Committee as of December 31, 2015.

18 41. The Committee filed two campaign statements during its existence – a pre-election  
19 statement covering the reporting period of January 1 to October 22, 2015, and a semiannual statement  
20 covering the period of October 23 to December 31, 2015.

21 42. Based on the Committee’s campaign reporting and bank statements, during its existence,  
22 the Committee received a total of \$12,146.50 in contributions and other receipts, and made \$9,485.22 in  
23 expenditures.

24 43. At the end of October 2015, when the Committee was required to review its status, it had  
25 made \$3,875 in independent expenditures, all of which were related to advertisements opposing Foat  
26 and Lewin.

27  
28 

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<sup>32</sup> Regulation 18361.5, subd. (d).

1           44.     Although the Committee identified itself as a general purpose committee, its true primary  
2 purpose was to oppose Foat and Lewin. Also, the Committee's independent expenditures qualified it as  
3 a primarily formed committee, at least starting at the end of October 2015, when it made the subject  
4 expenditures. The Committee did not make any independent expenditures besides those related to Foat  
5 and Lewin; therefore, its expenditures met the 70 percent threshold for determining whether a committee  
6 is primarily formed.

7           45.     Given that the Committee was primarily formed to oppose Foat and Lewin, the  
8 Committee should have identified itself as primarily formed on its statement of organization, and named  
9 itself to include the last names of the opposed candidates, the offices sought and year of the election, and  
10 the fact that the Committee opposed the candidates; however, it did not do so. Further, the  
11 advertisements opposing Foat and Lewin failed to disclose that they were not authorized or paid for by a  
12 candidate and the advertisements did not include the proper name of the Committee as a primarily  
13 formed committee.

14           46.     The Committee also failed to maintain adequate records, as required under Section 84104  
15 and Regulation 18401, for 100 percent of its contributions and other receipts received, amounting to  
16 \$12,146.50; and approximately 78 percent of expenditures made, amounting to \$7,444.98, which made  
17 any financial reconciliation by the Enforcement Division difficult.

18           47.     Prior to October 24, 2015, when the Committee opened a campaign bank account, the  
19 Committee accepted all contributions in cash, including five of \$100 or more totaling \$6,750, which  
20 represented approximately 76 percent of all contributions; and made all expenditures in cash, including  
21 at least three of \$100 or more totaling \$1,600, which accounted for approximately 19 percent of all  
22 expenditures.

23           48.     The Committee also failed to timely report a variety of financial activity on the  
24 Committee's campaign statements. In particular, although the Committee received contributions under  
25 \$50, as admitted by McVey, the Committee failed to timely report any amount of contributions of less  
26 than \$100 on the Committee's pre-election campaign statement covering the period of January 1, 2015  
27 to October 22, 2015.

1           49. Further, the Committee failed to report certain financial activity on its semiannual  
 2 campaign statement covering the period of October 23, 2015 to December 31, 2015. Despite reporting a  
 3 loan in the amount of \$1,631.50 received from McVey on its pre-election campaign statement covering  
 4 the period of January 1, 2015 to October 22, 2015, the Committee failed to continue to report the loan,  
 5 along with repayment information, on the subsequent statement, as required to track the loan. In  
 6 addition, because Smith was not provided with complete campaign records from McVey, she was unable  
 7 to disclose contributor information for an unknown amount of contributions of \$100 or more. Finally,  
 8 Committee bank statements showed withdrawals from the account between October 23, 2015 and  
 9 December 31, 2015, totaling \$1,121.71, that the Committee failed to report as expenditures.

10           50. According to the Committee's campaign statements, the Committee failed to timely file  
 11 the following 24-hour contribution reports:

Statement/ Report Type	Contribution/ Independent Expenditure Date	Due Date	Date Filed	Amount of Contribution
24-Hour Contribution (loan)	10/9/15	10/12/15	N/A	\$1,631.50
24-Hour Contribution	10/17/15	10/19/12	N/A	\$1,300
24-Hour Contribution	10/26/15	10/27/15	N/A	\$1,700
24-Hour Contribution	10/28/15	10/29/15	N/A	\$1,500
24-Hour Contribution	10/28/15	10/29/15	N/A	\$1,500
<b>TOTAL:</b>				<b>\$7,631.50</b>

23  
 24 ///  
 25 ///  
 26 ///  
 27 ///  
 28 ///





1 **Count 2**

2 **Failure to Comply With Disclosure Requirements for Political Advertisements**

3 62. Complainant incorporates paragraphs 1 through 61 of this Accusation, as though  
4 completely set forth herein.

5 63. The Committee and McVey had a duty to disclose, on certain television advertisements  
6 paid for by the Committee, that the advertisements were not authorized or paid for by a candidate or  
7 committee controlled by a candidate; and disclose the proper committee name on those advertisements.

8 64. The Committee and McVey failed to disclose, on those television advertisements, that the  
9 advertisements were not authorized or paid for by a candidate or committee controlled by a candidate;  
10 and failed to disclose the proper committee name on advertisements.

11 65. By failing to disclose, on those television advertisements, that the advertisements were  
12 not authorized or paid for by a candidate or committee controlled by a candidate; and disclose the proper  
13 committee name on those advertisements, the Committee and McVey violated Sections 84506.5,  
14 subdivision (a); and 84506, subdivision (a)(1).

15 **Count 3**

16 **Failure to Maintain Campaign Records**

17 66. Complainant incorporates paragraphs 1 through 65 of this Accusation, as though  
18 completely set forth herein.

19 67. The Committee, McVey, and Smith had a duty to maintain certain records for all  
20 contributions and other receipts received and expenditures made.

21 68. The Committee, McVey, and Smith failed to maintain adequate records for certain  
22 contributions and other receipts received; and certain expenditures made.

23 69. By failing to maintain adequate source documentation for certain contributions and  
24 expenditures, the Committee, McVey, and Smith violated Section 84104 and Regulation 18401.

25 ///

26 ///

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1 **Count 4**

2 **Unlawful Cash Contributions and Expenditures of \$100 or More**

3 70. Complainant incorporates paragraphs 1 through 69 of this Accusation, as though  
4 completely set forth herein.

5 71. The Committee and McVey were not permitted to receive cash contributions or make  
6 cash expenditures of \$100 or more.

7 72. The Committee and McVey accepted cash contributions of \$100 or more, and made cash  
8 expenditures of \$100 or more.

9 73. By accepting cash contributions of \$100 or more, and making cash expenditures of \$100  
10 or more, the Committee and McVey violated Section 84300, subdivisions (a) and (b).

11 **Count 5**

12 **Failure to Timely Report Financial Activity on Campaign Statement**

13 74. Complainant incorporates paragraphs 1 through 73 of this Accusation, as though  
14 completely set forth herein.

15 75. The Committee and McVey had a duty to report the total amount of contributions  
16 received from persons who have given a cumulative amount of less than \$100 on the Committee's  
17 campaign statements.

18 76. The Committee and McVey failed to timely report the total amount of contributions  
19 received from persons who have given a cumulative amount of less than \$100 on the Committee's pre-  
20 election campaign statement covering the period of January 1, 2015 to October 22, 2015.

21 77. By failing to timely report the total amount of contributions received from persons who  
22 have given a cumulative amount of less than \$100 on the Committee's pre-election campaign statement  
23 covering the period of January 1, 2015 to October 22, 2015, the Committee and McVey violated Section  
24 84211, subdivisions (a) and (d).

25 **Count 6**

26 **Failure to Timely Report Financial Activity on Campaign Statement**

27 78. Complainant incorporates paragraphs 1 through 77 of this Accusation, as though  
28 completely set forth herein.





1 **Count 11**

2 **Failure to Timely File 24-Hour Independent Expenditure Report**

3 98. Complainant incorporates paragraphs 1 through 97 of this Accusation, as though  
4 completely set forth herein.

5 99. The Committee and McVey had a duty to file a 24-hour independent expenditure report  
6 within 24 hours of making a late independent expenditure.

7 100. The Committee and McVey failed to timely file a 24-hour independent expenditure report  
8 for an independent expenditure in the amount of \$1,125 made on October 28, 2015.

9 101. By failing to timely file a 24-hour independent expenditure report disclosing the \$1,125  
10 independent expenditure, the Committee and McVey violated Section 84204.

11 **Count 12**

12 **Failure to Timely File 24-Hour Independent Expenditure Report**

13 102. Complainant incorporates paragraphs 1 through 101 of this Accusation, as though  
14 completely set forth herein.

15 103. The Committee and McVey had a duty to file a 24-hour independent expenditure report  
16 within 24 hours of making a late independent expenditure.

17 104. The Committee and McVey failed to timely file a 24-hour independent expenditure report  
18 for independent expenditures amounting to \$2,000 made on October 30, 2015.

19 105. By failing to timely file a 24-hour independent expenditure report disclosing the \$2,000  
20 in independent expenditures, the Committee and McVey violated Section 84204.

21 **Count 13**

22 **Failure to Timely File 24-Hour Independent Expenditure Report**

23 106. Complainant incorporates paragraphs 1 through 105 of this Accusation, as though  
24 completely set forth herein.

25 107. The Committee and McVey had a duty to file a 24-hour independent expenditure report  
26 within 24 hours of making a late independent expenditure.

27 108. The Committee and McVey failed to timely file a 24-hour independent expenditure report  
28 for an independent expenditure in the amount of \$1,350 made on November 4, 2015.



- 1           5.     That the Fair Political Practices Commission, pursuant to Section 83116, subdivision (c),  
2           order the Committee and McVey to pay a monetary penalty of up to Five Thousand  
3           Dollars (\$5,000) for the violation of the Political Reform Act alleged in **Count 4**;
- 4           6.     That the Fair Political Practices Commission, pursuant to Section 83116, subdivision (c),  
5           order the Committee and McVey to pay a monetary penalty of up to Five Thousand  
6           Dollars (\$5,000) for the violation of the Political Reform Act alleged in **Count 5**;
- 7           7.     That the Fair Political Practices Commission, pursuant to Section 83116, subdivision (c),  
8           order the Committee, McVey, and Smith to pay a monetary penalty of up to Five  
9           Thousand Dollars (\$5,000) for the violation of the Political Reform Act alleged in **Count**  
10          **6**;
- 11          8.     That the Fair Political Practices Commission, pursuant to Section 83116, subdivision (c),  
12          order the Committee and McVey to pay a monetary penalty of up to Five Thousand  
13          Dollars (\$5,000) for the violation of the Political Reform Act alleged in **Count 7**;
- 14          9.     That the Fair Political Practices Commission, pursuant to Section 83116, subdivision (c),  
15          order the Committee and McVey to pay a monetary penalty of up to Five Thousand  
16          Dollars (\$5,000) for the violation of the Political Reform Act alleged in **Count 8**;
- 17          10.    That the Fair Political Practices Commission, pursuant to Section 83116, subdivision (c),  
18          order the Committee and McVey to pay a monetary penalty of up to Five Thousand  
19          Dollars (\$5,000) for the violation of the Political Reform Act alleged in **Count 9**;
- 20          11.    That the Fair Political Practices Commission, pursuant to Section 83116, subdivision (c),  
21          order the Committee and McVey to pay a monetary penalty of up to Five Thousand  
22          Dollars (\$5,000) for the violation of the Political Reform Act alleged in **Count 10**;
- 23          12.    That the Fair Political Practices Commission, pursuant to Section 83116, subdivision (c),  
24          order the Committee and McVey to pay a monetary penalty of up to Five Thousand  
25          Dollars (\$5,000) for the violation of the Political Reform Act alleged in **Count 11**;
- 26          13.    That the Fair Political Practices Commission, pursuant to Section 83116, subdivision (c),  
27          order the Committee and McVey to pay a monetary penalty of up to Five Thousand  
28          Dollars (\$5,000) for the violation of the Political Reform Act alleged in **Count 12**;

- 1           14.    That the Fair Political Practices Commission, pursuant to Section 83116, subdivision (c),  
2                   order the Committee and McVey to pay a monetary penalty of up to Five Thousand  
3                   Dollars (\$5,000) for the violation of the Political Reform Act alleged in **Count 13**;
- 4           15.    That the Fair Political Practices Commission, pursuant to Regulation 18361.5, subdivision  
5                   (d), consider the following factors in framing a proposed order following a finding of a  
6                   violation pursuant to Section 83116: (1) the seriousness of the violation; (2) the presence  
7                   or absence of any intention to conceal, deceive or mislead; (3) whether the violation was  
8                   deliberate, negligent or inadvertent; (4) whether the violator demonstrated good faith by  
9                   consulting the Commission staff or any other government agency in a manner not  
10                  constituting a complete defense under Section 83114, subdivision (b); (5) whether the  
11                  violation was isolated or part of a pattern and whether the violator has a prior record of  
12                  violations of the Act or similar laws; and (6) whether the violator, upon learning of a  
13                  reporting violation, voluntarily filed amendments to provide full disclosure.
- 14          16.    That the Fair Political Practices Commission grant such other and further relief as it  
15                  deems just and proper.

16  
17   Dated:

5 July 18



Galena West  
Chief of Enforcement  
Fair Political Practices Commission

**Exhibit A-8**

**PROOF OF SERVICE**

At the time of service, I was over 18 years of age and not a party to this action. My business address is: Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811. On August 7, 2018, I served the following document(s):

1. Statement to Respondent;
2. FPPC Case No. 15/2202: Accusation;
3. Notice of Defense (Two copies per respondent);
4. Selected Sections of California Government Code, Administrative Procedure Act.

By Personal Delivery. I personally delivered the document(s) listed above to the person(s) at the address(es) as shown on the service list below.

By personal service. At 1:05 a.m./p.m.:

I personally delivered the document(s) listed above to the person(s) at the address(es) as shown on the service list below.

By providing the document(s) listed above with instructions for registered process server to personally deliver the envelope(s) to the person(s) at the address(es) set forth on the service list below. **The signed proof of service by the registered process server will be attached as soon as it is available.**

I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail in Sacramento County, California.

**SERVICE LIST**

Personal Delivery

Sasha Linker, Commission Assistant  
Fair Political Practices Commission  
1102 Q Street, Suite 3000  
Sacramento, CA 95811

Personal Service

Kevin McVey  


I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on August 7, 2018.

  
\_\_\_\_\_  
Suzanna Gevorkyan

In the Matter of FPPC Case No 15/2202

**PROOF OF SERVICE**

I, KELLY ROSE - GROVES, declare as follows:

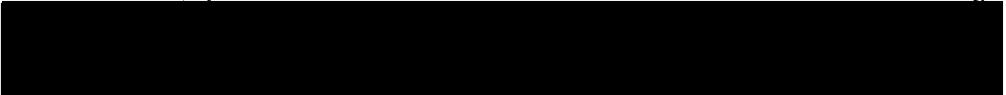
I am a citizen of the United States, over the age of eighteen years, and not a party to the above entitled action. My business address is 1717 E. VISTA CHINO, SUITE A7-564.

On 10/10/18, I served the following documents:

1. Statement to Respondent;
2. FPPC Case No. 15/2202, Accusation;
3. Notice of Defense (Two copies per respondent);
4. Selected Sections of California Government Code, Administrative Procedure Act.

I served the above-listed documents by personally delivering a copy to the person served as follows:

Person served: KEVIN McVEY

Address where served: 

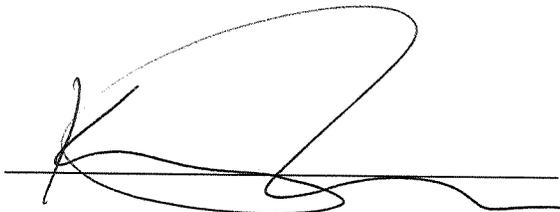
Physical description: 5'7, BLUE EYES, SHORT HAIR, SCRUFFY BEARD

Date of delivery: 10/10/18

Time of delivery: 1:50 PM

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: 10/11/18



**PROOF OF SERVICE**

At the time of service, I was over 18 years of age and not a party to this action. My business address is: Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811. On October 10, 2018, I served the following document(s):

1. Statement to Respondent;
2. FPPC Case No. 15/2202: Accusation;
3. Notice of Defense (Two copies per respondent);
4. Selected Sections of California Government Code, Administrative Procedure Act.

By Personal Delivery. I personally delivered the document(s) listed above to the person(s) at the address(es) as shown on the service list below.

By personal service. At 3:28 a.m./p.m.:

I personally delivered the document(s) listed above to the person(s) at the address(es) as shown on the service list below.

By providing the document(s) listed above with instructions for registered process server to personally deliver the envelope(s) to the person(s) at the address(es) set forth on the service list below. **The signed proof of service by the registered process server will be attached as soon as it is available.**

I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail in Sacramento County, California.

**SERVICE LIST**

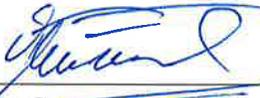
Personal Delivery

Sasha Linker, Commission Assistant  
Fair Political Practices Commission  
1102 Q Street, Suite 3000  
Sacramento, CA 95811

Personal Service

Janice Smith  


I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on October 10, 2018.

  
\_\_\_\_\_  
Suzanna Gevorkyan

**RETURN OF SERVICE**

**State of**

**County of Sacramento**

**Court**

**Case Number: 15/2202**

**In the Matter of:**

**Committee to Clean House, Kevin McVey and Janice Smith**

**For:**

**Suzanna Gevorkyan  
Fair Political Practices Commission  
1102 Q Street, Ste. 3000  
Sacramento, CA 95811**

**Received by Ruben's Attorney Service on the 10th day of October, 2018 at 4:13 pm to be served on Janice Smith, [REDACTED]**

**I, Ruben Torres, do hereby affirm that on the 15th day of October, 2018 at 10:30 am, I:**

**INDIVIDUALLY/PERSONALLY served by delivering a true copy of the Statement to Respondent, FPPC No. 15/2202: Accusation, Notice of Defense, Selected Sections of the California Government Code, Administrative Procedure Act with the date and hour of service endorsed thereon by me, to: Janice Smith at the address of: [REDACTED] and informed said person of the contents therein, in compliance with state statutes.**

**I certify that I am over the age of 18, have no interest in the above action, and am a Certified Process Server, in good standing, in the judicial circuit in which the process was served.**



**Ruben Torres  
PS-318 Exp 2/27/2020**

**Ruben's Attorney Service  
1775 E. Palm Canyon Drive  
Ste. 110-159  
Palm Springs, CA 92264  
(760) 218-0088**

**Our Job Serial Number: RBN-2018000591  
Service Fee: \$71.60**

**Exhibit A-9**



## FAIR POLITICAL PRACTICES COMMISSION

1102 Q Street • Suite 3000 • Sacramento, CA 95811

### STATEMENT TO RESPONDENT

[Government Code Section 11505, subdivision (b)]

***Committee to Clean House, Kevin McVey, and Janice Smith***  
***FPPC Case No. 15/2202***

Enclosed is an Accusation, which was filed with the Fair Political Practices Commission (the "FPPC") and which is hereby served upon you, along with two copies of a Notice of Defense and Government Code Sections 11506 through 11508.

Unless a written request for a hearing signed by you or on your behalf is delivered or mailed to the FPPC within 15 days after the Accusation was served on you, the FPPC may proceed upon the Accusation without a hearing. The request for a hearing may be made by delivering or mailing the enclosed form entitled Notice of Defense, or by delivering or mailing a notice of defense as provided by Section 11506 of the Government Code to the Commission Assistant at the FPPC.

You may, but need not, be represented by counsel at any or all stages of these proceedings.

If you desire a list of the names and addresses of witnesses against you, or an opportunity to inspect and copy the items mentioned in Section 11507.6 of the Government Code that are in the possession, custody, or control of this agency, or if you wish to discuss the possibility of resolving this matter without a formal hearing, you may contact Christopher Burton, Commission Counsel, Enforcement Division, at (916) 322-5021 or at [cburton@fppc.ca.gov](mailto:cburton@fppc.ca.gov).

The hearing may be postponed for good cause. If you have good cause, you are obliged to notify the FPPC or, if an administrative law judge has been assigned to the hearing, the Office of Administrative Hearings, within 10 working days after you discover the good cause. Failure to give notice within 10 days will deprive you of a postponement.

After a hearing, the FPPC will consider the following factors in determining whether to assess a penalty (Title 2, California Code of Regulations, Section 18361.5, subdivision (d).):

1. The seriousness of the violation;
2. The presence or absence of any intention to conceal, deceive, or mislead;
3. Whether the violation was deliberate, negligent, or inadvertent;
4. Whether the violator demonstrated good faith by consulting Commission staff or any other government agency in a manner not constituting a complete defense under Government Code Section 83114, subdivision (b);
5. Whether the violation was isolated or part of a pattern;
6. Whether the violator has a prior record of violations of the Political Reform Act or similar laws; and
7. Whether the violator, upon learning of a reporting violation, voluntarily filed amendments to provide full disclosure.



*Before the Fair Political Practices Commission*

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**State of California**

In the Matter of	)	NOTICE OF DEFENSE
	)	(Pursuant to Gov. Code § 11506)
	)	
Committee to Clean House, Kevin	)	FPPC Case No. 15/2202
McVey, and Janice Smith,	)	
	)	
Respondents.	)	
	)	
	)	

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Committee to Clean House, a respondent named in the above entitled proceeding, hereby acknowledges receipt of the Accusation, a copy of the Statement to Respondent, a copy of Government Code Sections 11506 through 11508, and two copies of a *NOTICE OF DEFENSE*.

Pursuant to Government Code Section 11506, subdivision (a), you may file this *NOTICE OF DEFENSE* requesting a hearing on the grounds listed below. Failure to file this *NOTICE OF DEFENSE* shall constitute a waiver of your right to a hearing. If you waive your right to a hearing, you may file a statement of mitigation by separate letter that will be considered by the Commission in assessing any penalties for the violations alleged in the Accusation.

If you wish to file a *NOTICE OF DEFENSE*, please check **all** applicable grounds for the *NOTICE OF DEFENSE*, complete the remainder of the form, and mail to the Commission within fifteen (15) days of receipt of the Accusation.

**GROUNDS FOR NOTICE OF DEFENSE**

- 1) I request a hearing;
- 2) I object to the Accusation upon the ground that it does not state acts or omissions upon which the agency may proceed;
- 3) I object to the form of the Accusation on the ground that it is so indefinite or uncertain that I cannot identify the transaction that is the subject of the Accusation or prepare my defense;
- 4) I admit the Accusation in whole or in part (check box "a" or "b");
  - a) I admit the Accusation in whole.
  - b) I admit the Accusation in part as indicated below:  
  

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- 5) I wish to present new matter by way of defense;
- 6) I object to the accusation upon the ground that, under the circumstances, compliance with the requirements of a regulation of the Fair Political Practices Commission would result in a material violation of another regulation enacted by another department affecting substantive rights.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Respondent

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City, State, Zip



*Before the Fair Political Practices Commission*

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**State of California**

In the Matter of ) NOTICE OF DEFENSE  
 ) (Pursuant to Gov. Code § 11506)  
 )  
 Committee to Clean House, Kevin ) FPPC Case No. 15/2202  
 McVey, and Janice Smith, )  
 )  
 Respondents. )  
 )  
 )

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Committee to Clean House, a respondent named in the above entitled proceeding, hereby acknowledges receipt of the Accusation, a copy of the Statement to Respondent, a copy of Government Code Sections 11506 through 11508, and two copies of a *NOTICE OF DEFENSE*.

Pursuant to Government Code Section 11506, subdivision (a), you may file this *NOTICE OF DEFENSE* requesting a hearing on the grounds listed below. Failure to file this *NOTICE OF DEFENSE* shall constitute a waiver of your right to a hearing. If you waive your right to a hearing, you may file a statement of mitigation by separate letter that will be considered by the Commission in assessing any penalties for the violations alleged in the Accusation.

If you wish to file a *NOTICE OF DEFENSE*, please check **all** applicable grounds for the *NOTICE OF DEFENSE*, complete the remainder of the form, and mail to the Commission within fifteen (15) days of receipt of the Accusation.

**GROUND FOR NOTICE OF DEFENSE**

- 1) I request a hearing;
- 2) I object to the Accusation upon the ground that it does not state acts or omissions upon which the agency may proceed;
- 3) I object to the form of the Accusation on the ground that it is so indefinite or uncertain that I cannot identify the transaction that is the subject of the Accusation or prepare my defense;
- 4) I admit the Accusation in whole or in part (check box "a" or "b");
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- 5) I wish to present new matter by way of defense;
- 6) I object to the accusation upon the ground that, under the circumstances, compliance with the requirements of a regulation of the Fair Political Practices Commission would result in a material violation of another regulation enacted by another department affecting substantive rights.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Respondent

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City, State, Zip



*Before the Fair Political Practices Commission*

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**State of California**

In the Matter of	)	NOTICE OF DEFENSE
	)	(Pursuant to Gov. Code § 11506)
	)	
Committee to Clean House, Kevin	)	FPPC Case No. 15/2202
McVey, and Janice Smith,	)	
	)	
	)	
Respondents.	)	
	)	
	)	

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Kevin McVey, a respondent named in the above entitled proceeding, hereby acknowledges receipt of the Accusation, a copy of the Statement to Respondent, a copy of Government Code Sections 11506 through 11508, and two copies of a *NOTICE OF DEFENSE*.

Pursuant to Government Code Section 11506, subdivision (a), you may file this *NOTICE OF DEFENSE* requesting a hearing on the grounds listed below. Failure to file this *NOTICE OF DEFENSE* shall constitute a waiver of your right to a hearing. If you waive your right to a hearing, you may file a statement of mitigation by separate letter that will be considered by the Commission in assessing any penalties for the violations alleged in the Accusation.

If you wish to file a *NOTICE OF DEFENSE*, please check **all** applicable grounds for the *NOTICE OF DEFENSE*, complete the remainder of the form, and mail to the Commission within fifteen (15) days of receipt of the Accusation.

**GROUNDS FOR NOTICE OF DEFENSE**

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- 6) I object to the accusation upon the ground that, under the circumstances, compliance with the requirements of a regulation of the Fair Political Practices Commission would result in a material violation of another regulation enacted by another department affecting substantive rights.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Respondent

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City, State, Zip



*Before the Fair Political Practices Commission*

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**State of California**

In the Matter of	)	NOTICE OF DEFENSE
	)	(Pursuant to Gov. Code § 11506)
	)	
Committee to Clean House, Kevin	)	FPPC Case No. 15/2202
McVey, and Janice Smith,	)	
	)	
	)	
Respondents.	)	
	)	
	)	

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Kevin McVey, a respondent named in the above entitled proceeding, hereby acknowledges receipt of the Accusation, a copy of the Statement to Respondent, a copy of Government Code Sections 11506 through 11508, and two copies of a *NOTICE OF DEFENSE*.

Pursuant to Government Code Section 11506, subdivision (a), you may file this *NOTICE OF DEFENSE* requesting a hearing on the grounds listed below. Failure to file this *NOTICE OF DEFENSE* shall constitute a waiver of your right to a hearing. If you waive your right to a hearing, you may file a statement of mitigation by separate letter that will be considered by the Commission in assessing any penalties for the violations alleged in the Accusation.

If you wish to file a *NOTICE OF DEFENSE*, please check **all** applicable grounds for the *NOTICE OF DEFENSE*, complete the remainder of the form, and mail to the Commission within fifteen (15) days of receipt of the Accusation.

**GROUND FOR NOTICE OF DEFENSE**

- 1) I request a hearing;
- 2) I object to the Accusation upon the ground that it does not state acts or omissions upon which the agency may proceed;
- 3) I object to the form of the Accusation on the ground that it is so indefinite or uncertain that I cannot identify the transaction that is the subject of the Accusation or prepare my defense;
- 4) I admit the Accusation in whole or in part (check box "a" or "b");
  - a) I admit the Accusation in whole.
  - b) I admit the Accusation in part as indicated below:

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- 5) I wish to present new matter by way of defense;
- 6) I object to the accusation upon the ground that, under the circumstances, compliance with the requirements of a regulation of the Fair Political Practices Commission would result in a material violation of another regulation enacted by another department affecting substantive rights.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Respondent

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City, State, Zip

## **California Government Code sections 11506 through 11508**

### **§ 11506. Filing of notice of defense or notice of participation; Contents; Right to hearing on the merits**

(a) Within 15 days after service of the accusation or District Statement of Reduction in Force the respondent may file with the agency a notice of defense, or, as applicable, notice of participation, in which the respondent may:

(1) Request a hearing.

(2) Object to the accusation or District Statement of Reduction in Force upon the ground that it does not state acts or omissions upon which the agency may proceed.

(3) Object to the form of the accusation or District Statement of Reduction in Force on the ground that it is so indefinite or uncertain that the respondent cannot identify the transaction or prepare a defense.

(4) Admit the accusation or District Statement of Reduction in Force in whole or in part.

(5) Present new matter by way of defense.

(6) Object to the accusation or District Statement of Reduction in Force upon the ground that, under the circumstances, compliance with the requirements of a regulation would result in a material violation of another regulation enacted by another department affecting substantive rights.

(b) Within the time specified the respondent may file one or more notices of defense, or, as applicable, notices of participation, upon any or all of these grounds but all of these notices shall be filed within that period unless the agency in its discretion authorizes the filing of a later notice.

(c) The respondent shall be entitled to a hearing on the merits if the respondent files a notice of defense or notice of participation, and the notice shall be deemed a specific denial of all parts of the accusation or District Statement of Reduction in Force not expressly admitted. Failure to file a notice of defense or notice of participation shall constitute a waiver of respondent's right to a hearing, but the agency in its discretion may nevertheless grant a hearing. Unless objection is taken as provided in paragraph (3) of subdivision (a), all objections to the form of the accusation or District Statement of Reduction in Force shall be deemed waived.

(d) The notice of defense or notice of participation shall be in writing signed by or on behalf of the respondent and shall state the respondent's mailing address. It need not be verified or follow any particular form.

(e) As used in this section, "file," "files," "filed," or "filing" means "delivered or mailed" to the agency as provided in Section 11505.

**HISTORY:** Added Stats 1945 ch 867 § 1. Amended Stats 1963 ch 931 § 1; Stats 1982 ch 606 § 1; Stats 1986 ch 951 § 20; Stats 1995 ch 938 § 29 (SB 523), operative July 1, 1997; Stats 2013 ch 90 § 5 (SB 546), effective January 1, 2014.

### **§ 11507. Amended or supplemental accusation or District Statement of Reduction in Force; Objections**

At any time before the matter is submitted for decision, the agency may file, or permit the filing of, an amended or supplemental accusation or District Statement of Reduction in Force. All parties shall be notified of the filing. If the amended or supplemental accusation or District Statement of Reduction in Force presents new charges, the agency shall afford the respondent a reasonable opportunity to prepare his or her defense to the new charges, but he or she shall not be entitled to file a further pleading unless the agency in its discretion so orders. Any new charges shall be deemed controverted, and any objections to the amended or supplemental accusation or District Statement of Reduction in Force may be made orally and shall be noted in the record.

**HISTORY:** Added Stats 1945 ch 867 § 1. Amended Stats 2013 ch 90 § 6 (SB 546), effective January 1, 2014; Stats 2014 ch 71 § 69 (SB 1304), effective January 1, 2015.

### **§ 11507.3. Consolidated proceedings; Separate hearings**

(a) When proceedings that involve a common question of law or fact are pending, the administrative law judge on the judge's own motion or on motion of a party may order a joint hearing of any or all the matters at issue in the proceedings. The administrative law judge may order all the proceedings consolidated and may make orders concerning the procedure that may tend to avoid unnecessary costs or delay.

(b) The administrative law judge on the judge's own motion or on motion of a party, in furtherance of convenience or to avoid prejudice or when separate hearings will be conducive to expedition and economy, may order a separate hearing of any issue, including an issue raised in the notice of defense or notice of participation, or of any number of issues.

**HISTORY:** Added Stats 1995 ch 938 § 30 (SB 523), operative July 1, 1997. Amended Stats 2013 ch 90 § 7 (SB 546), effective January 1, 2014.

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### **§ 11507.5. Exclusivity of discovery provisions**

The provisions of Section 11507.6 provide the exclusive right to and method of discovery as to any proceeding governed by this chapter.

**HISTORY:** Added Stats 1968 ch 808 § 3.

### **§ 11507.6. Request for discovery**

After initiation of a proceeding in which a respondent or other party is entitled to a hearing on the merits, a party, upon written request made to another party, prior to the hearing and within 30 days after service by the agency of the initial pleading or within 15 days after the service of an additional pleading, is entitled to (1) obtain the names and addresses of witnesses to the extent known to the other party, including, but not limited to, those intended to be called to testify at the hearing, and (2) inspect and make a copy of any of the following in the possession or custody or under the control of the other party:

(a) A statement of a person, other than the respondent, named in the initial administrative pleading, or in any additional pleading, when it is claimed that the act or omission of the respondent as to this person is the basis for the administrative proceeding;

(b) A statement pertaining to the subject matter of the proceeding made by any party to another party or person;

(c) Statements of witnesses then proposed to be called by the party and of other persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, not included in (a) or (b) above;

(d) All writings, including, but not limited to, reports of mental, physical and blood examinations and things which the party then proposes to offer in evidence;

(e) Any other writing or thing which is relevant and which would be admissible in evidence;

(f) Investigative reports made by or on behalf of the agency or other party pertaining to the subject matter of the proceeding, to the extent that these reports (1) contain the names and addresses of witnesses or of persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, or (2) reflect matters perceived by the investigator in the course of his or her investigation, or (3) contain or include by attachment any statement or writing described in (a) to (e), inclusive, or summary thereof.

For the purpose of this section, "statements" include written statements by the person signed or otherwise authenticated by him or her, stenographic, mechanical, electrical or other recordings, or transcripts thereof, of oral statements by the person, and written reports or summaries of these oral statements.

Nothing in this section shall authorize the inspection or copying of any writing or thing which is privileged from disclosure by law or otherwise made confidential or protected as the attorney's work product.

**HISTORY:** Added Stats 1968 ch 808 § 4. Amended Stats 1985 ch 1328 § 5; Stats 1995 ch 938 § 31 (SB 523), operative July 1, 1997.

**§ 11507.7. Motion to compel discovery; Order**

(a) Any party claiming the party's request for discovery pursuant to Section 11507.6 has not been complied with may serve and file with the administrative law judge a motion to compel discovery, naming as respondent the party refusing or failing to comply with Section 11507.6. The motion shall state facts showing the respondent party failed or refused to comply with Section 11507.6, a description of the matters sought to be discovered, the reason or reasons why the matter is discoverable under that section, that a reasonable and good faith attempt to contact the respondent for an informal resolution of the issue has been made, and the ground or grounds of respondent's refusal so far as known to the moving party.

(b) The motion shall be served upon respondent party and filed within 15 days after the respondent party first evidenced failure or refusal to comply with Section 11507.6 or within 30 days after request was made and the party has failed to reply to the request, or within another time provided by stipulation, whichever period is longer.

(c) The hearing on the motion to compel discovery shall be held within 15 days after the motion is made, or a later time that the administrative law judge may on the judge's own motion for good cause determine. The respondent party shall have the right to serve and file a written answer or other response to the motion before or at the time of the hearing.

(d) Where the matter sought to be discovered is under the custody or control of the respondent party and the respondent party asserts that the matter is not a discoverable matter under the provisions of Section 11507.6, or is privileged against disclosure under those provisions, the administrative law judge may order lodged with it matters provided in subdivision (b) of *Section 915 of the Evidence Code* and examine the matters in accordance with its provisions.

(e) The administrative law judge shall decide the case on the matters examined in camera, the papers filed by the parties, and such oral argument and additional evidence as the administrative law judge may allow.

(f) Unless otherwise stipulated by the parties, the administrative law judge shall no later than 15 days after the hearing make its order denying or granting the motion. The order shall be in writing setting forth the matters the moving party is entitled to discover under Section 11507.6. A copy of the order shall forthwith be served by mail by the administrative law judge upon the parties. Where the order grants the motion in whole or in part, the order shall not become

effective until 10 days after the date the order is served. Where the order denies relief to the moving party, the order shall be effective on the date it is served.

**HISTORY:** Added Stats 1968 ch 808 § 5. Amended Stats 1971 ch 1303 § 8; Stats 1980 ch 548 § 2; Stats 1995 ch 938 § 32 (SB 523), operative July 1, 1997.

**§ 11508. Time and place of hearing**

(a) The agency shall consult the office, and subject to the availability of its staff, shall determine the time and place of the hearing. The hearing shall be held at a hearing facility maintained by the office in Sacramento, Oakland, Los Angeles, or San Diego and shall be held at the facility that is closest to the location where the transaction occurred or the respondent resides.

(b) Notwithstanding subdivision (a), the hearing may be held at either of the following places:

(1) A place selected by the agency that is closer to the location where the transaction occurred or the respondent resides.

(2) A place within the state selected by agreement of the parties.

(c) The respondent may move for, and the administrative law judge has discretion to grant or deny, a change in the place of the hearing. A motion for a change in the place of the hearing shall be made within 10 days after service of the notice of hearing on the respondent.

Unless good cause is identified in writing by the administrative law judge, hearings shall be held in a facility maintained by the office.

**HISTORY:** Added Stats 1945 ch 867 § 1. Amended Stats 1963 ch 710 § 1; Stats 1967 ch 17 § 39; Stats 1987 ch 50 § 1; Stats 1995 ch 938 § 33 (SB 523), operative July 1, 1997; Stats 2005 ch 674 § 22 (SB 231), effective January 1, 2006.



## FAIR POLITICAL PRACTICES COMMISSION

1102 Q Street • Suite 3000 • Sacramento, CA 95811

### STATEMENT TO RESPONDENT

[Government Code Section 11505, subdivision (b)]

*Committee to Clean House, Kevin McVey, and Janice Smith*  
*FPPC Case No. 15/2202*

Enclosed is an Accusation, which was filed with the Fair Political Practices Commission (the "FPPC") and which is hereby served upon you, along with two copies of a Notice of Defense and Government Code Sections 11506 through 11508.

Unless a written request for a hearing signed by you or on your behalf is delivered or mailed to the FPPC within 15 days after the Accusation was served on you, the FPPC may proceed upon the Accusation without a hearing. The request for a hearing may be made by delivering or mailing the enclosed form entitled Notice of Defense, or by delivering or mailing a notice of defense as provided by Section 11506 of the Government Code to the Commission Assistant at the FPPC.

You may, but need not, be represented by counsel at any or all stages of these proceedings.

If you desire a list of the names and addresses of witnesses against you, or an opportunity to inspect and copy the items mentioned in Section 11507.6 of the Government Code that are in the possession, custody, or control of this agency, or if you wish to discuss the possibility of resolving this matter without a formal hearing, you may contact Christopher Burton, Commission Counsel, Enforcement Division, at (916) 322-5021 or at [cburton@fppc.ca.gov](mailto:cburton@fppc.ca.gov).

The hearing may be postponed for good cause. If you have good cause, you are obliged to notify the FPPC or, if an administrative law judge has been assigned to the hearing, the Office of Administrative Hearings, within 10 working days after you discover the good cause. Failure to give notice within 10 days will deprive you of a postponement.

After a hearing, the FPPC will consider the following factors in determining whether to assess a penalty (Title 2, California Code of Regulations, Section 18361.5, subdivision (d).):

1. The seriousness of the violation;
2. The presence or absence of any intention to conceal, deceive, or mislead;
3. Whether the violation was deliberate, negligent, or inadvertent;
4. Whether the violator demonstrated good faith by consulting Commission staff or any other government agency in a manner not constituting a complete defense under Government Code Section 83114, subdivision (b);
5. Whether the violation was isolated or part of a pattern;
6. Whether the violator has a prior record of violations of the Political Reform Act or similar laws; and
7. Whether the violator, upon learning of a reporting violation, voluntarily filed amendments to provide full disclosure.



*Before the Fair Political Practices Commission*

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**State of California**

In the Matter of )  
 ) NOTICE OF DEFENSE  
 ) (Pursuant to Gov. Code § 11506)  
 )  
 Committee to Clean House, Kevin ) FPPC Case No. 15/2202  
 McVey, and Janice Smith, )  
 )  
 )  
 Respondents. )  
 )  
 )

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Committee to Clean House, a respondent named in the above entitled proceeding, hereby acknowledges receipt of the Accusation, a copy of the Statement to Respondent, a copy of Government Code Sections 11506 through 11508, and two copies of a *NOTICE OF DEFENSE*.

Pursuant to Government Code Section 11506, subdivision (a), you may file this *NOTICE OF DEFENSE* requesting a hearing on the grounds listed below. Failure to file this *NOTICE OF DEFENSE* shall constitute a waiver of your right to a hearing. If you waive your right to a hearing, you may file a statement of mitigation by separate letter that will be considered by the Commission in assessing any penalties for the violations alleged in the Accusation.

If you wish to file a *NOTICE OF DEFENSE*, please check **all** applicable grounds for the *NOTICE OF DEFENSE*, complete the remainder of the form, and mail to the Commission within fifteen (15) days of receipt of the Accusation.

**GROUND FOR NOTICE OF DEFENSE**

- 1) I request a hearing;
- 2) I object to the Accusation upon the ground that it does not state acts or omissions upon which the agency may proceed;
- 3) I object to the form of the Accusation on the ground that it is so indefinite or uncertain that I cannot identify the transaction that is the subject of the Accusation or prepare my defense;
- 4) I admit the Accusation in whole or in part (check box "a" or "b");
  - a) I admit the Accusation in whole.
  - b) I admit the Accusation in part as indicated below:  
  

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- 5) I wish to present new matter by way of defense;
- 6) I object to the accusation upon the ground that, under the circumstances, compliance with the requirements of a regulation of the Fair Political Practices Commission would result in a material violation of another regulation enacted by another department affecting substantive rights.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Respondent

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City, State, Zip



*Before the Fair Political Practices Commission*

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**State of California**

In the Matter of	)	NOTICE OF DEFENSE
	)	(Pursuant to Gov. Code § 11506)
	)	
Committee to Clean House, Kevin	)	FPPC Case No. 15/2202
McVey, and Janice Smith,	)	
	)	
	)	
Respondents.	)	
	)	
	)	

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Committee to Clean House, a respondent named in the above entitled proceeding, hereby acknowledges receipt of the Accusation, a copy of the Statement to Respondent, a copy of Government Code Sections 11506 through 11508, and two copies of a *NOTICE OF DEFENSE*.

Pursuant to Government Code Section 11506, subdivision (a), you may file this *NOTICE OF DEFENSE* requesting a hearing on the grounds listed below. Failure to file this *NOTICE OF DEFENSE* shall constitute a waiver of your right to a hearing. If you waive your right to a hearing, you may file a statement of mitigation by separate letter that will be considered by the Commission in assessing any penalties for the violations alleged in the Accusation.

If you wish to file a *NOTICE OF DEFENSE*, please check **all** applicable grounds for the *NOTICE OF DEFENSE*, complete the remainder of the form, and mail to the Commission within fifteen (15) days of receipt of the Accusation.

**GROUND FOR NOTICE OF DEFENSE**

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- 3) I object to the form of the Accusation on the ground that it is so indefinite or uncertain that I cannot identify the transaction that is the subject of the Accusation or prepare my defense;
- 4) I admit the Accusation in whole or in part (check box "a" or "b");
  - a) I admit the Accusation in whole.
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- 5) I wish to present new matter by way of defense;
- 6) I object to the accusation upon the ground that, under the circumstances, compliance with the requirements of a regulation of the Fair Political Practices Commission would result in a material violation of another regulation enacted by another department affecting substantive rights.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Respondent

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City, State, Zip



*Before the Fair Political Practices Commission*

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**State of California**

In the Matter of	)	NOTICE OF DEFENSE
	)	(Pursuant to Gov. Code § 11506)
	)	
Committee to Clean House, Kevin	)	FPPC Case No. 15/2202
McVey, and Janice Smith,	)	
	)	
	)	
Respondents.	)	
	)	
	)	

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Janice Smith, a respondent named in the above entitled proceeding, hereby acknowledges receipt of the Accusation, a copy of the Statement to Respondent, a copy of Government Code Sections 11506 through 11508, and two copies of a *NOTICE OF DEFENSE*.

Pursuant to Government Code Section 11506, subdivision (a), you may file this *NOTICE OF DEFENSE* requesting a hearing on the grounds listed below. Failure to file this *NOTICE OF DEFENSE* shall constitute a waiver of your right to a hearing. If you waive your right to a hearing, you may file a statement of mitigation by separate letter that will be considered by the Commission in assessing any penalties for the violations alleged in the Accusation.

If you wish to file a *NOTICE OF DEFENSE*, please check **all** applicable grounds for the *NOTICE OF DEFENSE*, complete the remainder of the form, and mail to the Commission within fifteen (15) days of receipt of the Accusation.

**GROUNDS FOR NOTICE OF DEFENSE**

- 1) I request a hearing;
- 2) I object to the Accusation upon the ground that it does not state acts or omissions upon which the agency may proceed;
- 3) I object to the form of the Accusation on the ground that it is so indefinite or uncertain that I cannot identify the transaction that is the subject of the Accusation or prepare my defense;
- 4) I admit the Accusation in whole or in part (check box "a" or "b");
  - a) I admit the Accusation in whole.
  - b) I admit the Accusation in part as indicated below:  
  

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- 5) I wish to present new matter by way of defense;
- 6) I object to the accusation upon the ground that, under the circumstances, compliance with the requirements of a regulation of the Fair Political Practices Commission would result in a material violation of another regulation enacted by another department affecting substantive rights.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Respondent

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City, State, Zip



*Before the Fair Political Practices Commission*

---

**State of California**

In the Matter of	)	NOTICE OF DEFENSE
	)	(Pursuant to Gov. Code § 11506)
	)	
Committee to Clean House, Kevin	)	FPPC Case No. 15/2202
McVey, and Janice Smith,	)	
	)	
	)	
Respondents.	)	
	)	
	)	

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Janice Smith, a respondent named in the above entitled proceeding, hereby acknowledges receipt of the Accusation, a copy of the Statement to Respondent, a copy of Government Code Sections 11506 through 11508, and two copies of a *NOTICE OF DEFENSE*.

Pursuant to Government Code Section 11506, subdivision (a), you may file this *NOTICE OF DEFENSE* requesting a hearing on the grounds listed below. Failure to file this *NOTICE OF DEFENSE* shall constitute a waiver of your right to a hearing. If you waive your right to a hearing, you may file a statement of mitigation by separate letter that will be considered by the Commission in assessing any penalties for the violations alleged in the Accusation.

If you wish to file a *NOTICE OF DEFENSE*, please check **all** applicable grounds for the *NOTICE OF DEFENSE*, complete the remainder of the form, and mail to the Commission within fifteen (15) days of receipt of the Accusation.

**GROUND FOR NOTICE OF DEFENSE**

- 1) I request a hearing;
- 2) I object to the Accusation upon the ground that it does not state acts or omissions upon which the agency may proceed;
- 3) I object to the form of the Accusation on the ground that it is so indefinite or uncertain that I cannot identify the transaction that is the subject of the Accusation or prepare my defense;
- 4) I admit the Accusation in whole or in part (check box "a" or "b");
  - a) I admit the Accusation in whole.
  - b) I admit the Accusation in part as indicated below:  
  

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- 5) I wish to present new matter by way of defense;
- 6) I object to the accusation upon the ground that, under the circumstances, compliance with the requirements of a regulation of the Fair Political Practices Commission would result in a material violation of another regulation enacted by another department affecting substantive rights.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Respondent

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City, State, Zip

## **California Government Code sections 11506 through 11508**

### **§ 11506. Filing of notice of defense or notice of participation; Contents; Right to hearing on the merits**

(a) Within 15 days after service of the accusation or District Statement of Reduction in Force the respondent may file with the agency a notice of defense, or, as applicable, notice of participation, in which the respondent may:

(1) Request a hearing.

(2) Object to the accusation or District Statement of Reduction in Force upon the ground that it does not state acts or omissions upon which the agency may proceed.

(3) Object to the form of the accusation or District Statement of Reduction in Force on the ground that it is so indefinite or uncertain that the respondent cannot identify the transaction or prepare a defense.

(4) Admit the accusation or District Statement of Reduction in Force in whole or in part.

(5) Present new matter by way of defense.

(6) Object to the accusation or District Statement of Reduction in Force upon the ground that, under the circumstances, compliance with the requirements of a regulation would result in a material violation of another regulation enacted by another department affecting substantive rights.

(b) Within the time specified the respondent may file one or more notices of defense, or, as applicable, notices of participation, upon any or all of these grounds but all of these notices shall be filed within that period unless the agency in its discretion authorizes the filing of a later notice.

(c) The respondent shall be entitled to a hearing on the merits if the respondent files a notice of defense or notice of participation, and the notice shall be deemed a specific denial of all parts of the accusation or District Statement of Reduction in Force not expressly admitted. Failure to file a notice of defense or notice of participation shall constitute a waiver of respondent's right to a hearing, but the agency in its discretion may nevertheless grant a hearing. Unless objection is taken as provided in paragraph (3) of subdivision (a), all objections to the form of the accusation or District Statement of Reduction in Force shall be deemed waived.

(d) The notice of defense or notice of participation shall be in writing signed by or on behalf of the respondent and shall state the respondent's mailing address. It need not be verified or follow any particular form.

(e) As used in this section, "file," "files," "filed," or "filing" means "delivered or mailed" to the agency as provided in Section 11505.

**HISTORY:** Added Stats 1945 ch 867 § 1. Amended Stats 1963 ch 931 § 1; Stats 1982 ch 606 § 1; Stats 1986 ch 951 § 20; Stats 1995 ch 938 § 29 (SB 523), operative July 1, 1997; Stats 2013 ch 90 § 5 (SB 546), effective January 1, 2014.

### **§ 11507. Amended or supplemental accusation or District Statement of Reduction in Force; Objections**

At any time before the matter is submitted for decision, the agency may file, or permit the filing of, an amended or supplemental accusation or District Statement of Reduction in Force. All parties shall be notified of the filing. If the amended or supplemental accusation or District Statement of Reduction in Force presents new charges, the agency shall afford the respondent a reasonable opportunity to prepare his or her defense to the new charges, but he or she shall not be entitled to file a further pleading unless the agency in its discretion so orders. Any new charges shall be deemed controverted, and any objections to the amended or supplemental accusation or District Statement of Reduction in Force may be made orally and shall be noted in the record.

**HISTORY:** Added Stats 1945 ch 867 § 1. Amended Stats 2013 ch 90 § 6 (SB 546), effective January 1, 2014; Stats 2014 ch 71 § 69 (SB 1304), effective January 1, 2015.

#### **§ 11507.3. Consolidated proceedings; Separate hearings**

(a) When proceedings that involve a common question of law or fact are pending, the administrative law judge on the judge's own motion or on motion of a party may order a joint hearing of any or all the matters at issue in the proceedings. The administrative law judge may order all the proceedings consolidated and may make orders concerning the procedure that may tend to avoid unnecessary costs or delay.

(b) The administrative law judge on the judge's own motion or on motion of a party, in furtherance of convenience or to avoid prejudice or when separate hearings will be conducive to expedition and economy, may order a separate hearing of any issue, including an issue raised in the notice of defense or notice of participation, or of any number of issues.

**HISTORY:** Added Stats 1995 ch 938 § 30 (SB 523), operative July 1, 1997. Amended Stats 2013 ch 90 § 7 (SB 546), effective January 1, 2014.

**§ 11507.5. Exclusivity of discovery provisions**

The provisions of Section 11507.6 provide the exclusive right to and method of discovery as to any proceeding governed by this chapter.

**HISTORY:** Added Stats 1968 ch 808 § 3.

**§ 11507.6. Request for discovery**

After initiation of a proceeding in which a respondent or other party is entitled to a hearing on the merits, a party, upon written request made to another party, prior to the hearing and within 30 days after service by the agency of the initial pleading or within 15 days after the service of an additional pleading, is entitled to (1) obtain the names and addresses of witnesses to the extent known to the other party, including, but not limited to, those intended to be called to testify at the hearing, and (2) inspect and make a copy of any of the following in the possession or custody or under the control of the other party:

(a) A statement of a person, other than the respondent, named in the initial administrative pleading, or in any additional pleading, when it is claimed that the act or omission of the respondent as to this person is the basis for the administrative proceeding;

(b) A statement pertaining to the subject matter of the proceeding made by any party to another party or person;

(c) Statements of witnesses then proposed to be called by the party and of other persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, not included in (a) or (b) above;

(d) All writings, including, but not limited to, reports of mental, physical and blood examinations and things which the party then proposes to offer in evidence;

(e) Any other writing or thing which is relevant and which would be admissible in evidence;

(f) Investigative reports made by or on behalf of the agency or other party pertaining to the subject matter of the proceeding, to the extent that these reports (1) contain the names and addresses of witnesses or of persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, or (2) reflect matters perceived by the investigator in the course of his or her investigation, or (3) contain or include by attachment any statement or writing described in (a) to (e), inclusive, or summary thereof.

For the purpose of this section, "statements" include written statements by the person signed or otherwise authenticated by him or her, stenographic, mechanical, electrical or other recordings, or transcripts thereof, of oral statements by the person, and written reports or summaries of these oral statements.

Nothing in this section shall authorize the inspection or copying of any writing or thing which is privileged from disclosure by law or otherwise made confidential or protected as the attorney's work product.

**HISTORY:** Added Stats 1968 ch 808 § 4. Amended Stats 1985 ch 1328 § 5; Stats 1995 ch 938 § 31 (SB 523), operative July 1, 1997.

#### **§ 11507.7. Motion to compel discovery; Order**

(a) Any party claiming the party's request for discovery pursuant to Section 11507.6 has not been complied with may serve and file with the administrative law judge a motion to compel discovery, naming as respondent the party refusing or failing to comply with Section 11507.6. The motion shall state facts showing the respondent party failed or refused to comply with Section 11507.6, a description of the matters sought to be discovered, the reason or reasons why the matter is discoverable under that section, that a reasonable and good faith attempt to contact the respondent for an informal resolution of the issue has been made, and the ground or grounds of respondent's refusal so far as known to the moving party.

(b) The motion shall be served upon respondent party and filed within 15 days after the respondent party first evidenced failure or refusal to comply with Section 11507.6 or within 30 days after request was made and the party has failed to reply to the request, or within another time provided by stipulation, whichever period is longer.

(c) The hearing on the motion to compel discovery shall be held within 15 days after the motion is made, or a later time that the administrative law judge may on the judge's own motion for good cause determine. The respondent party shall have the right to serve and file a written answer or other response to the motion before or at the time of the hearing.

(d) Where the matter sought to be discovered is under the custody or control of the respondent party and the respondent party asserts that the matter is not a discoverable matter under the provisions of Section 11507.6, or is privileged against disclosure under those provisions, the administrative law judge may order lodged with it matters provided in subdivision (b) of *Section 915 of the Evidence Code* and examine the matters in accordance with its provisions.

(e) The administrative law judge shall decide the case on the matters examined in camera, the papers filed by the parties, and such oral argument and additional evidence as the administrative law judge may allow.

(f) Unless otherwise stipulated by the parties, the administrative law judge shall no later than 15 days after the hearing make its order denying or granting the motion. The order shall be in writing setting forth the matters the moving party is entitled to discover under Section 11507.6. A copy of the order shall forthwith be served by mail by the administrative law judge upon the parties. Where the order grants the motion in whole or in part, the order shall not become

effective until 10 days after the date the order is served. Where the order denies relief to the moving party, the order shall be effective on the date it is served.

**HISTORY:** Added Stats 1968 ch 808 § 5. Amended Stats 1971 ch 1303 § 8; Stats 1980 ch 548 § 2; Stats 1995 ch 938 § 32 (SB 523), operative July 1, 1997.

#### **§ 11508. Time and place of hearing**

(a) The agency shall consult the office, and subject to the availability of its staff, shall determine the time and place of the hearing. The hearing shall be held at a hearing facility maintained by the office in Sacramento, Oakland, Los Angeles, or San Diego and shall be held at the facility that is closest to the location where the transaction occurred or the respondent resides.

(b) Notwithstanding subdivision (a), the hearing may be held at either of the following places:

(1) A place selected by the agency that is closer to the location where the transaction occurred or the respondent resides.

(2) A place within the state selected by agreement of the parties.

(c) The respondent may move for, and the administrative law judge has discretion to grant or deny, a change in the place of the hearing. A motion for a change in the place of the hearing shall be made within 10 days after service of the notice of hearing on the respondent.

Unless good cause is identified in writing by the administrative law judge, hearings shall be held in a facility maintained by the office.

**HISTORY:** Added Stats 1945 ch 867 § 1. Amended Stats 1963 ch 710 § 1; Stats 1967 ch 17 § 39; Stats 1987 ch 50 § 1; Stats 1995 ch 938 § 33 (SB 523), operative July 1, 1997; Stats 2005 ch 674 § 22 (SB 231), effective January 1, 2006.

**Exhibit A-10**

1380822

Statement of Organization  
Recipient Committee

Statement Type  Initial

Not yet qualified  or  Termination - See Part 5

R-33 Amendment  
List I.D. number 2015 NOV -8 AM 07:58

RECEIVED  
OFFICE OF PALM SPRINGS

Date Stamp  
**FILED**  
in the office of the Secretary of State  
of the State of California  
OCT 23 2015  
15 OCT 33 AM 11:14  
NOV 02 AM  
REGISTRAR OF VOTERS  
COUNTY OF RIVERSIDE  
R/Scl

**CALIFORNIA 410 FORUM**

# 10/19/2015  
Date qualified as committee (if applicable)  
Date qualified as committee  
Date of Termination

JAMES HUFF  
CITY CLERK

NAME OF COMMITTEE

Committee to Clean House

STREET ADDRESS (NO P.O. BOX)

1840 S. La Paloma

CITY

Palm Springs

STATE

CA

ZIP CODE

92264

AREA CODE/PHONE

(760)275-5294

MAILING ADDRESS (IF DIFFERENT)

FAX / E-MAIL ADDRESS

committee@cleanhouse@gmail.com

COUNTY OF DOMICILE

Riverside

JURISDICTION WHERE COMMITTEE IS ACTIVE

Palm Springs

NAME OF TREASURER

Kevin McVey

STREET ADDRESS (NO P.O. BOX)

1840 S. La Paloma

CITY

Palm Springs

STATE

CA

ZIP CODE

92264

AREA CODE/PHONE

(760)275-5294

STREET ADDRESS (NO P.O. BOX)

CITY

STATE

ZIP CODE

AREA CODE/PHONE

NAME OF PRINCIPAL OFFICER(S)

Kevin McVey

STREET ADDRESS (NO P.O. BOX)

1840 S. La Paloma

CITY

Palm Springs

STATE

CA

ZIP CODE

92264

AREA CODE/PHONE

(760)275-5294

Attach additional information on appropriately labeled continuation sheets.

I have used all reasonable diligence in preparing this statement and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on 10/19/2015 By \_\_\_\_\_

Executed on 10/19/2015 By \_\_\_\_\_

Executed on \_\_\_\_\_ By \_\_\_\_\_

Executed on \_\_\_\_\_ By \_\_\_\_\_

SIGNATURE OF TREASURER  
*Kevin McVey*

SIGNATURE OF CONTROLLING OFFICER/HOLDER, CANDIDATE, OR STATE MEASURE PROponent

SIGNATURE OF CONTROLLING OFFICER/HOLDER, CANDIDATE, OR STATE MEASURE PROponent

SIGNATURE OF CONTROLLING OFFICER/HOLDER, CANDIDATE, OR STATE MEASURE PROponent

SIGNATURE OF CONTROLLING OFFICER/HOLDER, CANDIDATE, OR STATE MEASURE PROponent

**Statement of Organization  
Recipient Committee**

INSTRUCTIONS ON REVERSE

Page 2

I.D. NUMBER

COMMITTEE NAME

**Committee to Clean House**

- All committees must list the financial institution where the campaign bank account is located.

NAME OF FINANCIAL INSTITUTION

**Meta Bank**

AREA CODE/PHONE

**(866)559-5037**

BANK ACCOUNT NUMBER

**70003403802540**

ADDRESS

**5501 S. Broadband**

CITY

**Sioux Falls**

STATE

**SD**

ZIP CODE

**57108**

**Controlled Committee**

- List the name of each controlling officeholder, candidate, or state measure proponent. If candidate or officeholder controlled, also list the elective office sought or held, and district number, if any, and the year of the election.
- List the political party with which each officeholder or candidate is affiliated or check "nonpartisan."
- If this committee acts jointly with another controlled committee, list the name and identification number of the other controlled committee.

NAME OF CANDIDATE/OFFICEHOLDER/STATE MEASURE PROponent

ELECTIVE OFFICE SOUGHT OR HELD  
(INCLUDE DISTRICT NUMBER IF APPLICABLE)

YEAR OF ELECTION

PARTY

			<input type="checkbox"/> Nonpartisan
			<input type="checkbox"/> Nonpartisan

**Primarily Formed Committee**

Primarily formed to support or oppose specific candidates or measures in a single election. List below:

CANDIDATE(S) NAME OR MEASURE(S) FULL TITLE (INCLUDE BALLOT NO. OR LETTER)

CANDIDATE(S) OFFICE SOUGHT OR HELD OR MEASURE(S) JURISDICTION  
(INCLUDE DISTRICT NO., CITY OR COUNTY, AS APPLICABLE)

	CHECK ONE	
	SUPPORT	OPPOSE
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>

**Statement of Organization  
Recipient Committee**

INSTRUCTIONS ON REVERSE

CALIFORNIA  
FORM 410

Page 3

I.D. NUMBER

COMMITTEE NAME

**Committee to Clean House**

**General Purpose Committee**

Not formed to support or oppose specific candidates or measures in a single election. Check only one box:

CITY Committee  COUNTY Committee  STATE Committee

PROVIDE BRIEF DESCRIPTION OF ACTIVITY

**Raise awareness of local political issues and candidates.**

**Sponsored Committee**

List additional sponsors on an attachment.

NAME OF SPONSOR

INDUSTRY GROUP OR AFFILIATION OF SPONSOR

STREET ADDRESS

NO. AND STREET

CITY

STATE

ZIP CODE

**Small Contributor Committee**

\_\_\_\_\_  
Date qualified

- This committee has ceased to receive contributions and make expenditures;
  - This committee does not anticipate receiving contributions or making expenditures in the future;
  - This committee has eliminated or has no intention or ability to discharge all debts, loans received, and other obligations;
  - This committee has no surplus funds; and
  - This committee has filed all campaign statements required by the Political Reform Act disclosing all reportable transactions.
- There are restrictions on the disposition of surplus campaign funds held by elected officers who are leaving office and by defeated candidates. Refer to Government Code Section 89519.
- Leftover funds of ballot measure committees may be used for political, legislative or governmental purposes under Government Code Sections 89511 - 89518, and are subject to Elections Code Section 18680 and FPPC Regulation 18521.5.

**Exhibit A-11**

**Statement of Organization Recipient Committee**

Statement Type  Initial  or Not yet qualified

Type or print in Ink

Amendment List I.D. number: # 1380822

Date qualified as committee (if applicable) 10 / 19 / 2015

**1. Committee Information**  
NAME OF COMMITTEE  
Committee to Clean House

STREET ADDRESS (NO P.O. BOX)  
1840 S. La Paloma Dr.  
CITY  
Palm Springs  
STATE  
CA  
ZIP CODE  
92264  
AREA CODE/PHONE  
760-275-5294

OPTIONAL: FAX / E-MAIL ADDRESS  
committee@cleanhouse@gmail.com  
COUNTY WHERE COMMITTEE IS ACTIVE IF DIFFERENT THAN COUNTY OF DOMICILE  
Riverside

Attach additional information on appropriately labeled continuation sheets.

**2. Treasurer and Other Principal Officers**

NAME OF TREASURER  
Janice Smith  
STREET ADDRESS  
441 W. Chino Cyn. Rd  
CITY  
Palm Springs  
STATE  
CA  
ZIP CODE  
92262  
AREA CODE/PHONE  
760-323-8859

NAME OF ASSISTANT TREASURER, IF ANY

STREET ADDRESS  
CITY  
Palm Springs  
STATE  
CA  
ZIP CODE  
92264  
AREA CODE/PHONE  
760-275-5294

NAME AND POSITION OF OTHER PRINCIPAL OFFICER(S), IF APPLICABLE  
Kevin McVey  
MAILING ADDRESS  
1840 S. LaPaloma Dr.  
CITY  
Palm Springs  
STATE  
CA  
ZIP CODE  
92264  
AREA CODE/PHONE  
760-275-5294

**3. Verification**

I have used all reasonable diligence in preparing this statement and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on 10/24/2015  
Executed on 10/24/2015  
Executed on  
Executed on

By *[Signature]*  
By *[Signature]*  
By  
By

SIGNATURE OF TREASURER OR ASSISTANT TREASURER  
SIGNATURE OF CONTROLLING OFFICER/HOLDER, CANDIDATE, OR STATE MEASURE PROponent  
SIGNATURE OF CONTROLLING OFFICER/HOLDER, CANDIDATE, OR STATE MEASURE PROponent  
SIGNATURE OF CONTROLLING OFFICER/HOLDER, CANDIDATE, OR STATE MEASURE PROponent

RECEIVED  
CITY OF PALM SPRINGS  
2015 NOV -2 PM 2:41  
JANICE THOMPSON  
CITY CLERK

STATEMENT OF ORGANIZATION  
CALIFORNIA  
FOR 410  
For Official Use Only  
15 NOV -9 AM 10:39  
REGISTRAR OF VOTERS  
COUNTY OF RIVERSIDE

Date Stamp  
NOV 05 2015  
RECEIVED AND FILED  
In the office of the Secretary of State  
of the State of California

**Statement of Organization  
Recipient Committee**

INSTRUCTIONS ON REVERSE

**CALIFORNIA  
FORM 410**

Page 2

COMMITTEE NAME

Committee to Clean House

I.D. NUMBER

1380822

All committees must list the financial institution where the campaign bank account is located.

NAME OF FINANCIAL INSTITUTION

J.P. MORGAN CHASE

AREA CODE/PHONE

760-325-1242

BANK ACCOUNT NUMBER

777137691

ADDRESS

499 S. Palm Cyn Dr

CITY

Palm Springs

STATE

CA

ZIP CODE

92262

Controlled Committee

- List the name of each controlling officeholder, candidate, or state measure proponent. If candidate or officeholder controlled, also list the elective office sought or held, and district number, if any, and the year of the election.
- List the political party with which each officeholder or candidate is affiliated or check "nonpartisan."
- If this committee acts jointly with another controlled committee, list the name and identification number of the other controlled committee.

NAME OF CANDIDATE/OFFICEHOLDER/STATE MEASURE PROponent	ELECTIVE OFFICE SOUGHT OR HELD (INCLUDE DISTRICT NUMBER IF APPLICABLE)	YEAR OF ELECTION	PARTY
			<input type="checkbox"/> Nonpartisan
			<input type="checkbox"/> Nonpartisan

Primarily Formed Committee

Primarily formed to support or oppose specific candidates or measures in a single election. List below:

CANDIDATE(S) NAME OR MEASURE(S) FULL TITLE (INCLUDE BALLOT NO. OR LETTER)	CANDIDATE(S) OFFICE SOUGHT OR HELD OR MEASURE(S) JURISDICTION (INCLUDE DISTRICT NO., CITY OR COUNTY AS APPLICABLE)	CHECK ONE
		SUPPORT <input type="checkbox"/> OPPOSE <input type="checkbox"/>
		SUPPORT <input type="checkbox"/> OPPOSE <input type="checkbox"/>

# Statement of Organization Recipient Committee

INSTRUCTIONS ON REVERSE

COMMITTEE NAME  
Committee to Clean House

## 4. Type of Committee (Continued)

### General Purpose Committee

Not formed to support or oppose specific candidates or measures in a single election. Check only one box:  
 CITY Committee     COUNTY Committee     STATE Committee

PROVIDE BRIEF DESCRIPTION OF ACTIVITY

Raise awareness of local political issues.

### Sponsored Committee

List additional sponsors on an attachment.

NAME OF SPONSOR

INDUSTRY GROUP OR AFFILIATION OF SPONSOR

STREET ADDRESS NO. AND STREET

CITY

STATE

ZIP CODE

### Small Contributor Committee

Date qualified \_\_\_\_\_

Check box and provide the date this committee qualified as a small contributor committee. If the committee qualified as a small contributor committee on January 1, 2001, enter 1/1/01.

## 5. Termination Requirements

By signing the verification, the treasurer, assistant treasurer and/or candidate, officer/holder, or proponent certify that all of the following conditions have been met:

- This committee has ceased to receive contributions and make expenditures;
  - This committee does not anticipate receiving contributions or making expenditures in the future;
  - This committee has eliminated or has no intention or ability to discharge all debts, loans received, and other obligations;
  - This committee has no surplus funds; and
  - This committee has filed all campaign statements required by the Political Reform Act disclosing all reportable transactions.
- There are restrictions on the disposition of surplus campaign funds held by elected officers who are leaving office and by defeated candidates. Refer to Government Code Section 89519.

**Exhibit A-12**

RECEIVED  
CITY OF PALM SPRINGS

2016 MAY 26 AM 10:19  
Date Stamp

STATEMENT OF ORGANIZATION  
CALIFORNIA FORM 410  
For Officials Use Only

Statement of Organization  
Recipient Committee

Type or print in ink

Statement Type  Initial  
 Not yet qualified  or

Amendment  
List ID number

# 1350822

JAMES THOMPSON  
Termination - Secretary's Clerk

12/31/15  
Date of Termination

Date qualified as committee  
(if applicable)

1. Committee Information

NAME OF COMMITTEE

COMMITTEE TO CLEAN HOUSE

STREET ADDRESS (NO PO BOX)

441 W Chino Canyon Rd

CITY

Palm Springs

MAILING ADDRESS (IF DIFFERENT)

STATE

Ca

ZIP CODE

92262

AREA CODE/PHONE

OPTIONAL: FAX / E-MAIL ADDRESS

COUNTY OF DOMICILE

Riverside

(COUNTY WHERE COMMITTEE IS ACTIVE IF DIFFERENT  
THAN COUNTY OF DOMICILE)

Attach additional information on appropriately labeled continuation sheets

3. Verification

I have used all reasonable diligence in preparing this statement and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on \_\_\_\_\_ DAY \_\_\_\_\_ DATE  
By James Thompson Treasurer 5-23-16  
Executed on \_\_\_\_\_ DAY \_\_\_\_\_ DATE  
By \_\_\_\_\_  
Executed on \_\_\_\_\_ DAY \_\_\_\_\_ DATE  
By \_\_\_\_\_  
Executed on \_\_\_\_\_ DAY \_\_\_\_\_ DATE  
By \_\_\_\_\_

2. Treasurer and Other Principal Officers

NAME OF TREASURER

JANICE SMITH

STREET ADDRESS

441 W Chino Canyon Rd

CITY

Palm Springs

NAME OF ASSISTANT TREASURER (IF ANY)

STATE

Ca

ZIP CODE

92262

AREA CODE/PHONE

760

STREET ADDRESS

CITY

STATE

Ca

ZIP CODE

92262

AREA CODE/PHONE

NAME AND POSITION (IF OTHER PRINCIPAL OFFICERS) IF APPLICABLE

MAILING ADDRESS

CITY

Palm Springs

STATE

Ca

ZIP CODE

92262

AREA CODE/PHONE

760

Statement of Organization  
Recipient Committee

INSTRUCTIONS ON REVERSE

COMMITTEE NAME

COMMITTEE TO CLEAN HOUSE

ID NUMBER

1380872

1. Type of Committee Complete the applicable sections

**Controlled Committee**

- List the name of each controlling officer/holder, candidate, or state measure proponent, if candidate or officeholder controlled, also list the elective office sought or held, and district number, if any, and the year of the election.
- List the political party with which each officer/holder or candidate is affiliated or check "non-partisan."
- If this committee acts jointly with another controlled committee, list the name and identification number of the other controller committed.

NAME OF CANDIDATE/OFFICEHOLDER/STATE MEASURE PROONENT	ELECTIVE OFFICE SOUGHT OR HELD INCLUDE DISTRICT NUMBER IF APPLICABLE	YEAR OF ELECTION	PARTY
			<input checked="" type="checkbox"/> Non-Partisan
			<input type="checkbox"/> Non-Partisan

List the financial institution where the campaign bank account is located (controlled "candidate election" committees only)

NAME OF FINANCIAL INSTITUTION: U. P. MORGAN - CHASE  
 ADDRESS: STATER BRO'S VISTA CHINO  
 AREA CODE: 800-243-7338 BANK ACCOUNT NUMBER: 00000077137691  
 CITY: Palm Springs STATE: Ca ZIP CODE: 92262

**Primarily Funded Committee**

Primarily formed to support or oppose specific candidates or measures in a single election. List below:

CANDIDATE(S) NAME OR MEASURE(S) FULL TITLE (INCLUDE BALLOT NO. FOR LETTER) CANDIDATE(S) OFFICE SOUGHT OR HELD OR MEASURE(S) JURISDICTION  
(INCLUDE DISTRICT NO. CITY OR COUNTY, AS APPLICABLE)

	CHECK ONE	
	SUPPORT	OPPOSE
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>

Statement of Organization  
Recipient Committee

STATEMENT OF ORGANIZATION  
CALIFORNIA FORM 410

INSTRUCTIONS ON REVERSE

COMMITTEE NAME

COMMITTEE TO CLEAN HOUSE

Page 3

ID NUMBER

1380822

4. Type of Committee (Continued)

General Purpose Committee

Not limited to support or oppose specific candidates or measures in a single election. Check only one box.

CITY Committee  COUNTY Committee  STATE Committee

BRIEF DESCRIPTION OF ACTIVITY

PREPARED TV'S RAPID ADS TO INFORM GENERAL PUBLIC

Sponsoring Committee

List additional sponsors on an attachment

NAME OF SPONSOR

INDUSTRY GROUP OR AFFILIATION OF SPONSOR

STREET ADDRESS

RD AND STREET

CITY

STATE

ZIP CODE

Small Contributor Committee

Data qualified

Check box and provide the date this committee qualified as a small contributor committee. If the committee qualified as a small contributor committee or January 1, 2001, enter 1/1/01

5. Termination Requirements

By signing the verification, the treasurer, assistant treasurer and/or candidate, officeholder, or proponent certifies that all of the following conditions have been met:

- This committee has ceased to receive contributions and make expenditures
- This committee does not anticipate receiving contributions or making expenditures in the future.
- This committee has eliminated or has no intention or ability to discharge all debts, loans received, and other obligations.
- This committee has no surplus funds and
- This committee has filed all campaign statements required by the Political Reform Act disclosing all reportable transactions

There are restrictions on the disposition of surplus campaign funds held by elected officials who are leaving office and by defeated candidates. Refer to Government Code Section 89519.

Additional filing obligations will be incurred if, after terminating the committee receives or spends any funds or receives the forgiveness of a loan repayments of loans made to others or any other receipts.

**Exhibit A-13**

**Recipient Committee  
Campaign Statement  
Cover Page**

(Government Code Sections 84200-84216.5)

Page 1 of 16  
For Official Use Only

Type or print in Ink.

Date Stamp  
**RECEIVED  
CITY OF PALM SPRINGS  
OCT 22 2015 4:20 PM**  
JAMES THOMPSON  
CITY CLERK

Statement covers period  
from Jan. 1, 2015  
through Oct 22, 2015

Date of election if applicable:  
(Month, Day, Year)  
Nov 3, 2015

SEE INSTRUCTIONS ON REVERSE

**1. Type of Recipient Committee: All Committees - Complete Parts 1, 2, 3, and 4.**

- Officeholder, Candidate Controlled Committee
- State Candidate Election Committee
- Recall (Also Complete Part 5)
- General Purpose Committee
- Sponsored Small Contributor Committee
- Political Party/Central Committee
- Primarily Formed Ballot Measure Committee
- Controlled Sponsored (Also Complete Part 6)
- Primarily Formed Candidate/Officeholder Committee (Also Complete Part 7)

**2. Type of Statement:**

- Preelection Statement
- Semi-annual Statement
- Termination Statement (Also file a Form 410 Termination)
- Amendment (Explain below)
- Quarterly Statement
- Special Odd-Year Report
- Supplemental Preelection Statement - Attach Form 495

**3. Committee Information**

I.D. NUMBER  
pending

COMMITTEE NAME (OR CANDIDATE'S NAME IF NO COMMITTEE)  
Committee to Clean House

**Treasurer(s)**

NAME OF TREASURER  
Kevin McVey

MAILING ADDRESS  
1840 S. La Paloma Dr.

STREET ADDRESS (NO P.O. BOX)  
1840 S. La Paloma Dr.  
CITY Palm Springs STATE CA ZIP CODE 92264 AREA CODE/PHONE 760-275-5294

CITY Palm Springs STATE CA ZIP CODE 92264 AREA CODE/PHONE 760-275-5294

MAILING ADDRESS (IF DIFFERENT) NO. AND STREET OR P.O. BOX

MAILING ADDRESS

CITY STATE ZIP CODE AREA CODE/PHONE

CITY STATE ZIP CODE AREA CODE/PHONE

OPTIONAL: FAX / E-MAIL ADDRESS

committee@cleanhouse@gmail.com

OPTIONAL: FAX / E-MAIL ADDRESS

**4. Verification**

I have used all reasonable diligence in preparing and reviewing this statement and to the best of my knowledge the information contained herein and in the attached schedules is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on 10/22/2015 Date  
Executed on 10/22/2015 Date  
Executed on \_\_\_\_\_ Date  
Executed on \_\_\_\_\_ Date

By [Signature]  
Signature of Treasurer/Assistant Treasurer  
By [Signature]  
Signature of Controlling Officerholder, Candidate, State Measure Proponent or Responsible Officer of Sponsor  
By \_\_\_\_\_  
Signature of Controlling Officerholder, Candidate, State Measure Proponent  
By \_\_\_\_\_  
Signature of Controlling Officerholder, Candidate, State Measure Proponent

# Campaign Disclosure Statement Summary Page

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

SUMMARY PAGE

Statement covers period  
from Jan. 1, 2015  
through Oct 22, 2015

CALIFORNIA FORM **460**

Page 3 of 16

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER

Committee to Clean House

I.D. NUMBER

pending

## Contributions Received

	Column A TOTAL THIS PERIOD (FROM ATTACHED SCHEDULES)	Column B CALENDAR YEAR TOTAL TO DATE
1. Monetary Contributions	Schedule A, Line 3 \$ 2050.00	2050.00
2. Loans Received	Schedule B, Line 3 1631.50	1631.50
3. SUBTOTAL CASH CONTRIBUTIONS	Add Lines 1 + 2 \$ 3681.50	3681.50
4. Nonmonetary Contributions	Schedule C, Line 3 0	0
5. TOTAL CONTRIBUTIONS RECEIVED	Add Lines 3 + 4 \$ 3681.50	3681.50

## Calendar Year Summary for Candidates Running in Both the State Primary and General Elections

1/1 through 6/30 7/1 to Date

20. Contributions Received \$ 0 \$ 3681.50

21. Expenditures Made \$ 0 \$ 1631.50

## Expenditures Made

6. Payments Made	Schedule E, Line 4 \$ 1631.50	1631.50
7. Loans Made	Schedule H, Line 3 0	0
8. SUBTOTAL CASH PAYMENTS	Add Lines 6 + 7 \$ 1631.50	1631.50
9. Accrued Expenses (Unpaid Bills)	Schedule F, Line 3 0	0
10. Nonmonetary Adjustment	Schedule C, Line 3 0	0
11. TOTAL EXPENDITURES MADE	Add Lines 8 + 9 + 10 \$ 1631.50	1631.50

## Expenditure Limit Summary for State Candidates

22. Cumulative Expenditures Made\*  
(If Subject to Voluntary Expenditure Limit)

Date of Election (mm/dd/yy) / / Total to Date \$

## Current Cash Statement

12. Beginning Cash Balance	Previous Summary Page, Line 16 \$ 0
13. Cash Receipts	Column A, Line 3 above 3681.50
14. Miscellaneous Increases to Cash	Schedule I, Line 4 0
15. Cash Payments	Column A, Line 8 above 1631.50
16. ENDING CASH BALANCE	Add Lines 12 + 13 + 14, then subtract Line 15 \$ 2050.00

If this is a termination statement, Line 16 must be zero.

To calculate Column B, add amounts in Column A to the corresponding amounts from Column B of your last report. Some amounts in Column A may be negative figures that should be subtracted from previous period amounts. If this is the first report being filed for this calendar year, only carry over the amounts from Lines 2, 7, and 9 (if any).

\*Amounts in this section may be different from amounts reported in Column B.

17. LOAN GUARANTEES RECEIVED Schedule B, Part 2 \$ 0

## Cash Equivalents and Outstanding Debts

18. Cash Equivalents	See instructions on reverse \$ 0
19. Outstanding Debts	Add Line 2 + Line 9 in Column B above \$ 1631.50

**Schedule A  
Monetary Contributions Received**

Type or print in Ink.  
Amounts may be rounded  
to whole dollars.

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER

Committee to Clean House

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
10/6/2015	Eric Ellenbogen 611 N. Phillips Rd Palm Springs, CA 92262	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Executive, Dreamworks	750	750	750
10/17/2015	Janiece Smith 440 Chino Cyn Rd Palm Springs, CA 92262	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Retired	1300	1300	1300
		<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
				<b>SUBTOTAL \$</b>		

**Schedule A Summary**

- Amount received this period - itemized monetary contributions.  
(Include all Schedule A subtotals.) ..... \$ 2150.00
- Amount received this period - unitemized monetary contributions of less than \$100 ..... \$ 0
- Total monetary contributions received and on the Summary Page, Column A, Line 1.) ..... **TOTAL \$ 2150.00**

\*Contributor Codes  
IND - Individual  
COM - Recipient Committee (other than PTY or SCC)  
OTH - Other (e.g., business entity)  
PTY - Political Party  
SCC - Small Contributor Committee

**Schedule A (Continuation Sheet)  
Monetary Contributions Received**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

SCHEDULE A (CONT.)

Statement covers period  
from Jan. 1, 2015  
through Oct 22, 2015

CALIFORNIA  
FORM **460**

Page 4 of 16

I.D. NUMBER  
pending

NAME OF FILER  
**Committee to Clean House**

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
				<b>SUBTOTAL \$</b>	<b>0</b>	

\*Contributor Codes  
 IND - Individual  
 COM - Recipient Committee  
 (other than PTY or SCC)  
 OTH - Other (e.g., business entity)  
 PTY - Political Party  
 SCC - Small Contributor Committee

**Schedule B - Part 1  
Loans Received**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

SCHEDULE B - PART 1

Statement covers period  
from Jan. 1, 2015  
through Oct 22, 2015

CALIFORNIA FORM **460**

Page 5 of 16

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER

Committee to Clean House

I.D. NUMBER

pending

FULL NAME, STREET ADDRESS AND ZIP CODE OF LENDER (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	OUTSTANDING BALANCE BEGINNING THIS PERIOD	AMOUNT RECEIVED THIS PERIOD	AMOUNT PAID OR FORGIVEN THIS PERIOD*	OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD	INTEREST PAID THIS PERIOD	ORIGINAL AMOUNT OF LOAN	CALENDAR YEAR PER ELECTION**	CUMULATIVE CONTRIBUTIONS TO DATE
Kevin McVey <input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Producer, Ruffian Films	\$ 1631.50	\$ 1631.50	<input type="checkbox"/> PAID \$ 0 <input type="checkbox"/> FORGIVEN \$ 0	\$ 1631.50	0 %	\$ 1631.50	1631.50	\$ 1631.50
<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		\$	\$	<input type="checkbox"/> PAID \$ <input type="checkbox"/> FORGIVEN \$	\$	%	\$		\$
<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		\$	\$	<input type="checkbox"/> PAID \$ <input type="checkbox"/> FORGIVEN \$	\$	%	\$		\$
<b>SUBTOTALS \$</b>					<b>1631.50 \$</b>	<b>0 \$</b>	<b>1631.50 \$</b>	<b>0</b>	<b>0</b>

(Enter (e) on Schedule E, Line 3)

**Schedule B Summary**

- Loans received this period (Total Column (b) plus unitemized loans of less than \$100.) ..... \$ 1631.50
- Loans paid or forgiven this period (Total Column (c) plus loans under \$100 paid or forgiven.) ..... \$ 0  
(Include loans paid by a third party that are also itemized on Schedule A.)
- Net change this period. (Subtract Line 2 from Line 1.) ..... **NET \$** 1631.50  
Enter the net here and on the Summary Page, Column A, Line 2.

†Contributor Codes  
IND - Individual  
COM - Recipient Committee (other than PTY or SCC)  
OTH - Other (e.g., business entity)  
PTY - Political Party  
SCC - Small Contributor Committee

\*Amounts forgiven or paid by another party also must be reported on Schedule A.  
\*\* If required.

**Schedule B - Part 2  
Loan Guarantors**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

Statement covers period  
from Jan. 1, 2015  
through Oct 22, 2015

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER

I.D. NUMBER  
pending

Committee to Clean House

FULL NAME, STREET ADDRESS AND ZIP CODE OF GUARANTOR (IF COMMITTEE ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE <input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	LOAN  LENDER  DATE	AMOUNT GUARANTEED THIS PERIOD	CUMULATIVE TO DATE  CALENDAR YEAR \$ _____ PER ELECTION (IF REQUIRED)	BALANCE OUTSTANDING TO DATE

Enter on Summary Page, Line 17 only.  
SUBTOTAL \$ 0

**Schedule C  
Nonmonetary Contributions Received**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

SCHEDULE C

CALIFORNIA  
FORM **460**

Statement covers period

from Jan. 1, 2015

through Oct 22, 2015

Page 7 of 16

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER

Committee to Clean House

I.D. NUMBER

pending

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	DESCRIPTION OF GOODS OR SERVICES	AMOUNT/FAIR MARKET VALUE	CUMULATIVE TO DATE CALENDAR YEAR (JAN 1 - DEC 31)	PER ELECTION TO DATE (IF REQUIRED)
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC					
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC					
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC					
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC					
<b>SUBTOTAL \$</b>					<b>0</b>		

Attach additional information on appropriately labeled continuation sheets.

**Schedule C Summary**

- Amount received this period - itemized nonmonetary contributions.  
(Include all Schedule C subtotals.) ..... \$ 0
- Amount received this period - unitemized nonmonetary contributions of less than \$100 ..... \$ 0
- Total nonmonetary contributions received this period.  
(Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Lines 4 and 10.) ..... **TOTAL \$** 0

\*Contributor Codes  
IND - Individual  
COM - Recipient Committee  
(other than PTY or SCC)  
OTH - Other (e.g., business entity)  
PTY - Political Party  
SCC - Small Contributor Committee

**Schedule D**

**Summary of Expenditures Supporting/Opposing Other Candidates, Measures and Committees**

Type or print in ink. Amounts may be rounded to whole dollars.

SCHEDULED

CALIFORNIA FORM **460**

Statement covers period from Jan. 1, 2015 through Oct 22, 2015

Page 8 of 16

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER

Committee to Clean House

I.D. NUMBER

pending

DATE	NAME OF CANDIDATE, OFFICE, AND DISTRICT, OR MEASURE NUMBER OR LETTER AND JURISDICTION, OR COMMITTEE	TYPE OF PAYMENT	DESCRIPTION (IF REQUIRED)	AMOUNT THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
<b>SUBTOTAL \$</b>				<b>0</b>		

**Schedule D Summary**

- Itemized contributions and independent expenditures made this period. (Include all Schedule D subtotals.) ..... \$ 0
- Unitemized contributions and independent expenditures made this period of under \$100 ..... \$ 0
- Total contributions and independent expenditures made this period. (Add Lines 1 and 2. Do not enter on the Summary Page.) ..... **TOTAL \$** 0

**Schedule D**

**(Continuation Sheet)  
Summary of Expenditures  
Supporting/Opposing Other  
Candidates, Measures and Committees**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

SCHEDULED (CONT.)

CALIFORNIA  
FORM **460**

Statement covers period  
from Jan. 1, 2015  
through Oct 22, 2015

Page 9 of 16

I.D. NUMBER  
pending

NAME OF FILER

**Committee to Clean House**

DATE	NAME OF CANDIDATE, OFFICE, AND DISTRICT, OR MEASURE NUMBER OR LETTER AND JURISDICTION, OR COMMITTEE	TYPE OF PAYMENT	DESCRIPTION (IF REQUIRED)	AMOUNT THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				

**SUBTOTAL \$ 0**

**Schedule E  
Payments Made**

Type or print in ink  
Amounts may be rounded  
to whole dollars.

SCHEDULEE

CALIFORNIA  
FORM

**460**

Statement covers period  
from Jan. 1, 2015  
through Oct 22, 2015

Page 10 of 16

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER

Committee to Clean House

ID. NUMBER

pending

**CODES:** If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment.

CMF campaign paraphernalia/misc.  
CNS campaign consultants  
CTB contribution (explain nonmonetary)\*  
CVC civic donations  
FIL candidate filing/ballot fees  
FND fundraising events  
IND independent expenditure supporting/opposing others (explain)\*  
LEG legal defense  
LIT campaign literature and mailings

MBR member communications  
MTG meetings and appearances  
OFC office expenses  
PET petition circulating  
PHO phone banks  
POL polling and survey research  
POS postage, delivery and messenger services  
PRO professional services (legal, accounting)  
PRT print ads

RAD radio airtime and production costs  
RFD returned contributions  
SAL campaign workers' salaries  
TEL t.v. or cable airtime and production costs  
TRC candidate travel, lodging, and meals  
TRS staff/spouse travel, lodging, and meals  
TSF transfer between committees of the same candidate/sponsor  
VOT voter registration  
WEB information technology costs (internet, e-mail)

NAME AND ADDRESS OF PAYEE (IF COMMITTEE, ALSO ENTER ID. NUMBER)	CODE	OR	DESCRIPTION OF PAYMENT	AMOUNT PAID
KESQ - Palm Desert, CA	tel		Payment to run one (1) ad on 10/09/2105	235
KMIR - Palm Desert CA	tel		payment to run 3 ads, (1) on 10/9/2015, 2 on 10/12/2015	365
Jim Ferguson, 73200 El Paseo Ste 4D Palm Desert, CA 92260	leg		payment of \$1000 for legal advice	1000
			<b>SUBTOTAL \$</b>	<b>1600</b>

\* Payments that are contributions or independent expenditures must also be summarized on Schedule D.

**Schedule E Summary**

- Itemized payments made this period. (Include all Schedule E subtotals.) ..... \$ 1600.00
- Unitemized payments made this period of under \$100 ..... \$ 31.50
- Total interest paid this period on loans. (Enter amount from Schedule B, Part 1, Column (e).) ..... \$ 0
- Total payments made this period. (Add Lines 1, 2, and 3. Enter here and on the Summary Page, Column A, Line 6.) ..... **TOTAL \$** 1631.50



**Exhibit A-14**

Recipient Committee  
Campaign Statement  
Cover Page

Date Stamp  
RECEIVED  
PALM SPRINGS  
Page 1 of 5  
For Official Use Only

Date of election if applicable:  
(Month, Day, Year) OCT 19 PM 1:53  
CITY OF PALM SPRINGS  
OFFICE OF THE CITY CLERK

Statement covers period  
from 10/23/2015  
through 12/31/2015

SEE INSTRUCTIONS ON REVERSE

1. Type of Recipient Committee: All Committees - Complete Parts 1, 2, 3, and 4.

- Off/holder, Candidate Controlled Committee
- State Candidate Election Committee
- Recall (Also Complete Part 5)
- General Purpose Committee
- Sponsored
- Small Contributor Committee
- Political Party/Central Committee
- Primarily Formed Ballot Measure Committee
- Controlled
- Sponsored (Also Complete Part 6)
- Primarily Formed Candidate/Off/holder Committee (Also Complete Part 7)

2. Type of Statement:

- Preelection Statement
- Semi-annual Statement
- Termination Statement (Also file a Form 410 Termination)
- Amendment (Explain below)

CHANGE "FROM" DATE  
FROM 10/26/15 TO 10/23/15

3. Committee Information

ID. NUMBER 1380822  
COMMITTEE NAME (OR CANDIDATE'S NAME IF NO COMMITTEE)  
COMMITTEE TO CLEAN HOUSE

Treasurer(s)

NAME OF TREASURER VANICE SMITH  
MAILING ADDRESS 441 W. CHINO CANYON RD.  
CITY PALM SPRINGS STATE CA ZIP CODE 92262  
NAME OF ASSISTANT TREASURER, IF ANY

STREET ADDRESS (NO P.O. BOX) 441 W. CHINO CANYON RD.  
CITY PALM SPRINGS STATE CA ZIP CODE 92262  
MAILING ADDRESS (IF DIFFERENT) NO. AND STREET OR P.O. BOX

CITY STATE ZIP CODE AREA CODE/PHONE  
OPTIONAL: FAX / E-MAIL ADDRESS

4. Verification

I have used all reasonable diligence in preparing and reviewing this statement and to the best of my knowledge the information contained herein and in the attached schedules is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on 10/18/2017 Date  
Executed on \_\_\_\_\_ Date  
Executed on \_\_\_\_\_ Date  
Executed on \_\_\_\_\_ Date

By  Signature of Treasurer or Assistant Treasurer  
By \_\_\_\_\_ Signature of Controlling Off/holder, Candidate, State Measure Proponent or Responsible Off/icer of Sponsor  
By \_\_\_\_\_ Signature of Controlling Off/holder, Candidate, State Measure Proponent  
By \_\_\_\_\_ Signature of Controlling Off/holder, Candidate, State Measure Proponent

# Campaign Disclosure Statement Summary Page

Amounts may be rounded  
to whole dollars.

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER

COMMITTEES TO CLEAN HOUSES

Page 2 of 5  
I.D. NUMBER  
1380822

## Contributions Received

	Column A TOTAL THIS PERIOD (FROM ATTACHED SCHEDULES)	Column B CALENDAR YEAR TOTAL TO DATE
1. Monetary Contributions.....	\$ 6,805.00	\$ 6,805.00
2. Loans Received.....	.00	.00
3. SUBTOTAL CASH CONTRIBUTIONS.....	\$ 6,805.00	\$ 6,805.00
4. Nonmonetary Contributions.....	.00	.00
5. TOTAL CONTRIBUTIONS RECEIVED.....	\$ 6,805.00	\$ 6,805.00

## Expenditures Made

6. Payments Made.....	\$ 6,805.00	\$ 6,805.00
7. Loans Made.....	.00	.00
8. SUBTOTAL CASH PAYMENTS.....	\$ 6,805.00	\$ 6,805.00
9. Accrued Expenses (Unpaid Bills).....	.00	.00
10. Nonmonetary Adjustment.....	.00	.00
11. TOTAL EXPENDITURES MADE.....	\$ 6,805.00	\$ 6,805.00

## Current Cash Statement

12. Beginning Cash Balance.....	Previous Summary Page, Line 18	\$ .00
13. Cash Receipts.....	Column A, Line 3 above	\$ 6,805.00
14. Miscellaneous Increases to Cash.....	Schedule I, Line 4	\$ .00
15. Cash Payments.....	Column A, Line 8 above	\$ 6,805.00
16. ENDING CASH BALANCE.....	Add Lines 12 + 13 + 14, then subtract Line 15	\$ .00

If this is a termination statement, Line 16 must be zero.

17. LOAN GUARANTEES RECEIVED..... Schedule B, Part 2 \$

## Cash Equivalents and Outstanding Debts

18. Cash Equivalents..... See instructions on reverse \$

19. Outstanding Debts..... Add Line 2 + Line 9 in Column B above \$

## Calendar Year Summary for Candidates Running in Both the State Primary and General Elections

1/1 through 6/30 7/1 to Date

20. Contributions Received \$

21. Expenditures Made \$

## Expenditure Limit Summary for State Candidates

22. Cumulative Expenditures Made\*  
(If Subject to Voluntary Expenditure Limit)

Date of Election (mm/dd/yy) Total to Date

\_\_\_\_\_ \$

\_\_\_\_\_ \$

\*Amounts in this section may be different from amounts reported in Column B.

To calculate Column B, add amounts in Column A to the corresponding amounts from Column B of your last report. Some amounts in Column A may be negative figures that should be subtracted from previous period amounts. If this is the first report being filed for this calendar year, only carry over the amounts from Lines 2, 7, and 9 (if any).

# Schedule A Monetary Contributions Received

Amounts may be rounded  
to whole dollars.

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER

COMMITTEE TO CLEAN HOUSE

Statement covers period  
from 10/23/2015  
through 12/31/2015

Page 3 of 5

I.D. NUMBER

1380822

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
10/20/15	KEVIN M C NEY 1840 LA PALOMA DR PALM SPRINGS CA 92264	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Film maker	1,700.00		
10/28/15	KRISTEN BISHOP 441 W. CHINO CANYON RD PALM SPRINGS CA 92262	<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		1,500.00		
10/28/15	JANICE SMITH 441 W. CHINO CANYON RD. PALM SPRINGS CA 92262	<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		1,500.00		
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
				SUBTOTAL \$ <u>4,700.00</u>		

## Schedule A Summary

\*Contributor Codes  
IND - Individual  
COM - Recipient Committee  
(other than PTY or SCC)  
OTH - Other (e.g., business entity)  
PTY - Political Party  
SCC - Small Contributor Committee

- Amount received this period - itemized monetary contributions.  
(Include all Schedule A subtotals.) ..... \$ 4,700.00
- Amount received this period - unitemized monetary contributions of less than \$100 ..... \$ 2,105.00
- Total monetary contributions received this period.  
(Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Line 1.) ..... TOTAL \$ 6,805.00

# Schedule E Payments Made

Amounts may be rounded to whole dollars.

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER

COMMITTEE TO CLEAN HOUSE

Statement covers period  
from 10/23/2015  
through 12/31/2015

Page 4 of 5

I.D. NUMBER

1380822

CODES: If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment.

CMP campaign paraphernalia/misc.  
CNS campaign consultants  
CTB contribution (explain nonmonetary)\*  
CVC civic donations  
FIL candidate filing/ballot fees  
FND fundraising events  
IND independent expenditure supporting/opposing others (explain)\*  
LEG legal defense  
LIT campaign literature and mailings

MBR member communications  
MTG meetings and appearances  
OFC office expenses  
PET petition circulating  
PHO phone banks  
POL polling and survey research  
POS postage, delivery and messenger services  
PRO professional services (legal, accounting)  
PRT print ads

RAD radio airtime and production costs  
RFD returned contributions  
SAL campaign workers' salaries  
TEL t.v. or cable airtime and production costs  
TRC candidate travel, lodging, and meals  
TRS staff/spouse travel, lodging, and meals  
TSF transfer between committees of the same candidate/sponsor  
VOT voter registration  
WEB information technology costs (internet, e-mail)

NAME AND ADDRESS OF PAYEE  
(IF COMMITTEE, ALSO ENTER I.D. NUMBER)

R.R. BROADCASTING

87A (KMIR) BROADCASTING  
72990 PARKVIEW DR.  
PALM DESERT CA. 92260  
RAPIDS SUPERMARKET  
VISIA CHINO AT SUNRIS  
PALM SPRINGS CA. 92262

CODE OR	DESCRIPTION OF PAYMENT	AMOUNT PAID
<u>RAD</u>	<u>RADIO AIRTIMES</u>	<u>1,134.00</u>
<u>TEL</u>	<u>T.V. &amp; CABLE AIRTIME</u>	<u>4,475.00</u>
<u>FND</u>	<u>FUNDRAISING EVENT</u>	<u>266.00</u>

\* Payments that are contributions or independent expenditures must also be summarized on Schedule D.

SUBTOTAL \$ 5875.00

## Schedule E Summary

- Itemized payments made this period. (Include all Schedule E subtotals.) ..... \$ 6,371.00
- Unitemized payments made this period of under \$100 ..... \$ 434.00
- Total interest paid this period on loans. (Enter amount from Schedule B, Part 1, Column (e).) ..... \$
- Total payments made this period. (Add Lines 1, 2, and 3. Enter here and on the Summary Page, Column A, Line 6.) ..... TOTAL \$ 6,805.00



**Exhibit A-15**

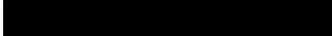


STATE OF CALIFORNIA  
FAIR POLITICAL PRACTICES COMMISSION  
1102 Q Street, Suite 3000 • Sacramento, CA 95811

February 4, 2019

Committee to Clean House  
c/o Kevin McVey



Via email: 

**NOTICE OF DEFAULT DECISION AND ORDER**

**Re: FPPC No. 15/2202, In the Matter of COMMITTEE TO CLEAN HOUSE and KEVIN MCVEY**

Dear Mr. McVey:

On October 10, 2018, you were personally served with an accusation in the above-referenced matter. Pursuant to the Administrative Procedure Act, you were required to file a notice of defense within 15 days after service of the accusation to request an administrative hearing. You did not file a notice of defense. **As a result, you have waived your right to an administrative hearing.**<sup>1</sup>

The Fair Political Practices Commission (the "Commission") will proceed with a default decision and order ("default") against you. The initial notice of this default will appear on the published agenda for the Commission's public meeting on February 21, 2019. This agenda will be public and you could be contacted by the media with questions. The Commission will be asked to adopt the default at the subsequent public meeting on March 21, 2019 and impose an administrative penalty of \$23,000 against you.

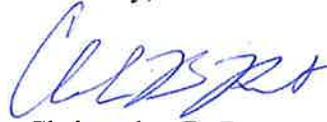
Following the issuance of the default, the Commission will obtain a judgment in superior court for the amount owed and then take action to collect the judgment. Please be advised that administrative penalties for violations of the Political Reform Act cannot be discharged in bankruptcy proceedings.

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<sup>1</sup> Government Code section 11505.

You may still resolve this matter informally by way of a stipulated settlement if an agreement can be reached prior to this matter appearing for consideration by the Commission. Please contact me at (916) 322-5021 or [cburton@fppc.ca.gov](mailto:cburton@fppc.ca.gov) if you wish to enter into a settlement to resolve this matter in its entirety.

Sincerely,



Christopher B. Burton  
Senior Commission Counsel  
Enforcement Division

**Exhibit A-16**



STATE OF CALIFORNIA  
FAIR POLITICAL PRACTICES COMMISSION  
1102 Q Street, Suite 3000 • Sacramento, CA 95811

February 25, 2019

Committee to Clean House  
c/o Kevin McVey

Via email: [REDACTED]

**NOTICE OF INTENT TO ENTER DEFAULT DECISION AND ORDER**

**Re: FPPC No. 15/2202, In the Matter of COMMITTEE TO CLEAN HOUSE and KEVIN MCVEY**

Dear Mr. McVey and Committee to Clean House:

Enclosed please find a copy of the Default Decision and Order, and accompanying Exhibit and attachments, for the above-referenced matter. The Fair Political Practices Commission (the "Commission") will consider these papers at its public meeting on **March 21, 2019**, and decide whether to impose an administrative penalty of \$23,000 against you.

You were previously served a Report in Support of a Finding of Probable Cause, commonly known as a Probable Cause Report, advising you of your right to request a probable cause conference or submit a written response to the probable cause report. You did not request a probable cause conference, nor did you submit anything in writing for the Commission's Hearing Officer to consider in his determination of probable cause.

Following the issuance of the Report in Support of a Finding of Probable Cause, the Commission's Hearing Officer found probable cause that you committed thirteen violations of the Political Reform Act's campaign provisions. Thereafter, the Commission's Chief of Enforcement issued an Accusation against you on these violations. The Accusation was personally served on you on October 10, 2018. Under the law, you have therefore received adequate notice of these proceedings and the action filed against you. Under the Administrative Procedure Act, you were required to file your Notices of Defense within 15 days after service of the Accusation. You failed to file the Notice of Defense forms. As such, your right to an administrative hearing on this matter has been forfeited, and you are in a default position.

You may, but you are not required to, provide a response brief, along with any supporting materials, no later than five calendar days before the Commission hearing at which the default is scheduled to be heard. Your response brief must be served on the Commission Assistant, at the above address.

Following the issuance of the default order and imposition of the administrative penalty, we will commence legal proceedings to collect this fine, which may include converting the Commission's order to a court judgment. Please be advised that administrative penalties for violations of the Political Reform Act cannot be discharged in bankruptcy proceedings.

This letter is your last opportunity to resolve this matter informally by way of a stipulated settlement, before the default proceedings are commenced. If we do not reach a resolution, the enclosed documents will be placed on the Commission's agenda for the March 21, 2019 meeting. Please contact me at (916) 322-5021 or [cburton@fppc.ca.gov](mailto:cburton@fppc.ca.gov) if you wish to enter into a negotiated settlement.

Sincerely,



Christopher B. Burton  
Senior Commission Counsel  
Enforcement Division

Enclosures