



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

October 24, 2022

Jenny Kassan

Jenny Kassan for Fremont City Council District 3 2018

Via email: JKassan@fremont.gov

Re: Warning Letter re: FPPC Case No. 2022-00737; Jenny Kassan; Jenny Kassan for Fremont City Council District 3 2018

Dear Ms. Kassan:

The Enforcement Division of the Fair Political Practices Commission enforces the provisions of the Political Reform Act (the “Act”).¹ As you are aware, we received a sworn complaint alleging that you and your committee, *Jenny Kassan for Fremont City Council District 3 2018*, violated the campaign disclosure provisions of the Act. The Enforcement Division has completed its review. Specifically, we found that you failed to file two 24-Hour Reports (Form 497) and made several mathematical reporting errors. We also found that recharacterizing contributions made to your committee from your personal funds as loans is not a violation of the Act.

Under the Act, candidate-controlled committees must file two pre-election campaign statements in connection with the applicable election, as well as semi-annual campaign statements until the committee terminates.² The obligation to file semi-annual campaign statements continues until the candidate or treasurer terminates the committee. Additionally, the Act requires candidate-controlled committees that receive a late contribution to file a Form 497 within 24 hours of receiving the contribution.³ A “late contribution” is a contribution(s), including a loan(s), aggregating \$1,000 or more received by a candidate-controlled committee from a single source within 90 days before the date of the election, or on the date of the election, in which the candidate is to be voted on.⁴ The Act also requires specific information to be disclosed on campaign statements, including the total amount of contributions received, total amount of expenditures made, the beginning and ending cash balance, and cash equivalents and outstanding debts.⁵

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

² Sections 84200 and 84200.5.

³ Section 84203.

⁴ Section 82036.

⁵ Section 84211.

You violated the Act by failing to file two Form 497s as a result of contributions/loans made to your committee from personal funds for \$5,000 on August 8, 2018 and \$20,000 on September 20, 2018. Additionally, there were mathematical reporting errors on several campaign statements filed in connection with the November 6, 2018 election. However, the Enforcement Division has decided to resolve this case with a warning letter rather than a fine for the following reasons: the \$5,000 and \$20,000 contributions/loans were timely disclosed on your committee's pre-election campaign statements (Form 460), amendments were filed to correct some of the mathematical reporting errors, your 2018 committee has been terminated since 2019, and you have no prior Enforcement history.

This letter serves as a written warning. The information in this matter will be retained and may be considered should an enforcement action become necessary based on newly discovered information or future conduct. Failure to comply with the provisions of the Act in the future will result in monetary penalties of up to \$5,000 for each violation.

A warning letter is an Enforcement Division case resolution without administrative prosecution or fine. The Commission has adopted Regulation 18360.1 to authorize the Enforcement Division to issue warning letters to conclude cases in specified circumstances. However, the warning letter resolution does not provide you with the opportunity for a probable cause hearing or hearing before an Administrative Law Judge or the Commission. If you wish to avail yourself of these proceedings by requesting that your case proceed with prosecution rather than a warning, please notify us within ten (10) days from the date of this letter. Upon this notification, the Enforcement Division will rescind this warning letter and proceed with administrative prosecution of this case. If we do not receive such notification, this warning letter will be posted on the Commission's website ten (10) days from the date of this letter.

If you have any questions regarding this letter, please feel free to contact Tara Stock at (916) 322-8241 or tstock@fppc.ca.gov.

Sincerely,

Angela J. Brereton

Angela J. Brereton, Chief
Enforcement Division

AJB: ts