



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

January 3, 2023

Friends of Linda Handy for Peralta Area 3 2018
Linda Handy and LaMata Lewis
[REDACTED]

Warning Letter Re: FPPC No. 2018-00798; Linda Handy, Friends of Linda Handy for Peralta Area 3 2018, and LaMata Lewis

Dear Linda Handy, LaMata Lewis, and Committee:

The Enforcement Division of the Fair Political Practices Commission (“Commission”) enforces the provisions of the Political Reform Act (the “Act”).¹ This letter is in response to a complaint alleging the Friends of Linda Handy for Peralta Area 3 2018 (the “Committee”) failed to identify the source of loans on campaign statements and failed to timely file certain campaign statements. Additionally, the Enforcement Division identified a potential gift over the limit reported on Linda Handy’s 2017 Annual Statement of Economic Interests (“SEI”).

The Enforcement Division has completed its investigation and determined that the Committee failed to timely report outstanding loans on applicable campaign statements; failed to timely file three semi-annual campaign statements, two pre-election campaign statements, and 24-hour contribution reports to disclose eight late contributions received prior to the November 6, 2018 General Election. Additionally, the investigation determined that Linda Handy did not receive a gift over-the-limit under the Act; therefore, this allegation has been disproven.²

The Act requires committees to report outstanding loans on applicable campaign statements to include the person’s full name, street address, occupation, name of employer, the original date and amount of each loan, the due date and interest rate of the loan, the cumulative payment received to date at the end of the reporting period, the balance outstanding at the end of the reporting period, and the cumulative amount of contributions.³

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 In calendar year 2017, the Act prohibited designated employees of a local government agency from accepting gifts from any single source with a total value of more than \$470 if the gift was from a reportable source under the agency’s conflict of interest code. (Section 89503, subd. (c); Regulation 18940.2.) On or around September 22, 2017, Linda Handy received a gift from an unreportable source totaling approximately \$750.

³ Section 84211, subd. (g).

Additionally, the Act requires candidate-controlled committees to file semi-annual campaign statements each year no later than July 31 for the period ending June 30, and no later than January 31 for the period ending December 31.⁴ In addition to semi-annual campaign statements, all candidates appearing on the ballot to be voted on at the next election, and their controlled committees, must file two pre-election campaign statements no later than 40 days before the election for the period ending 45 days before the election, and no later than 12 days before the election for the period ending 17 days before the election.⁵ Also, each candidate or committee that receives a late contribution⁶ shall report the late contribution within 24 hours of the time it is received.⁷

The Committee violated the Act by failing to timely report outstanding loans on campaign statements for seven reporting periods occurring between July 1, 2017 and July 1, 2021; failing to timely file three semi-annual campaign statements and two pre-election campaign statements for the reporting periods occurring between January 1, 2018 and June 30, 2019; and by failing to timely file 24-hour contribution reports to disclose eight late contributions received totaling \$8,000.

However, the Enforcement Division has decided to close this case with this warning letter because the violations resulted in minimal public harm. The Committee filed amendments to accurately report its outstanding loans after receiving contact from the Enforcement Division, the late-filed semi-annual campaign statements were filed only two to six days late, and the late-filed pre-election campaign statements were filed prior to the November 6, 2018 General Election. Additionally, all of the late contributions, aside from one, were disclosed on the Committee's pre-election campaign statements filed prior to the election. Further, neither the Committee nor Linda Handy have a prior history of violating the Act and Linda Handy is no longer in office as Trustee of Area 3 for the Peralta Community College District.

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.

⁴ Section 84200.

⁵ Sections 84200.5 and 84200.8.

⁶ "Late contribution" includes a contribution, or loan, that totals in the aggregate \$1,000 or more and is received by a candidate or controlled committee during the 90-day period preceding the date of the election, or on the date of the election, at which the candidate is to be voted on. (Section 82036.)

⁷ Section 84203.

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 yourselves of these proceedings by requesting that your case proceed with prosecution rather than a warning, please notify us within ten 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 days from the date of this letter.

If you need forms or a manual, or guidance regarding their obligations, please call the Commission's Toll-Free Advice Line at 1-866-275-3772 or visit our website at www.fppc.ca.gov. Please feel free to contact me at JRinehart@fppc.ca.gov or (916) 323-6302 (voicemail) with any questions you may have regarding this letter.

Sincerely,

Jenna Rinehart

Jenna C. Rinehart,
Commission Counsel
Enforcement Division