



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

January 27, 2023

Lawrence Seligman
Individually and on behalf of Committee, Friends of Alhambra
[REDACTED]

Re: Warning Letter - FPPC Case No. 20-881, In the Matter of Friends of Alhambra and Lawrence Seligman

Dear All:

The Enforcement Division of the Fair Political Practices Commission (“FPPC”) enforces the provisions of the Political Reform Act (the “Act”).¹ This case arose from a sworn complaint alleging that the committee had failed to timely file campaign statements. After an investigation, the Enforcement Division has determined that Friends of Alhambra (“the Committee”) and Lawrence Seligman (as treasurer) failed to comply with the Act’s committee naming requirements, advertisement disclosure requirements, restrictions on cash, and the Act’s requirement to maintain adequate records. However, the Enforcement Division has determined to close the matter with this warning letter and a streamline settlement that was noticed and approved at the January 26, 2023 Commission meeting.

The Committee registered as a general purpose committee. However, the investigation determined that the proper designation was as a primarily formed ballot measure committee. The Committee appeared to have formed in response to a local Alhambra measure, Measure V, during the November 3, 2020 General Election. The Committee spent most of its funds opposing Measure V. As such, the Committee was required to include, “opposing Measure V” in the name of the committee.² In addition, the failure to comply with the Act’s naming violations caused advertisement disclosure statements to be incomplete. However, the evidence shows that the Committee’s advertisements were opposing Measure V and were not misleading.

The Committee was responsible for three advertisements: a mass mailing, a flyer, and yard signs. The Act requires that mass mailings and flyers have a disclosure statement in a drawn box on the advertisement, but the Committee did not comply with this requirement.³ In addition, the yard signs were required to include the disclosure in a printed or dawn box with a solid white background and the font size was required to be no smaller than 5% of the height of the

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 Section 84107.

³ Section 84504.2, subdivision (a).

advertisement, but the Committee did not comply with this requirement.⁴ However, the evidence shows that the Committee's advertisements did include a disclosure statement with the name of the Committee.

The Committee accepted a contribution of \$100 in cash, in violation of the Act's prohibition on cash contributions in amounts of \$100 or more.⁵ According to Seligman, this was cash from Seligman in order to open the account. As the amount of cash was very small and only found in this one instance, the public harm is low.

The Act requires that committees and treasurers maintain records and original source documents sufficient to substantiate the campaign reporting.⁶ These records include original checks, bank statements, and records created to comply with the Act such as contributor records.⁷ During the investigation, the treasurer failed to produce sufficient records to substantiate the reporting or overall compliance with the Act. For example, the Committee did not appear to maintain an accounting of all receipts or information for all contributors. The Committee received numerous checks and at least four money orders for \$99. The only record for these contributions were receipts from an automated bank deposit and the copies provided were only partially legible. Original checks were not produced and there were no other records on the contributors. However, the treasurer was cooperative with the investigation and produced records sufficient to determine that there was substantial compliance with the Act.

Overall, the violations discussed herein caused low public harm. In addition, the parties have agreed to a streamline settlement for additional violations, as noticed on the January 26, 2023 Commission Meeting. Therefore, the Enforcement Division has determined that further enforcement action is not warranted and will close this matter with this letter.

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.

⁴ Section 84504.2, subdivision (b).

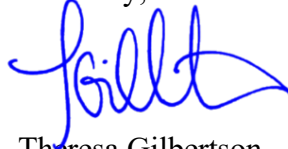
⁵ Section 84300.

⁶ Section 84104.

⁷ See Regulation 18401.

Should you have any questions regarding this letter, please feel free to contact me at (916) 323-6421 or tgilbertson@fppc.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'T. Gilbertson', with a stylized flourish at the end.

Theresa Gilbertson
Senior Commission Counsel
Enforcement Division

CC: Sworn Complainants, Michael Lawrence and Oscar Amaro