



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
1102 Q Street • Suite 3050 • Sacramento, CA 95811

August 4, 2023

Lorena S. Gonzalez
Our Voice Our Vote – Asm. Lorena Gonzalez Ballot Measure Committee
Nancy R. Haley, Treasurer
c/o Leilani Rudow Beaver
Kaufman Legal Group
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Warning Letter re: FPPC Case No. 2021-00106; Lorena S. Gonzalez; Our Voice Our Vote – Asm. Lorena Gonzalez Ballot Measure Committee; Nancy R. Haley

Gentlepersons:

The Enforcement Division of the Fair Political Practices Commission enforces the provisions of the Political Reform Act.¹ This case was opened in response to an audit performed by the Political Reform Audit Program of the Franchise Tax Board (“FTB”)—with respect to the committee known as “Our Voice Our Vote – Asm. Lorena Gonzalez Ballot Measure Committee,” a controlled committee of former Assemblymember Lorena S. Gonzalez. The period covered by the audit was October 23, 2016 through December 31, 2018. As discussed in more detail below, this case is being closed with a warning letter.

The Act prohibits a candidate from having more than one controlled committee for election to an office and more than one bank account for that committee.² As a specific and narrow exception to this “one-bank-account rule,” the Commission has permitted candidates to control ballot measure committees, so long as funds in such committees are used for ballot measures, only—and not for expenditures on political, legislative or governmental matters that should be made through the candidate’s committee for election to office.³

This matter involves a candidate-controlled ballot measure committee. In its audit report, FTB noted: “Expenditures totaling \$8,934 made to Chase Ink Card Services on August 16 and December 4, 2018, were unrelated to a state or local ballot measure. Instead, the expenditures paid for fundraising events supporting Lorena Gonzalez for Assembly 2018 (1392494), the controlling candidate’s re-election committee.” This was a violation of Section 85201 and Regulation 18521.5.

In mitigation, Gonzalez is no longer a member of the California State Assembly. Also, FTB noted that:

Ms. Rudow-Beaver [a committee representative] stated the Committee made its best efforts to comply with all applicable campaign finance laws. She further stated that the expenditures at

¹ The Political Reform Act—sometimes simply referred to as the Act—is contained in Government Code sections 81000 through 91014. The regulations of the Fair Political Practices Commission are contained in California Code of Regulations, title 2, sections 18104 through 18998. Unless otherwise noted, all statutory and regulatory references are to these sources—as they were in effect during the time of the violations in this case (2018).

² Section 85201.

³ Regulation 18521.5, subd. (d); Nelson/Adam advice letter ([A-14-010](#)), pages 3-4.

issue related to fundraising events originally conceived as joint events between the Committee and Lorena Gonzalez for Assembly 2018, but ultimately no funds were raised at those events for the Committee and the re-election committee inadvertently failed to provide reimbursement for its share of the costs. Ms. Rudow-Beaver noted that, as a result of the audit, Lorena Gonzalez for Assembly 2020 (1414350) issued a payment to the Committee in the amount of \$8,934 for reimbursement of all fundraising expenses at issue.

Additionally, FTB found: “Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act . . . and related rules and regulations of the Fair Political Practices Commission.” Further, going back five years, the candidate and committee do not have a history of prior, similar violations. Based on the foregoing, and in accordance with the Enforcement Division Policy Directives formally adopted by the Commission on January 26, 2023, which require the Enforcement Division to take all appropriate actions within its discretion to decrease the Division’s annual carryover caseload, the Enforcement Division is closing this case with this warning letter.⁴ Discretion was used based upon mitigating or aggravating circumstances and the totality of the circumstances.⁵ This resolution may not be used as a comparable case for other enforcement matters.⁶

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. This warning letter may be considered in any future enforcement actions.

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 need guidance regarding your obligations in the future, please visit our website at www.fppc.ca.gov/advice.html or call the Commission’s Toll-Free Advice Line at 1-866-ASK-FPPC (1-866-275-3772).

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⁴ <https://www.fppc.ca.gov/content/dam/fppc/NS-Documents/AgendaDocuments/General%20Items/2023/january/15.0-Enforcement-directives.pdf>

⁵ Regulations 18360.1 and 18360.3.

⁶ See Regulation 18361.5, subdivision (e)(3).

Thank you for your attention to this matter. Please do not hesitate to call if you have any questions.

Very truly yours,

Neal P. Bucknell

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