



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

March 22, 2023

James Cathart and Don't Double the Tax: No on Measure B
[REDACTED]

Craig Powell and Don't Double the Tax: No on Measure B
[REDACTED]

RE: Warning Letter: FPPC No. 16/19812; In the Matter of Don't Double the Tax: No on Measure B, James Cathart and Craig Powell

Dear James Cathart, Craig Powell and Don't Double the Tax: No on Measure B:

The Enforcement Division of the Fair Political Practices Commission ("Commission") enforces the provisions of the Political Reform Act (the "Act").¹ This case was Commission-initiated based on advertisements paid for by Don't Double the Tax: No on Measure B ("Committee"), a local primarily formed ballot measure committee, that failed to include required disclaimers.

The Enforcement Division completed its investigation of the facts of this case. Specifically, we found that the Committee and Powell failed to include the "Paid for by" language and the name of the Committee on sign advertisements, as required under the Act.² Further, the Committee and Cathart failed to timely file three 24-Hour Contribution Reports, as required by the Act.

The Act requires a primarily formed ballot measure committee to disclose specific information on advertisements, including "Paid for by" language and the name of the Committee.³ Further, among other requirements, a committee that makes or receives a contribution aggregating \$1,000 or more that is made by a primarily formed committee within the 90 day period preceding the date of the election or on the date of the election, is required to file a 24-Hour Contribution Report.⁴

The Committee and Powell violated the Act because the subject advertisements failed to include the "Paid for by" language and the name of the Committee, as required. Also, the Committee and Cathart violated the Act by failing to timely file three 24-Hour Contribution Reports in connection with the November 2016 election. The Enforcement Division has determined that further enforcement action is not warranted because of various mitigating factors. First, the Committee and Powell made good faith efforts to amend the advertisements to include the "Paid for

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 18109 through 18997 of Title 2 of the California Code of Regulations.

² The law referenced in this letter is the law as it existed at the time of the violations.

³ Section 84504, subdivision (c) and Regulation 18450.4, subdivision (b)(1).

⁴ Sections 84203 and 82036.

by” language prior to the election. In further mitigation, the advertisements included the language “Don’t Double the Tax” and “No on Measure B” with the website “dontdoublethetax.org” displayed on the advertisements, providing some disclosure to the public. Further, the subject late contributions were all disclosed prior to the relevant election on pre-election campaign statements, with two of the late contributions disclosed on 24-Hour Contribution Reports, albeit late. The Committee, Cathart and Powell do not have prior enforcement history. Lastly, the Committee has since terminated. Based on the foregoing, and in accordance with the Enforcement Division Policy Directives formally adopted by the Commission on January 26, 2023, which requires the Enforcement Division to take all appropriate actions within their discretion to decrease the Division’s annual carryover caseload, the Enforcement Division is closing this case with this warning letter.⁵ Discretion was used based upon mitigating or aggravating circumstances and the totality of the circumstances.⁶ Additionally, discretion was used for violations that caused minimal public harm when lack of experience or knowledge of the Act’s requirements caused multiple violations with minimal public harm that were largely corrected upon contact.⁷ This resolution may not be used as a comparable case for other enforcement matters.⁸

Further, 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.

Please feel free to contact me at (916) 324-8787 or Bcastillo@fppc.ca.gov with any questions you may have regarding this letter.

Sincerely,
Bridgette Castillo
Bridgette Castillo
Senior Commission Counsel, Enforcement Division

⁵ <https://www.fppc.ca.gov/content/dam/fppc/NS-Documents/AgendaDocuments/General%20Items/2023/january/15.0-Enforcement-directives.pdf>

⁶ Regulation 18360.1.

⁷ Regulation 18360.2.

⁸ See Regulation 18361.5, subdivision (e)(3).

