



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

April 11, 2023

Greg Goldston
Zach Nunes
Mark Hartwig
o/b/o Crosstown California Holdings, LLC AKA Nfuzed



Warning Letter Re: FPPC No. 2019-01811: Crosstown California Holdings, LLC AKA Nfuzed

Dear All:

The Enforcement Division of the Fair Political Practices Commission enforces the provisions of the Political Reform Act (the "Act"). This letter is in response to a lobbyist nonfiler referral from the Secretary of State regarding Crosstown California Holdings, LLC AKA Nfuzed's ("Crosstown") failure to timely file quarterly lobbyist employer reports (Form 635) for the last three quarters of 2019.

The Act requires lobbyist employers to file periodic reports containing the following information: the name, business address, and telephone number of the lobbyist employer or other person filing the report, the total amount of payments to each lobbying firm, the total amount of all payments to lobbyists employed by the filer, a description of the specific lobbying interests of the filer, a periodic report completed and verified by each lobbyist employed by a lobbyist employer, and each activity expense of the filer. In addition to this, a total of all activity expenses of the filer shall be included, as well as: the date, amount, and the name of the recipient of any contribution of one hundred dollars (\$100) or more made by the filer to an elected state officer, a state candidate, or a committee controlled by an elected state officer or state candidate, or a committee primarily formed to support the officer or candidate.¹

The Enforcement Division found that you failed to timely file lobbyist employer reports for the final three quarters of 2019. However, mitigating circumstances apply here: the lobbying activity was timely reported by another participant in the transaction, you have no prior Enforcement history, and you have terminated as a lobbyist employer. Based on the foregoing, and in

¹ Sections 86115 and 86116.

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.² Discretion was used based upon mitigating or aggravating circumstances and the totality of the circumstances.³ This resolution may not be used as a comparable case for other enforcement matters.⁴

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. Furthermore, the Enforcement Division expects Crosstown to file the appropriate lobbyist employer reports as they still require filing.

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 Alex Rose at arose@fppc.ca.gov or 916- 327-6358 with any questions you may have regarding this letter.

Sincerely,



Alex J. Rose, Commission Counsel
Enforcement Division

² <https://www.fppc.ca.gov/content/dam/fppc/NS-Documents/AgendaDocuments/General%20Items/2023/january/15.0-Enforcement-directives.pdf>

³ Regulation 18360.1.

⁴ See Regulation 18361.5, subd. (e)(3).