



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

December 5, 2023

Deborah Schwartz
[REDACTED]

Warning Letter re: FPPC No. 2021-00789; Deborah Schwartz

Dear Deborah Schwartz:

The Enforcement Division of the Fair Political Practices Commission (“Commission”) enforces the provisions of the Political Reform Act (the “Act”).¹ As you are aware, the Enforcement Division received a sworn complaint alleging that you, as a Planning Commissioner for the City of Santa Barbara, failed to timely report financial interests on multiple Statements of Economic Interests (“SEI”) and potentially participated in governmental decisions in which you had a conflict of interest.

The Enforcement Division has completed its investigation and review of the facts in this case. Specifically, we found that you failed to timely report: the disposal of your interest in Mesa Consulting, LLC on your 2018 Annual SEI; your consulting business in which you are an independent contractor and sources of income totaling \$10,000 or more received through your consulting business on your 2018 Annual, 2019 Annual, 2020 Annual, 2021 Annual, and Leaving Office SEIs.² Further, the Enforcement Division found that you failed to timely file your Candidate and Leaving Office SEIs. Finally, the Enforcement Division’s investigation confirmed that you did not participate in any governmental decisions in which you had a prohibited conflict of interest.

The Act requires for every Planning Commissioner to file an SEI, by April 1st each year, disclosing investments, interests in real property, and income during the reporting period.³ The statement must include any investments held at any time during the period covered by the statement, whether or not they are still held at the time of filing.⁴ If an investment is required to be disclosed then the SEI must contain a statement of the nature of the investment, the name of the business entity, a general description of the business activity, address, the fair market value, and if the investment was disposed of during the period and the date of disposal.⁵ If the filer’s pro rata share of income to a business entity, including income to a sole proprietorship, is required to be disclosed then the SEI must contain the name, street address, a general description of the business activity of the business entity, the name of every person from whom the business entity received payments totaling \$10,000 or more during the calendar year.⁶

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 18104 through 18998 of Title 2 of the California Code of Regulations, and all regulatory references are to this source.

² Additionally, you failed to timely report certain financial interests on your 2012 through 2017 Annual SEIs. However, the applicable statute of limitations for these violations has expired.

³ Section 87203 and Regulation 18723, subd. (b)(2).

⁴ Section 87203.

⁵ Section 87206, subds. (a)-(e).

⁶ Section 87207, subd. (b).

Every Planning Commissioner who leaves office must, within 30 days after leaving office, file a statement disclosing any investments, interests in real property, and income during the reporting period.⁷

Every candidate for Mayor must file no later than the final filing date of a declaration of candidacy, a statement disclosing their investments, interests in real property, and any income received during the immediately preceding 12 months.⁸

You violated the Act by failing to timely disclose certain interests on your 2018 Annual, 2019 Annual, 2020 Annual, 2021 Annual, and Leaving Office SEIs, by the applicable due dates, as discussed above. Additionally, as a candidate for Mayor of the City of Santa Barbara, you violated the Act by failing to timely file a Candidate SEI, by the August 11, 2021 due date. Further, for your position as Planning Commissioner, you violated the Act by failing to timely file your Leaving Office SEI, by the January 30, 2022 due date. However, there are several mitigating factors present in this case. You are no longer in your position as a Planning Commissioner for the City of Santa Barbara. You cooperated with the Enforcement Division's investigation and filed amendments to your 2018 Annual and 2019 Annual SEIs. You were an unsuccessful candidate for Mayor of the City of Santa Barbara in the November 2, 2021 local election. Your violations resulted in minimal public harm and you do not have a prior enforcement history. 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.⁹ Discretion was used based upon mitigating or aggravating circumstances and the totality of the circumstances.¹⁰ This resolution may not be used as a comparable case for other enforcement matters.¹¹

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.

Although the Enforcement Division is closing this case without seeking a penalty, you are still required to file all outstanding amendments to your SEIs. Please contact your filing officer, Deputy City Clerk Yazmin Dominguez, at YDominguez@SantaBarbaraCA.gov for further information about your required filings. Please note that any future non-filings will be brought to our attention and may result in monetary penalties. This warning letter may be considered should a future enforcement action become necessary.

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

⁷ Section 87204.

⁸ Section 87201.

⁹ <https://www.fppc.ca.gov/content/dam/fppc/NS-Documents/AgendaDocuments/General%20Items/2023/january/15.0-Enforcement-directives.pdf>

¹⁰ Regulations 18360.1 and 18360.3.

¹¹ See Regulation 18361.5, subd. (e)(3).

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 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 have any questions regarding this letter, please contact me at JRinehart@fppc.ca.gov or (279) 237-5910.

Sincerely,

Jenna Rinehart

Jenna C. Rinehart
Commission Counsel
Enforcement Division

cc: Anna Marie Gott [REDACTED]