



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

October 23, 2023

Steve Lucas
o/b/o Martha Ehmann Conte
via email: slucas@nmgovlaw.com

Warning Letter Re: FPPC No. 2023-00644; Martha Ehmann Conte

Dear Mr. Lucas,

The Enforcement Division of the Fair Political Practices Commission enforces the provisions of the Political Reform Act (the “Act”).¹ This letter is in response to your self-reported complaint wherein you acknowledged that your client, Martha Ehmann Conte, violated the campaign disclosure provisions of the Act.

The Enforcement Division has completed its review of the facts in this case. Specifically, we found that your client qualified as a major donor committee during the first half of calendar year 2022, yet failed to file a corresponding major donor committee campaign statement (Form 461) disclosing their activity by the July 31, 2022 deadline. Additionally, we found that your client made three contributions of \$1,000 or more during the 90-day period prior to the June 7, 2022 election, and made two contributions of \$1,000 or more during the 90-day period preceding the November 8, 2022 election. We found that your client failed to file corresponding 24-hour contribution reports (Form 497) disclosing these contributions.

Under the Act, an individual or entity that makes contributions totaling \$10,000 or more in a calendar year qualifies as a major donor committee and incurs filing obligations.² If the \$10,000 threshold is met in the first six months of the calendar year, a major donor must file a Form 461 covering the period of January 1 through June 30 by July 31 of the calendar year. If the threshold is met in the latter six months of the calendar year, a major donor must file a Form 461 covering the period January 1 through December 31 by January 31 of the following calendar year.³ The Act also requires major donor committees to file 24-hour contribution reports if contributions or independent expenditures totaling \$1,000 or more are made to support or oppose a candidate or

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 Section 82013(c)

³ Section 84200

ballot measure during the 90 days preceding the applicable election or on the date of the election.⁴

Your client's actions violated the Act because they failed to timely file a Form 461 covering the period January 1, 2022 through June 30, 2022 by the July 31, 2022 deadline; and they failed to file four 24-hour contribution reports (Form 497). However, the Enforcement Division has determined that further enforcement action is not warranted. Your client, Martha Ehmann Conte, already paid late filing fees totaling \$11,320 to the Secretary of State for failing to timely file the same campaign statements. Therefore, the Enforcement Division has decided to close this case with this warning 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 your client with the opportunity for a probable cause hearing or hearing before an Administrative Law Judge or the Commission. If your client wishes to avail herself of these proceedings by requesting that her 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 forms or a manual, or guidance regarding your obligations, please call the Commission's Toll-Free Advice Line at 1-866-275-3772 or visit our website at www.fppc.ca.gov.

Please feel free to contact Ginny Brown at gbrown@fppc.ca.gov or 916-322-8064 with any questions you may have regarding this letter.

Sincerely,

James M. Lindsay

James M. Lindsay, Chief
Enforcement Division

JML:gab

⁴ Sections 82036, 82036.5, 84203, and 84204.