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

May 1, 2025

Silicon Valley Taxpayers Association PAC
Steven Haug, Treasurer
Douglas Radtke, Treasurer
Mark Hinkle, Principal Officer
[redacted]

Warning Letter Re: FPPC No. 2022-00169, Silicon Valley Taxpayers Association PAC, Steven Haug, Douglas Radtke, and Mark Hinkle

Dear Steven Haug, Douglas Radtke, Mark Hinkle, and Committee:

Please be advised that the Enforcement Division of the Fair Political Practices Commission ("FPPC") is hereby withdrawing the warning letter issued to you on October 20, 2022 as to Footnote 2 and is instead closing the matter with this warning letter.

The Enforcement Division of the FPPC enforces the provisions of the Political Reform Act (the "Act").[1] This letter is in response to an investigation arising from an AdWatch submission related to the Silicon Valley Taxpayers Association PAC (the "Committee").[2] The Enforcement Division's investigation found that the Committee violated the Act by failing to file campaign statements in the proper jurisdiction, failing to report expenditures on Schedule D of campaign statements, and failed to include a disclosure on its advertisements.

The Act requires an existing general purpose committee to verify its filing jurisdiction quarterly at the end of March, June, September, and December if the committee has made contributions and/or expenditures of $5,000 or more to support or oppose candidates or measures in the preceding quarterly time period.[3] To determine where to file, a general purpose recipient committee must count contributions and expenditures made to support or oppose candidates or measures during the immediately preceding 24 months.[4]

A general purpose committee is considered a state committee unless it qualifies as a city or county committee.[5] A "city general purpose committee" is a committee that makes more than

[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] Steven Haug served as the Committee's treasurer from August 2, 2013 to August 16, 2021. Douglas Radtke served as the Committee's treasurer from January 13, 2022 to August 1, 2022. The Committee's principal officer, Mark Hinkle served as the Committee's treasurer for the brief period between Haug's and Radtke's service, and following Radtke's service.

[3] Regulation 18227.5, subd. (d)(1).

[4] Regulation 18227.5, subd. (d)(3).

[5] Regulation 18227.5, subd. (c).

70% of its contributions or expenditures to support or oppose candidates or measures voted on in only one city.[6] A "county general purpose committee" is a committee that makes more than 70% of its contributions or expenditures to support or oppose candidates or measures voted on in only one county, or in more than one jurisdiction within one county.[7]

A recipient committee whose status changes from one jurisdiction to another must amend its statement of organization pursuant to Section 84103 to reflect the change.[8] If, after filing reports with one jurisdiction, a committee changes jurisdiction, in addition to filing reports with a new filing officer, the committee must continue filing reports with the original filing officer through the end of the calendar year.[9]

When a committee makes independent expenditures to support or oppose a measure, the Act requires committees to report on the appropriate campaign statement: the date of the independent expenditure; the cumulative amount of independent expenditures made relative to a measure; the number or letter of the measure; and the jurisdiction in which the measure is voted upon.[10]

Additionally, the Act requires general purpose committees to include a disclosure on yard sign advertisements. The disclosure must include the words "Ad paid for by" followed by the name of the committee.[11]

Please also be aware, the Committee is required to file pre-election campaign statements if the Committee make contributions or independent expenditures totaling $500 or more during the pre-election reporting periods to support or oppose a candidate or measure appearing on the ballot at the next election.[12]

The Committee violated the Act by failing to timely file campaign statements in the correct jurisdiction, failing to correctly report an independent expenditure totaling $874 on Schedule D of the semi-annual campaign statement for the period ending June 30, 2020, and failing to include a disclosure on yard sign advertisements paid for by the Committee.

A streamline stipulation was approved for one count of failing to include a disclosure on advertisements. The remaining violations are being resolved with this warning letter because the public harm was minimal. A review of the campaign filings determined that the Committee is required to file campaign statements with the City of San Jose. However, the Committee has been timely filing campaign statements with the Secretary of State. The Committee had minimal campaign activity during the relevant reporting periods. The Committee's campaign statement for the period ending June 30, 2020, which was timely filed, disclosed the subject independent

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[6] Regulation 18227.5, subd (c)(1).
[7] Regulation 18227.5, subd. (c)(2).
[8] Regulation 18227.5, subd. (e)(1).
[9] Section 84215, subd. (g).
[10] Section 84211, subd. (k)(5).
[11] Section 84502.
[12] Section 84200.5, subd (a)(5).

expenditure on Schedule E of the statement, which does not include all of the required independent expenditure information.

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 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 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 me at (279) 237-5910 or JRinehart@fppc.ca.gov with any questions you may have regarding this letter.

Sincerely,

Jenna Rinehart

Jenna C. Rinehart,
Senior Commission Counsel
Enforcement Division