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BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
STATE OF CALIFORNIA

In the Matter of: JESSE POWELL Respondent.	FPPC Case No. 2024-00290 STIPULATION, DECISION AND ORDER Date Submitted to Commission: December 2026

INTRODUCTION

Respondent Jesse Powell ("Powell") qualified as a major donor committee in 2021. Powell failed to timely file semi-annual campaign statements and failed to timely file a 24-hour contribution report, in violation of the Political Reform Act (the "Act").[1]

SUMMARY OF THE LAW

The Act and its regulations are amended from time to time. All legal references and discussions of law are intended to be citations to statutes and regulations as they existed at the time of the violations in this case.

Need for Liberal Construction and Vigorous Enforcement of the Political Reform Act

When enacting the Political Reform Act, the people of California found and declared that previous laws regulating political practices suffered from inadequate enforcement by state and local

[1] The Political Reform Act is contained in Government Code §§ 81000 through 91014, and all statutory references are to this code. The regulations of the Fair Political Practice Commission are contained in §§ 18104 through 18998 of Title 2 of the California Code of Regulations, and all regulatory references are to this source.

authorities.[2] Thus, it was decreed that the Act "should be liberally construed to accomplish its purposes."[3]

One purpose of the Act is to promote transparency by ensuring that receipts and expenditures in election campaigns are fully and truthfully disclosed so that voters are fully informed and improper practices are inhibited.[4] Along these lines, the Act includes a comprehensive campaign reporting system.[5] Another purpose of the Act is to provide adequate enforcement mechanisms so that the Act will be "vigorously enforced."[6]

Major Donor Committee, Definition

"Committee" means any person or combination of persons who directly or indirectly makes contributions totaling ten thousand dollars ($10,000) or more in a calendar year to or at the behest of candidates or committees.[7]

Duty to File Semiannual Campaign Statements

Major donor committees shall file campaign statements each year no later than July 31 for the period ending June 30, and no later than January 31 for the period ending December 31, if they have made contributions or independent expenditures during the six-month period before the closing date of the statements.[8]

Late Contribution, Definition

A late contribution is defined by the Act as a contribution, including a loan, that totals, in the aggregate, one thousand dollars ($1,000) or more and is made to or received by a candidate, a controlled committee, or a committee formed or existing primarily to support or oppose a candidate or measure during the 90-day period preceding the date of the election, or on the date of the election, at which the candidate or measure is to be voted on.[9]

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[2] Section 81001, subd. (h).
[3] Section 81003.
[4] Section 81002, subd. (a).
[5] Sections 84200, *et seq.*
[6] Section 81002, subd. (f).
[7] Section 82013, subd. (c).
[8] Section 84200, subd. (b).
[9] Section 82036, subd. (a).

Duty to File 24-hour Contribution Reports

Each candidate or committee, including a major donor committee, that makes or receives a late contribution, shall report the late contribution to each office with which the candidate or committee is required to file campaign statements.[10] The report shall be made to the office with which the candidate or committee is required to file its next campaign report. In the case of a contribution made to a statewide candidate, the maker of a late contribution shall file with the Secretary of State.

Loans Made to a Candidate or Committee

A loan received by a candidate or a committee is a contribution unless the loan is received from a commercial lending institution in the ordinary course of business, or it is clear from the surrounding circumstances that it is not made for political purposes. A loan, whether or not there is a written contract for the loan, shall be reported as provided in Section 84211 when any of the following apply: 1) the loan is a contribution, 2) the loan is received by a committee, 3) the loan is received by a candidate and is used for political purposes.[11]

Notification to Contributors of Filing Obligations

A candidate or committee that receives contributions totaling five thousand dollars ($5,000) or more from a person in a calendar year shall inform the contributor within two weeks of receipt that the contributor may be required to file campaign reports.[12]

A candidate or committee that receives a contribution of ten thousand dollars ($10,000) or more from a person during a period in which late-contribution reports are required shall provide the information in subdivision (a), of this section, to the contributor within one week.[13]

Jurisdiction

Powell signed a tolling agreement in this matter, effective February 2, 2026, to toll the statute of limitations in this case in consideration of ongoing settlement discussions.

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[10] Section 84203.
[11] Section 84216.
[12] Section 84105, subd. (a).
[13] Section 84105, subd. (b).

SUMMARY OF THE FACTS

Powell qualified as a major donor on or around April 27, 2021, when Powell made a $10,000 contribution to the Yes on Recall Chesa Boudin Committee. Subsequently, Powell made a $1,000,000 contribution to the Rescue California – Recall Gavin Newsom ("Rescue California") on September 10, 2021 in connection with the September 14, 2021 recall election. Finally, Powell made a contribution of $8,100 to the Chen for Controller 2022 Committee on December 31, 2021. All contributions were timely reported by the receiving committees and the committees provided evidence that a major donor notification was sent to Powell, as required.

Powell failed to timely file two semiannual campaign statements for the reporting periods of January 1, 2021 through June 30, 2021 and July 1, 2021 through December 31, 2021. Further, Powell failed to timely file a 24-hour contribution report in connection with the late contribution made to the Rescue California Committee.

On March 25, 2024, Powell filed two semiannual campaign statements for 2021 with the local filing officer, the City and County of San Francisco. However, Powell failed to disclose the contribution to Rescue California on the respective semiannual campaign statement. Pursuant to this stipulation, Powell filed the campaign statement for the second half of 2021 with the Secretary of State and amended the statement on file with the City and County of San Francisco to disclose the activity.

VIOLATIONS

Count 1: Failure to Timely File a Semiannual Campaign Statement

Powell failed to timely file a semiannual campaign statement for the reporting period of July 1, 2021 through December 31, 2021 by the January 31, 2022 deadline, in violation of Government Code Section 84200, subdivision (b).

Count 2: Failure to Timely File a 24-hour Contribution Report

Powell failed to timely file a 24-hour Contribution Report for a $1,000,000 contribution (loan) made on September 10, 2021 by the September 11, 2021 due date, in violation of Government Code Section 84203.

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PROPOSED PENALTY

This matter consists of three potential counts. The maximum penalty that may be imposed is $5,000 per count.[14] Thus, the maximum penalty that may be imposed is $15,000.

This matter involves violation types that are typically resolved through the Commission's Streamline Settlement Program. However, this case involves violations that exceed the eligibility thresholds for the Streamline Settlement Program.

In determining the appropriate penalty for a particular violation of the Act, the Enforcement Division considers the typical treatment of a violation in the overall statutory scheme of the Act, with an emphasis on serving the purposes and intent of the Act. Additionally, the Enforcement Division considers the facts and circumstances of the violation in the context of the following factors set forth in Regulation 18361.5 subdivision (e)(1) through (8): (1) The extent and gravity of the public harm caused by the specific violation; (2) The level of experience of the violator with the requirements of the Political Reform Act; (3) Penalties previously imposed by the Commission in comparable cases; (4) The presence or absence of any intention to conceal, deceive or mislead; (5) Whether the violation was deliberate, negligent or inadvertent; (6) Whether the violator demonstrated good faith by consulting the Commission staff or any other governmental agency in a manner not constituting a complete defense under Government Code Section 83114(b); (7) Whether the violation was isolated or part of a pattern and whether the violator has a prior record of violations of the Political Reform Act or similar laws; and (8) Whether the violator, upon learning of a reporting violation, voluntarily filed amendments to provide full disclosure.

The public harm inherent in violations concerning the filing of campaign statements and reports is that the public is deprived of important, time-sensitive information regarding campaign activity. Here, Powell made three contributions, including a loan of $1,000,000, to committees, but failed to timely file the necessary disclosures despite receiving notice from the committees of Powell's obligation to file. In mitigation, the three receiving committees timely disclosed the activity.

The Commission considers comparable cases to assist in determining the appropriate penalty.

[14] See Section 83116, subdivision (c).

The Commission considered and approved a stipulation *In the Matter of Reverge Anselmo, FPPC No. 22/402* at the June 2025 Commission Meeting. In that case, Anselmo qualified as a major donor and failed to timely file four semiannual campaign statements and two 24-hour contribution reports. Anselmo was charged between $2,500 and $4,500 for failing to file semiannual campaign statements and between $2,000 and $4,500 for failing to file 24-hour contribution reports. The activity in this comparable case involved reports that disclosed between $10,000 and $450,000 in contributions. The penalty was higher for the reports that would have disclosed up to $450,000 on a campaign statement and up to $100,000 on a 24-hour contribution report. Anselmo was an experienced major donor and had prior enforcement history for the same violation. Here, Powell has no prior history with the Enforcement Division and did not have prior experience as a major donor. Further, unlike the *Anselmo* matter, the present case does not involve a pattern of failing to timely file campaign statements or reports over multiple years. As such, the Enforcement Division recommends charging the two violations that are excluded from the streamline program and considering the third potential count, the additional late-filed semiannual campaign statement disclosing a $10,000 contribution, as aggravation.

With respect to the disclosure of the 2021 $1,000,0000 wire to Rescue California, Powell contends that Powell did not have an understanding that the circumstances of this wire would cause a reporting requirement. The day after the funds were wired to Rescue California, Powell demanded the return of the funds. Rescue California spent the funds immediately and failed to pay back Powell. Powell filed a lawsuit in late 2021, prior to the due date of the second semiannual campaign statement, against Rescue California in connection with the $1,000,000 wire. Following the resolution of that civil dispute, Powell entered into a loan agreement with Rescue California. Powell has agreed to report the loan in the interest of disclosure and to resolve the matter with this stipulation.

After considering the factors listed in Regulation 18361.5 and penalties in prior similar cases, the Enforcement Division recommends a penalty of $4,000 for both counts for a total of $8,000.

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CONCLUSION

Complainant, the Enforcement Division of the Fair Political Practices Commission, and Powell hereby agree as follows:

1. Respondent has violated the Act as described in the foregoing pages, which are a true and accurate summary of the facts in this matter.

2. This stipulation will be submitted for consideration by the Fair Political Practices Commission at its next regularly scheduled meeting—or as soon thereafter as the matter may be heard.

3. This stipulation resolves all factual and legal issues raised in this matter—for the purpose of reaching a final disposition without the necessity of holding an administrative hearing to determine the liability of Respondent pursuant to Section 83116.

4. Respondent understands, and hereby knowingly and voluntarily waives, any and all procedural rights set forth in Sections 83115.5, 11503, 11523, and Regulations 18361.1 through 18361.9. This includes, but is not limited to the right to appear personally at any administrative hearing held in this matter, to be represented by an attorney at Respondent's own expense, to confront and cross-examine all witnesses testifying at the hearing, to subpoena witnesses to testify at the hearing, to have an impartial administrative law judge preside over the hearing as a hearing officer, and to have the matter judicially reviewed.

5. Respondent agrees to the issuance of the decision and order set forth below. Also, Respondent agrees to the Commission imposing against them an administrative penalty in the amount of $8,000. One or more payments totaling said amount—to be paid to the General Fund of the State of California—is/are submitted with this stipulation as full payment of the administrative penalty described above, and same shall be held by the State of California until the Commission issues its decision and order regarding this matter.

6. If the Commission declines to approve this stipulation—then this stipulation shall become null and void, and within fifteen business days after the Commission meeting at which the stipulation is rejected, all payments tendered by Respondent in connection with this stipulation shall be reimbursed to Respondent. If this stipulation is not approved by the Commission, and if a full evidentiary hearing

before the Commission becomes necessary, neither any member of the Commission, nor the Executive Director, shall be disqualified because of prior consideration of this Stipulation.

7. The parties to this agreement may execute their respective signature pages separately. A copy of any party's executed signature page, including a hardcopy of a signature page transmitted via fax or as a PDF email attachment, is as effective and binding as the original.

Dated: _____

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Kendall L.D. Bonebrake
Chief of Enforcement
Fair Political Practices Commission

Dated: _____

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Jesse Powell

The foregoing stipulation of the parties, "In the Matter of Jesse Powell," FPPC Case No. 2024-00290 is hereby accepted as the final decision and order of the Fair Political Practices Commission, effective upon execution below by the Chair.

IT IS SO ORDERED.

Dated: _____

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Adam E. Silver, Chair
Fair Political Practices Commission