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8 **BEFORE THE FAIR POLITICAL PRACTICES COMMISSION**
9 **STATE OF CALIFORNIA**
10

11 In the Matter of:) FPPC No. 2025-01064
12)
13) **STIPULATION, DECISION, AND ORDER**
14)
ASSOCIATION FOR THE CITY OF LA) Date Submitted to Commission:
JOLLA,) June 18, 2026
15)
16 Respondent.)
17)

18 **INTRODUCTION**

19 A Local Agency Formation Commission (“LAFCO”) is a state-mandated, independent regulatory
20 body situated within each of California’s 58 counties. Its primary purpose is to oversee the logical
21 formation and determination of local governmental boundaries. LAFCOs are governed by the Cortese-
22 Knox-Hertzberg Local Government Reorganization Act of 2000¹. Respondent, Association for the City
23 of La Jolla (the “Committee”), qualified as a committee primarily formed to support a LAFCO proposal
24 to incorporate a City of La Jolla on May 1, 2024 and failed to timely file monthly campaign statements.
25 Under the Political Reform Act (the “Act”),² a committee that is primarily formed to support or oppose

26 ¹ Cal. Gov. Code Section 5600 et seq.

27 ² The Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the
28 Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in

1 a LAFCO proposal is required to file monthly campaign statements by the 15th of each calendar month
2 from the time circulation of the petition begins to the time the measure is placed on the ballot, or, if not
3 placed on the ballot, until termination.³ The circulation of the petition began on May 31, 2024. The
4 Committee terminated on November 14, 2025. In this matter, the Committee failed to timely file monthly
5 campaign statements from May 1, 2024 through November 15, 2025.

6 SUMMARY OF THE LAW

7 The Act and its regulations are amended from time to time. Unless otherwise noted, all legal
8 references and discussions of law pertain to the Act’s provisions as they existed at the time of the
9 violations in this case (2024 and 2025).

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

11 When enacting the Political Reform Act, the people of California found and declared that
12 previous laws regulating political practices suffered from inadequate enforcement by state and local
13 authorities.⁴ For this reason, the Act is to be construed liberally to accomplish its purposes.⁵

14 One purpose of the Act is that receipts and expenditures in election campaigns should be fully
15 and truthfully disclosed in order that the voters may be fully informed and improper practices may be
16 inhibited.⁶

17 Another purpose of the Act is to provide adequate enforcement mechanisms so the Act will be
18 “vigorously enforced.”⁷

19 LAFCO Proposal

20 “LAFCO proposal” means a proposal, as defined in Section 56069, including a proceeding, as
21 defined by Section 56067.

22
23
24 Sections 18104 through 18998 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2,
Division 6 of the California Code of Regulations, unless otherwise indicated.

25 ³ Section 84252.

26 ⁴ Section 81001, subd. (h).

27 ⁵ Section 81003.

28 ⁶ Section 81002, subd. (a).

⁷ Section 81002, subd. (f).

1 “Proposal” means a desired change of organization or reorganization initiated by a petition or
2 by resolution of application of a legislative body or school district for which a certificate of filing has
3 been issued.⁸

4 “Proceeding,” “proceeding for a change of organization,” or “proceeding for a reorganization”
5 means proceedings taken by the LAFCO for a proposed change of organization or reorganization
6 pursuant to Part 4 (commencing with Section 57000).⁹

7 **LAFCO Committee**

8 Under the Act, individuals and organizations have campaign reporting obligations once they
9 qualify as a “committee.” A committee is any person or combination of persons who directly or
10 indirectly does any of the following:

- 11 (a) Receives contributions totaling \$2,000 or more in a calendar year;
- 12 (b) Makes independent expenditures totaling \$1,000 or more in a calendar year; or
- 13 (c) Makes contributions totaling \$10,000 or more in a calendar year to or at the behest of
14 candidates or committees.

15 A person or combination of persons that becomes a committee shall retain its status as a committee
16 until such time as that status is terminated pursuant to Section 84214.¹⁰

17 **Payment for Political Purposes**

18 A payment made for “political purposes,” as that term is used in Sections 82015 and 82025,
19 includes a payment made for the purpose of influencing or attempting to influence the actions of voters
20 or a local agency formation commission for or against the qualification, adoption, or passage of a
21 LAFCO proposal.

22 **Duty to File Campaign Statements for a LAFCO Proposal**

23 A committee primarily formed to support or oppose a LAFCO proposal shall file all statements
24 required under the Act except that, in lieu of the statements required by Sections 84200 and 84202.3,
25 the committee shall file monthly campaign statements from the time circulation of a petition begins

26 ⁸ Gov. Code Section 56069.

27 ⁹ Gov. Code Section 56067.

28 ¹⁰ Section 82013.

1 until a measure is placed on the ballot or, if a measure is not placed on the ballot, until the committee is
2 terminated pursuant to Section 84214.¹¹ The committee shall file an original and one copy of each
3 statement on the 15th day of each calendar month, covering the prior calendar month, with the clerk of
4 the county in which the measure may be voted on. If the petition results in a measure that is placed on
5 the ballot, the committee thereafter shall file campaign statements required by the Act.¹²

6 The following payments are neither contributions nor expenditures: payments made for the cost,
7 including staff time, if applicable, of preparing reports, studies or analyses, including environmental
8 impact reports, feasibility studies, fiscal analyses, and processing and similar fees paid to a LAFCO.¹³

9 SUMMARY OF THE FACTS

10 In a letter dated September 10, 2025, the Committee informed the Fair Political Practices
11 Commission’s Enforcement Division that they were in violation of the Act’s LAFCO campaign
12 reporting provisions and were seeking legal guidance on compliance. Additionally, the letter stated the
13 Committee received conflicting and incorrect advice from other legal counsel. Under advisement of
14 new counsel, the Committee filed a statement of organization on November 18, 2025 indicating that the
15 Committee qualified on May 1, 2024.

16 On May 31, 2024, the Committee started the process to incorporate a new city by filing a Notice
17 of Intent to Circulate a Petition with the San Diego LAFCO. Between that date and November 14,
18 2024, the Committee gathered signatures of La Jolla residents to advance its proposal. The Committee
19 raised \$57,758 and spent \$57,710 in connection with the signature gathering. As of the time of this
20 writing, the Committee gathered sufficient signatures to formally submit their application for cityhood
21 and the San Diego LAFCO is reviewing the application.

22 The Committee failed to timely file 19 monthly campaign statements for the LAFCO activity
23 between May 2024 and November 2025. However, nine statements had zero activity.

26 ¹¹ Section 84252.

27 ¹² Section 84252.

28 ¹³ Regulation 18417, subd. (b).

Reporting Period	Due Date	Date Filed	Days Late	Contributions Received	Expenditures
May 1, 2024 – May 31, 2024	June 15, 2024	Dec 16, 2025	549	\$1,154	\$20
June 1, 2024 – June 30, 2024	July 15, 2024	Dec 16, 2025	519	\$4,220	\$1,576
July 1, 2024 – July 31, 2024	Aug 15, 2024	Dec 16, 2025	488	\$1,100	\$60
Aug 1, 2024 – Aug 31, 2024	Sep 15, 2024	Dec 16, 2025	457	\$0	\$20
Sep 1, 2024 – Sep 30, 2024	Oct 15, 2024	Dec 16, 2025	427	\$1,602	\$95
Oct 1, 2024 – Oct 31, 2024	Nov 15, 2024	Dec 16, 2025	396	\$250	\$20
Nov 1, 2024 – Nov 30, 2024	Dec 15, 2024	Dec 16, 2025	366	\$3,680	\$500
Dec 1, 2024 – Dec 31, 2024	Jan 15, 2025	Dec 16, 2025	335	\$13,097	\$0
Jan 1, 2025 – Jan 31, 2025	Feb 15, 2025	Dec 16, 2025	304	\$32,655	\$2,390
Feb 1, 2025 – Feb 28, 2025	Mar 15, 2025	Dec 16, 2025	276	\$0	\$0
Mar 1, 2025 – Mar 31, 2025	Apr 15, 2025	Dec 16, 2025	245	\$0	\$53,029
Apr 1, 2025 – Apr 30, 2025	May 15, 2025	Dec 16, 2025	215	\$0	\$0
May 1, 2025 – May 31, 2025	June 15, 2025	Dec 16, 2025	184	\$0	\$0
June 1, 2025 – June 30, 2025	July 15, 2025	Dec 16, 2025	154	\$0	\$0
July 1, 2025 – July 31, 2025	Aug 15, 2025	Dec 16, 2025	123	\$0	\$0
Aug 1, 2025 – Aug 31, 2025	Sep 15, 2025	Dec 16, 2025	92	\$0	\$0
Sep 1, 2025 – Sep 30, 2025	Oct 15, 2025	Dec 16, 2025	62	\$0	\$0
Oct 1, 2025 – Oct 31, 2025	Nov 15, 2025	Dec 16, 2025	31	\$0	\$0
Nov 1, 2025 – Nov 30, 2025	Dec 15, 2025	Dec 16, 2025	1	\$0	\$0
TOTAL			\$57,758	\$57,710	

VIOLATIONS

Count 1: Failure to Timely File Monthly Campaign Statements

By failing to timely file monthly campaign statements for the periods May 15, 2024 through April 15, 2025, the Committee violated Section 84252.

PROPOSED PENALTY

This matter consists of one proposed count. The maximum penalty that may be imposed is \$5,000 per count. Thus, the maximum penalty that may be imposed for the count charged here is \$5,000.¹⁴

¹⁴ See Regulation 83116, subd. (c).

1 This matter does not qualify for the streamline program because it involves a late filed monthly
2 LAFCO campaign statement with contributions totaling above \$50,000, a violation which is not eligible
3 for the streamline program.

4 In determining the appropriate penalty for a particular violation of the Act, the Commission
5 considers the facts of the case, the public harm involved, and the purpose of the Act. In particular, the
6 Commission considers the factors codified in Regulation Section 18361.5(e)(1)-(8): (1) The extent and
7 gravity of the public harm caused by the specific violation; (2) The level of experience of the violator
8 with the requirements of the Political Reform Act; (3) Penalties previously imposed by the Commission
9 in comparable cases; (4) The presence or absence of any intention to conceal, deceive or mislead; (5)
10 Whether the violation was deliberate, negligent or inadvertent; (6) Whether the violator demonstrated
11 good faith by consulting the Commission staff or any other governmental agency in a manner not
12 constituting complete defense under Government Code Section 83114(b); (7) Whether the violation was
13 isolated or part of a pattern and whether the violator has a prior record of violations of the Political
14 Reform Act or similar laws; and (8) Whether the violator, upon learning of a reporting violation,
15 voluntarily filed amendments to provide full disclosure.¹⁵

16 The gravity of violating Section 84252 stems from the denial of essential financial transparency
17 during the rapid administrative processes of LAFCOs, preventing the public from knowing who is
18 funding a proposal while it is actively being considered. This harm is extensive because late filings
19 effectively create a “blackout” period during pivotal moments like signature gathering, making it
20 impossible for citizens to evaluate the true source of support—whether grassroots or corporate—before
21 irreversible decisions are made.

22 The Commission also considers the penalties in prior cases with comparable violations.

23 *In the Matter of Incorporate Olympic Valley PAC*, FPPC No. 14/411 (The Commission approved
24 a stipulated decision in February 2016). There, the Incorporate Olympic Valley PAC (the “IOV”) failed
25 to timely file one year of monthly campaign filings, in part due to incorrect advice. Once notified, the
26 IOV hired an attorney and professional treasurer, assisting the IOV to become compliant. Further, the

27 _____
28 ¹⁵ Regulation 18361.5, subd. (e)(1)-(8).

1 IOV did post a tally of monetary receipts on their website, which disclosed more than what was required
2 under the Act, as much of the money received was used for the cost of reports and studies, which are
3 excluded from disclosure under the Act. While the IOV remained open, the LAFCO proposal was
4 withdrawn in December 2015.

5 As in *IOV*, the Committee violated Section 84252 due to incorrect advice from prior legal counsel.
6 While the LAFCO proposal in *IOV* was withdrawn prior to the election, the proposal in the present case
7 has not been withdrawn. However, the Enforcement Division opened the present case because the
8 Committee self-reported the violations rather than receiving a complaint like in the *IOV* case. Yet, in
9 aggravation, in the present case 19 monthly campaign statements were late filed versus twelve in *IOV*,
10 and unlike *IOV* who posted its activity on its website, the Committee here did not provide any disclosure
11 to the public during the signature gathering process. Thus, a similar penalty of \$2,500 is recommended
12 here.

13 The Committee did contact the Commission in 2025 seeking advice pertaining to LAFCO
14 reporting regulations and coming into compliance; it also self-reported the violations. There is no prior
15 record of any similar violations against the Committee.

16 The Committee was cooperative during the investigation and exhibited their intent to resolve the
17 matter expeditiously.

18 After considering the factors listed in Regulation 18361.5 and penalties in prior similar cases, a
19 penalty of \$2,500 is recommended.

20 CONCLUSION

21 Complainant, the Enforcement Division of the Fair Political Practices Commission, and
22 Respondents Association for the City of La Jolla hereby agree as follows:

23 1. Association for the City of La Jolla, as indicated in the respective counts, violated the Act
24 as described in the foregoing pages, which are a true and accurate summary of the facts in this matter.

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

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

4 4. Association for the City of La Jolla has consulted with their attorney, Jim Sutton, and
5 understands, and hereby knowingly and voluntarily waives, all procedural rights set forth in Sections
6 83115.5, 11503, 11523, and Regulations 18361.1 through 18361.9. This includes but is not limited to the
7 right to appear personally at any administrative hearing held in this matter, to be represented by an
8 attorney at Association for the City of La Jolla’s own expense, to confront and cross-examine all
9 witnesses testifying at the hearing, to subpoena witnesses to testify at the hearing, to have an impartial
10 administrative law judge preside over the hearing as a hearing officer, and to have the matter judicially
11 reviewed.

12 5. Association for the City of La Jolla agrees to the issuance of the decision and order set
13 forth below. Also, Association for the City of La Jolla agrees to the Commission imposing an
14 administrative penalty against them in the amount of \$2,500. Cashier’s check(s) or money order(s)
15 totaling said amount—to be paid to the General Fund of the State of California—is/are submitted with
16 this stipulation as full payment of the administrative penalty described above, and same shall be held by
17 the State of California until the Commission issues its decision and order regarding the matter.

18 6. If the Commission declines to approve this stipulation—then this stipulation shall become
19 null and void, and within fifteen business days after the Commission meeting at which the stipulation is
20 rejected, all payments tendered by Association for the City of La Jolla in connection with this stipulation
21 shall be reimbursed to Association for the City of La Jolla. If this stipulation is not approved by the
22 Commission, and if a full evidentiary hearing before the Commission becomes necessary, neither any
23 member of the Commission, nor the Executive Director, shall be disqualified because of prior
24 consideration of this Stipulation.

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

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Dated: _____
Kendall L.D. Bonebrake, Chief of Enforcement
Fair Political Practices Commission

Dated: _____
Jim Sutton o/b/o the Association for the City of La Jolla,
Respondent

The foregoing stipulation of the parties “In the Matter of Association for the City of La Jolla,” FPPC No. 2024-01064, 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: _____
Adam E. Silver, Chair
Fair Political Practices Commission