

1 KENDALL L.D. BONEBRAKE
Chief of Enforcement
2 THERESA GILBERTSON
Senior Commission Counsel
3 Fair Political Practices Commission
1102 Q Street, Suite 3050
4 Sacramento, CA 95811
Telephone: (279) 237-5960
5 Email: tgilbertson@fppc.ca.gov

6 Attorneys for Complainant
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8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
9 STATE OF CALIFORNIA

10 In the Matter of:

11 CALIFORNIA VOTER PROJECT,

12 Respondents.
13

FPPC Case No. 2019-01386

STIPULATION, DECISION AND ORDER

Date Submitted to Commission: September 2025

14 INTRODUCTION

15 This case was opened in response to an anonymous complaint. California Voter Project
16 (“Committee”) was a general purpose recipient committee. The Political Reform Act¹ (the “Act”) holds
17 that committees are required to file campaign statements and reports to disclose the committee’s activity.
18 The Committee failed to timely file a 24-hour contribution report, 24-hour independent expenditure
19 reports, and a semiannual campaign statement.
20

21 SUMMARY OF THE LAW

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

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27 ¹ The Political Reform Act—sometimes simply referred to as the Act—is contained in Government Code sections
28 81000 through 91014. 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. All regulatory references
are to this source.

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

2 When enacting the Political Reform Act, the people of California found and declared that
3 previous laws regulating political practices suffered from inadequate enforcement by state and local
4 authorities.² Thus, it was decreed that the Act “should be liberally construed to accomplish its
5 purposes.”³

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

11 **Duty to File Campaign Statements**

12 The Act holds that committees must file semiannual campaign statements each year no later
13 than July 31 for the period ending June 30, and no later than January 31 for the period ending
14 December 31.⁷

15 **Coordinated vs. Independent Expenditures**

16 A contribution means a payment, except to the extent that full and adequate consideration is
17 received or if it is clear from the surrounding circumstances that the payment is not made for political
18 purposes.⁸

19 An independent expenditure means an expenditure made by any person in connection with a
20 communication which expressly advocates the election or defeat of a clearly identified candidate or the
21 qualification, passage or defeat of a clearly identified measure, or taken as a whole and in context,
22 unambiguously urges a particular result in an election but which is not made to or at the behest of the
23 affected candidate.⁹

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² Section 81001, subdivision (h).

26 ³ Section 81003.

27 ⁴ Section 81002, subdivision (a)

28 ⁵ Section 84200, *et seq.*

⁶ Section 81002, subdivision (f).

⁷ Section 84200.

⁸ Section 82015.

⁹ Section 82031.

1 Expenditures are considered to be “made at the behest” of a candidate or committee when the
2 expenditures were made under the control or at the direction of, in cooperation, consultation,
3 coordination, or concert with, at the request or suggestion of, or with the express, prior consent of the
4 candidate or committee, including their agents when the agent is acting within the scope of the agent’s
5 authority.¹⁰

6 Expenditures are presumed to be coordinated, and therefore not an “independent expenditure”
7 as defined by the Act, in several circumstances, including but not limited to the following: when the
8 person making the expenditure for a communication related to a clearly identified candidate or ballot
9 measure retains the services of a person who provides either the candidate or the committee supporting
10 or opposing the ballot measure with professional services related to campaign or fundraising for the
11 current campaign.¹¹

12 Coordinated expenditures are treated as contributions to the candidate or the primarily formed
13 committee.¹²

14 **24-hour Contribution Reports**

15 A committee that makes a late contribution must report the late contribution within 24 hours of
16 the time it is made.¹³ A late contribution is defined as a contribution that totals in the aggregate \$1,000
17 or more and is made to or received by a candidate, a controlled committee, or a committee formed or
18 existing primarily to support or oppose a candidate or measure during the 90-day period preceding the
19 date of the election or on the date of the election at which the candidate or measure is to be voted on.¹⁴

20 **24-hour Independent Expenditure Reports**

21 A committee that makes a late independent expenditure must report the late independent
22 expenditure within 24 hours of the time it is made.¹⁵ A late independent expenditure means an
23 independent expenditure that totals in the aggregate \$1,000 or more and is made for or against a
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26 ¹⁰ Regulation 18225.7.

27 ¹¹ Regulation 18225.7, subdivision (d)(3).

28 ¹² Regulation 18225.7, subdivision (g).

¹³ Section 84203.

¹⁴ Section 82036.

¹⁵ Section 84204.

1 specific candidate or measure involved in an election during the 90-day period preceding the date of
2 the election or on the date of the election.¹⁶

3 SUMMARY OF THE FACTS

4 The Committee was formed in 2015 as a general purpose committee.¹⁷ In 2020, the Committee
5 had contributions totaling \$205,000 and expenditures totaling \$226,378. The Committee had reportable
6 campaign activity during the March 3, 2020 Primary Election and the November 3, 2020 General
7 Election.

8 On March 2, 2020, a day prior to the election, the Committee filed several 24-hour independent
9 expenditure reports. The reports disclosed that on February 24, 2020, the Committee had made the
10 following independent expenditures: \$21,162 to support Nora Vargas (“Vargas”), a candidate for the
11 Board of Supervisors for San Diego County; \$14,108 to support Measure B, a county ballot measure;
12 \$14,108 to oppose Measure A, a county ballot measure; and \$7,054 to support Measure C, a county
13 ballot measure. The expenditure was described as a mailer. The mailer was a multipage communication
14 that featured the four positions. The total cost of the mailer was prorated among the four positions. The
15 reports were filed late, as they were due on February 25 but were not filed until six days later.

16 Despite reporting the entire mailer as an independent expenditure, the evidence shows that at least
17 the activity in support of Measure B and opposing Measure A was coordinated with the relevant
18 primarily formed campaigns. The committee primarily formed to support Measure B and the committee
19 primarily formed to oppose Measure A both reported some or all of this activity as nonmonetary
20 contributions from the Committee. For example, the committee formed to oppose Measure A, called No
21 on A, Planning Today for San Diego’s Future, a Coalition of Housing Advocates, Save Our Rural
22 Economy, Building Industry Association of San Diego County, Farmers, Taxpayers, Firefighters, and
23 Law (“No on A Committee”) reported receiving at least \$5,756.64 as a nonmonetary contribution from
24 the Committee on February 20, 2020 and described the contribution as “voter placement guide.” This
25 amount matches the reporting from the Committee, which disclosed the same amount for a “mailer”

26 ¹⁶ Section 82036.5.

27 ¹⁷ On February 11, 2020, the Committee filed an amended statement of organization to disclose that the Committee’s
28 treasurer had changed. However, evidence was provided to the Enforcement Division that the individual named was not
intended to be the treasurer of record and did not actually serve as the treasurer at any point in the Committee’s history. Based
on this information, the Enforcement Division has elected to remove this individual from the case and proceed against the
Committee.

1 reported on February 24, 2020.¹⁸ Similarly, the committee formed to support Measure B, called Yes on B
2 for a Better Choice: Coalition of first responders, fire safety experts, housing advocates, elected officials,
3 business leaders and taxpayers, Committee major funding from Newland Sierra LLC (“Yes on B
4 Committee”) reported receiving \$5,756.64 and \$8,351.94 as nonmonetary contributions from the
5 Committee on February 19, 2020 and described the contributions as “LIT” (campaign literature and
6 mailings). These amounts match the reporting from the Committee, which disclosed the same amounts
7 with the description of “mailer[s]” and was reported on February 24, 2020. In addition, both the No on A
8 Committee and Yes on B Committee had a consultant: Grassroots Resources, a company owned and run
9 by Jesus Cardenas (“Cardenas”). The Committee had utilized this consultant during the same election for
10 services, with several payments made to the organization within the last 12 months of the campaign in
11 question. In addition, the Committee’s prior treasurer and principal officer was Cardenas. Based on the
12 finding that the expenditures made in support of Measure B and opposing Measure A were coordinated
13 with their respective primarily formed committees, the expenditures made by the Committee were
14 required to be reported on a 24-hour contribution report, instead of reported as if they were an
15 independent expenditure.

16 Additionally, the Committee was required to file a semiannual campaign statement on February 1,
17 2021 for the reporting period of July 1, 2020 through December 31, 2020. However, this statement was
18 not filed until April 30, 2024, well past the deadline. This statement reported contributions totaling
19 \$120,000 and expenditures totaling \$120,038. The Committee filed other statements timely until the
20 Committee terminated in 2024.

21 The Enforcement Division commenced a proceeding by filing a Report in Support of Probable
22 Cause and serving the document on December 13, 2024.

23 VIOLATIONS

24 **Count 1: Failure to Timely File a 24-Hour Contribution Report and 24-Hour Independent 25 Expenditure Reports**

26 The Committee failed to timely file a 24-hour contribution report to disclose nonmonetary
27 contributions, in the form of a mailer, totaling \$14,108.58 to the No on A Committee and totaling
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¹⁸ The same 24-hour report disclosed the mailer activity as two line items, an expenditure for \$8,351 and for \$5,756. It is not known why the No on A Committee disclosed only one line item as a contribution.

1 \$14,108.58 to the Yes on B Committee by the February 25, 2020 due date, in violation of Government
2 Code Section 84203.

3 The Committee failed to timely file two 24-hour independent expenditure reports, including
4 reporting a \$21,162 expenditure in support of Vargas and a \$7,054 in support of Measure C, in violation
5 of Government Code Section 84204.

6 **Count 2: Failure to Timely File a Semiannual Campaign Statement**

7 The Committee failed to timely file a semi-annual campaign statement for the reporting period of
8 July 1, 2020 through December 31, 2020 by the February 1, 2021 due date, in violation of Government
9 Code Section 84200.

10 **PROPOSED PENALTY**

11 This matter consists of two proposed counts out of seven possible violations of the Act. The
12 maximum penalty that may be imposed is \$5,000 per count.¹⁹ Thus, the maximum penalty that may be
13 imposed is \$35,000.

14 All violation types are available for resolution under the streamline program. Except for the
15 violation stated in Count 2, all violations in this matter qualify for streamline program penalties.
16 However, Count 2 involves a semiannual campaign statement in which the total activity exceeded the
17 threshold for eligibility. In order to qualify for streamline, the late statement must have less than
18 \$100,000 in either contributions or expenditures. Therefore, a mainline resolution is appropriate to
19 resolve this matter.

20 In determining the appropriate penalty for a particular violation of the Act, the Enforcement
21 Division considers the typical treatment of a violation in the overall statutory scheme of the Act, with an
22 emphasis on serving the purposes and intent of the Act. Additionally, the Enforcement Division
23 considers the facts and circumstances of the violation in the context of the following factors set forth in
24 Regulation 18361.5 subdivision (e)(1) through (8): (1) The extent and gravity of the public harm caused
25 by the specific violation; (2) The level of experience of the violator with the requirements of the Political
26 Reform Act; (3) Penalties previously imposed by the Commission in comparable cases; (4) The presence
27 or absence of any intention to conceal, deceive or mislead; (5) Whether the violation was deliberate,
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¹⁹ See Section 83116, subdivision (c).

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 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.

With respect to the first factor, the failure to file a campaign statement for nearly four years causes public harm where there is a lack of transparency for an active general purpose committee. In addition, committees are required to accurately report the activity as either being coordinated with a candidate or another committee or report the activity as an independent expenditure. By failing to report the activity correctly, the reporting could cause confusion about political spending. The public harm was partially mitigated here as the coordinated spending was reported by the primarily formed committees.

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

With respect to the count involving a late-filed 24-hour contribution report and a late-filed 24-hour independent expenditure report, the following case is presented for consideration: [In the Matter of Cupertino Chamber PAC and Andrew Walters, FPPC No. 2016-20089](#). The Commission considered and approved a stipulation at the November 2020 Commission Meeting. In this matter, a city general purpose committee failed to timely file three 24-hour independent expenditure reports and three 24-hour contribution reports. The parties agreed to settle the matter for one count for failing to timely file the 24-hour independent expenditure reports and one count for failing to timely file the 24-hour contribution reports. In this matter, the reports were filed late, but prior to the election. In the case at hand, the 24-hour reports are recommended to be combined into a single count. Under the current streamline rules, both counts in the case at issue are eligible for the streamline program and would potentially be eligible for a total penalty range of \$3,528 to \$4,728. Like the comparable case, the reports were filed prior to the election, albeit late. However, in aggravation, the Committee reported some activity as if it was an independent expenditure, instead of as a nonmonetary contribution. This failure to report accurately is considered an aggravating factor, and therefore, a penalty of \$4,000 is recommended for this count.

With respect to the count involving a late filed semiannual campaign statement, the following case is presented for consideration: [In the Matter of Safe & Affordable San Francisco; Voters for a Real](#)

1 [Change, opposing Mark Leno for Mayor 2018; Tony Winnicker; Kim Lutz; Derek Jansen; Sonia](#)
2 [Hidlago; and Robb Birkhead, FPPC No. 2018-00341](#). The Commission considered and approved a
3 stipulation at the November 2024 Commission Meeting. In this case, the parties agreed, in relevant part,
4 to settle the matter for one count for failing to timely file a semiannual campaign statement. The report
5 was required to disclose at least \$200,000 in contributions and \$196,000 in expenditures. The report was
6 filed with the Secretary of State but was not filed with the required filing officer, San Francisco Ethics.
7 The relevant activity was related to a contested Mayor's race. The Commission imposed a penalty of
8 \$3,000 for this violation. In the *Safe & Affordable* case, there were indications that the conduct was
9 deliberate and was intended to avoid disclosure. The case at hand involves a local general purpose
10 committee and the statement at issue was required to report activity of \$120,000 in contributions and
11 expenditures, significantly less than the comparable case. In aggravation, the statement was not filed for
12 a number of years. However, in mitigation, the Committee reported activity that was not endorsing any
13 specific candidate or measure. Additionally, the Enforcement Division has not found evidence to suggest
14 that the conduct was deliberate or intended to avoid disclosure. Based on the additional mitigation
15 present, a penalty of \$2,500 is recommended.

16 The Enforcement Division contends that the violations at issue were the result of negligence and
17 not the result of deliberate violation or intent to conceal. In support of this contention, the Enforcement
18 Division considered that the two committees reported the coordinated activity. This indicates that the
19 Committee informed or worked with these two committees but misunderstood their own reporting
20 obligations when the mailer had mixed activity (some parts of the mailer were coordinated with the
21 primarily formed committees and some parts of the mailer were independent expenditures).

22 The Committee promptly filed the missing semiannual statement when Enforcement made the
23 request. The Committee had additional violations that are not being charged due to the low level of
24 public harm, including: failing to timely amend a statement of organization to designate as a county
25 general purpose committee. In mitigation, the Committee appropriately filed in both the original
26 jurisdiction (city) and in the new jurisdiction (county). The Committee paid for a mailer that did not
27 comply with the requirements for disclosure, including: failing to put the advertisement disclosure
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1 language in a drawn box and failing to include the language to denote that a portion of the mailer was an
2 independent expenditure. In mitigation, the mailer clearly identified the responsible Committee.

3 After considering the factors listed in Regulation 18361.5 and penalties in prior similar cases, the
4 Enforcement Division recommends a penalty of \$4,000 for Count 1 and \$2,500 for Count 2. A total
5 penalty of \$6,500 is recommended.

6 CONCLUSION

7 Complainant, the Enforcement Division of the Fair Political Practices Commission, and
8 Respondent Committee, hereby agree as follows:

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

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

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

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

23 5. Respondent Committee agrees to the issuance of the decision and order set forth below.
24 Also, Respondent agrees to the Commission imposing against them an administrative penalty in the
25 amount of \$6,500. One or more payments totaling said amount—to be paid to the General Fund of the
26 State of California—is/are submitted with this stipulation as full payment of the administrative penalty
27 described above, and same shall be held by the State of California until the Commission issues its
28 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: _____

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

Dated: _____

Jesus Cardenas
On behalf of the California Voter Project

The foregoing stipulation of the parties, "California Voter Project," FPPC Case No. 2019-01386, 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 Silver, Chair
Fair Political Practices Commission