1 2 3 4 5	ANGELA J. BRERETON Assistant Chief of Enforcement ALEX J. ROSE Senior Commission Counsel FAIR POLITICAL PRACTICES COMMISSIO 1102 Q Street, Suite 3050 Sacramento, CA 95811 Telephone: (279) 237-3752	N
6 7	Attorneys for Complainant Enforcement Division of the Fair Political Practices Commission	
8 9	BEFORE THE FAIR POLITICAL PRACTICES COMMISSION	
10	STATE OF CALIFORNIA	
11	In the Matter of:	FPPC No. 2022-00564
12		STIPULATION, DECISION, AND ORDER
13	THE CITY OF HANFORD,	Date Submitted to Commission: September 18, 2025
14)
15	Respondent.	
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18	INTRODUCTION	
19	Respondent City of Hanford (the "City") is the most populous city and the county seat of Kings	
20	County, California, located in the San Joaquin Valley region of the greater Central Valley. The population	
21	was 59,938 at the 2023 census.	
22	Under the Political Reform Act (the "Act"), 1 campaign-related mailings are prohibited from being	
23	sent at public expense if they unambiguously urge the passage or defeat of a ballot measure. The Act also	
24	maintains that a local government agency that spends \$1,000 or more in public funds to advocate for or	
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26 27	¹ The Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. 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 Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.	
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1	against a ballot measure qualifies as a campaign committee and must comply with all provisions of the		
2	Act related to campaign committees, including filing campaign statements and reports. Additionally,		
3	campaign-related mailings and advertisements must adhere to certain advertising disclaimer regulations.		
4	Respondent violated the Act by distributing a campaign-related mailing at public expense, failing to		
5	include a disclosure statement on the mailer, and failing to timely file a 24-Hour Independent Expenditure		
6	Report and a semi-annual campaign statement.		
7	SUMMARY OF THE LAW		
8	The violations in this case occurred in 2022, so all legal references and discussions of the law		
9	pertain to the Act's provisions as they existed at that time.		
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. ² For this reason, the Act is to be construed liberally to accomplish its purposes. ³		
14	One purpose of the Act is to promote transparency by ensuring that expenditures made in		
15	election campaigns are fully and truthfully disclosed so that voters are fully informed and improper		
16	practices are inhibited. ⁴ In furtherance of this purpose, the Act establishes a comprehensive campaign		
17	reporting system ⁵ and requires any committee that supports or opposes a ballot measure to print its		
18	name as part of any advertisement. ⁶ Another purpose of the Act is to provide adequate enforcement		
19	mechanisms so the Act will be "vigorously enforced."		
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24	² Section 81001, subd. (h).		
25	³ Section 81003.		
26	Sections 84200, et seq.		
27	⁶ Section 84506.		

Prohibited Campaign Related Mailing Sent at Public Expense

The Act prohibits sending a newsletter or other mailing at public expense. While the Act seems to be written in absolute terms, regulations have focused this prohibition to reflect the intent of the Act. Specifically, newsletters and other mailings are prohibited if (1) the item is a tangible item; (2) the item expressly advocates the qualification, passage, or defeat of a clearly identified measure, or unambiguously urges a particular result in an election; (3) public moneys are paid to distribute the item, or to prepare the item, for more than \$50, with the intent of sending the item; and (4) more than 200 substantially similar items are sent during the course of an election.

A communication "expressly advocates" the nomination, election, or defeat of a candidate or the qualification, passage, or defeat of a measure if it contains express words of advocacy such as "vote for," "elect," "support," "cast your ballot," "vote against," "defeat," "reject," "sign petitions for." The following nonexhaustive examples, referring to candidates or measures on the ballot in an upcoming election, illustrate statements that in most contexts would not be susceptible of any reasonable interpretation other than as an appeal to vote for or against a specific candidate or measure: "Smith's the One"; "No Measure A"; "Rally 'round O'Malley"; "Create jobs with Measure X"; "Only Nancy Brown can clean out City Hall"; "Proposition 123 - your last chance to save California"; "Joe Green will earn your trust"; "Bob Boone is unqualified for office and a special-interest puppet"; "Shirley Hall - bad for California, bad for you."

If a mailing does not contain express language it still may unambiguously urge a particular result in an election in one of two ways: (1) when it clearly is campaign material or campaign activity, such as bumper stickers, billboards, door-to-door canvassing, posters, advertising "floats," or mass media advertising; 12 or (2) when the style, tenor, and timing of the communication can be reasonably characterized as campaign material and not a fair presentation of facts serving only an informational

⁸ Section 89001.

⁹ Regulation 18901.1, subd. (a).

¹⁰ Section 82025, subd. (c)(2).

¹¹ Section 82025, subd. (c)(2)(B).

¹² Regulation 18420.1, subd. (b)(1).

purpose.¹³ Some factors to consider when assessing style, tenor, and timing include, but are not limited to whether the communication is (1) funded from a special appropriation related to the measure as opposed to a general appropriation; (2) consistent with the normal communication pattern for the agency; (3) consistent with the style of other communications issued by the agency; and (4) using inflammatory or argumentative language.¹⁴

The Commission adopted Regulation 18420.1 based on the California Supreme Court's decision in *Vargas v. City of Salinas, et. al.* (2009) 46 Cal. 4th 1.¹⁵ In *Vargas*, the Court relied heavily on its decision in *Stanson v. Mott* (1976) 17 Cal. 3d 206. *Stanson* established the analysis for determining when communications by a governmental agency that do not contain express advocacy still constitute campaign activity. The Court went on to conclude that certain publicly financed literature that is not clearly campaign material and that purports to contain only relevant information can be prohibited campaign activity depending on the "style, tenor and timing of the publication."¹⁶

Neither *Vargas* nor *Stanson* directly concerned any provisions of the Act. They were decided based on the constitutional prohibition against unauthorized use of public funds. But, since in those cases the State Supreme Court had defined when government agencies are prohibited from using public moneys to pay for communications related to ballot measures, the Commission adopted the parameters described in *Vargas* for determining when a government agency makes contributions and independent expenditures under the Act. ¹⁷

Payments by State or Local Agencies for a Campaign-Related Communication

California Code of Regulations Section 18420.1 addresses the use of public funds by state and local governmental agencies for communications that are campaign-related. Under this regulation, a payment made by a state or local agency, or by any person acting on its behalf, in connection with a communication to the public that expressly advocates the election or defeat of a clearly identified

²⁵ Regulation 18420.1, subd. (b)(2).

¹⁴ Regulation 18420.1, subd. (d).

¹⁵ Fair Political Practices Commission, Minutes of Meeting, Public Session, Sept. 10, 2009, item no. 25, page 3.

¹⁰ *Id*. at 222

¹⁷ Fair Political Practices Commission, Minutes of Meeting, Public Session, Sept. 10, 2009, item no. 25, page 3.

candidate or measure, or that unambiguously urges a particular electoral outcome when considered as a whole and in context, is classified either as a contribution or an independent expenditure under the Political Reform Act.¹⁸

A payment is treated as a contribution if made at the behest of the affected candidate or committee, and as an independent expenditure if made independently of any candidate or committee. ¹⁹ The regulation defines "unambiguous urging" to include communications that are clearly campaign material or activity—such as mass media advertisements, signs, or canvassing—as well as materials that, due to their style, tone, and timing, are reasonably characterized as campaign materials rather than informational communications. ²⁰

Any public expenditure related to such communications, whether direct or indirect, is covered by this regulation. This includes costs related to designing, producing, printing, or formulating content, and encompasses expenditures for polling, research, computer services, software, programming, and the salaries or fees of agency staff, consultants, or vendors involved in the communication.²¹

In assessing whether a communication is campaign-related, relevant considerations include the source of funding (particularly if from a special appropriation tied to a measure), consistency with the agency's usual communication practices, and the presence of language that is inflammatory, persuasive, or otherwise lacks neutrality.²²

However, certain communications are not considered contributions or independent expenditures under this regulation. These exceptions include agency reports evaluating a measure when made available upon request; public announcements of agency positions in public meetings or within official agendas or minutes; written arguments submitted for inclusion in a voter information pamphlet; views presented by agency staff at the request of outside organizations in a public meeting; and any communication clearly authorized by law.²³

¹⁸ Regulation 18420.1, subd. (a).

¹⁹ Regulation 18420.1, subds. (a)(1) and (2).

²⁰ Regulation 18420.1, subds. (b)(1) and (2).

²¹ Regulation 18420.1, subd. (c).

²² Regulation 18420.1, subd. (d).

²³ Regulation 18420.1, subd. (e).

Finally, any agency qualifying as a "committee" under Government Code Section 82013 is required to comply with campaign reporting obligations under the Political Reform Act. 24

Advertisement Disclosures

An advertisement includes any general or public communication which is authorized and paid for by a committee for the purpose of supporting or opposing one or more ballot measures.²⁵ More importantly, such an advertisement, that is paid for by an independent expenditure, must include a disclosure statement that identifies the name of the committee. "Ad paid for by" should immediately precede the committee's name as it appears on campaign statements. ²⁶ Finally, the law requires that the disclosure area look a specific way, including, the text appearing in an Arial or equivalent type of at least 10-point and being in a contrasting color and printed or drawn on the bottom of at least one page that is set apart from any other printed matter.²⁷

Campaign Statements and Reports

A committee is any person or combination of persons who, in a calendar year, receives contributions totaling \$2,000 or more; makes independent expenditures totaling \$1,000 or more; or makes contributions totaling \$10,000 or more to or at the behest of candidates or other committees.²⁸ When a state or local governmental agency uses public moneys for a communication that (1) expressly advocates for or against a clearly identified candidate or ballot measure or (2) unambiguously urges a particular result in an election, the Act identifies that payment as an independent expenditure. ²⁹ The standard for determining if a communication by a public agency qualifies as an independent expenditure is the same as the standard for the campaign related mailings sent at public expense discussed above.³⁰

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²⁸ Section 82013.

²⁷ Section 84504.2.

²⁵ Section 84501.

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²⁹ Regulation 18420.1, subd. (a).

²⁴ Regulation 18420.1, subd. (f).

³⁰ See Regulations 184201.1 and 18901.1.

²⁶ Sections 84502, subd. (b) and 84211, subd. (o).

If a state or local governmental agency distributes communications that qualify as campaign expenditures and cost \$1,000 or more in a calendar year, it qualifies as an independent expenditure committee.³¹ A committee must file a late independent expenditure report within 24 hours of making an expenditure of \$1,000 or more during the 90 days prior to an election.³² An expenditure is made on the date the payment is made or on the date consideration, if any, is received, whichever is earlier.³³ The report must include the committee's name, committee's address, number or letter of the measure, jurisdiction of the measure, amount, date, and description of goods or services for which the late independent expenditure was made. ³⁴ In addition to the 24-Hour Independent Expenditure Report ("Form 496"), an independent expenditure committee must also file an Independent Expenditure Campaign Statement ("Form 461"), which includes some of the information reported on the Form 496 and additional information which provides more transparency.³⁵ Requiring local government agencies to file campaign statements and reports furthers the Act's purpose in disclosing expenditures made in election campaigns so that voters are fully informed and improper practices are inhibited.³⁶

SUMMARY OF THE FACTS

Measure F, a sales tax, was on the June 7, 2022 Primary Election ballot for Kings County voters. Measure F authorized Kings County to increase the sales tax by 0.5% generating an estimated \$11.7 million per year for emergency and fire services, thereby increasing the county-level sales tax rate in Kings County from 0.25% to 0.75%. A simple majority vote was required for approval of Measure F, but it was defeated with 64.27% (11,097) voting no. Kings County had a total population of 152,682 in 2023.³⁷

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³⁷ Per the United States Census Bureau.

³¹ Regulation 18420, subd. (d).

³² Sections 82036.5 and 84204.

³⁵ Section 84200, subd. (b). ³⁶ Section 81002, subd. (a).

³³ Section 82025 (a).

³⁴ Section 84204.

Fact Sheet

On or around June 3, 2022, prior to the election, the City authorized payment to PacWest Direct to distribute an 8.5 by 11-inch insert titled "Measure F Facts" (the "Fact Sheet") to approximately 18,150 local residents as an enclosure with the City's utility bills (See Exhibit A). The City paid \$1,958.39 for the production and distribution of these inserts that were mailed on May 26, 2022. The Fact Sheet prominently featured the official City seal in color at the bottom of the page and consisted of eleven bullet points, all of which conveyed arguments opposing Measure F.

The Fact Sheet unmistakably communicates opposition to Measure F through bolded and repeated language, including the phrase "NO Measure F," which appears four times in the center of the page. Under Section 82025(c)(2)(B), the use of "NO Measure F" is a statement that is not susceptible of any reasonable interpretation other than as an appeal to vote against Measure F. Further, these statements are immediately followed by negative commentary regarding the measure, such as "NO Measure F money will be allocated to the City of Hanford." The emphasis on "NO" in all capital letters and bold formatting, paired with inflammatory language such as "PERMANENTLY increase your taxes," demonstrates the City's intent to dissuade voters from supporting the measure. The document contains no neutral or balanced information. It presents only the purported negative consequences of the measure, such as lack of funding and improvement for city services, and permanent tax increases, while omitting any discussion of potential benefits. Additionally, it cites the lack of union support, a politically charged, persuasive point rather than an objective fact.

The timing and method of distribution further underscore the political nature of the Fact Sheet. It was mailed just twelve days before the election and delivered as part of the City's utility billing, giving it the appearance of an official government communication and lending it an authoritative tone. This design choice would likely enhance the document's persuasive impact on recipients. The Fact Sheet's style mirrors typical campaign literature, rather than informational government materials. Its formatting, which includes capitalized, bolded terms such as "NO," "INCREASE," and "PERMANENTLY," as well as its selective use of facts and emotionally charged rhetoric, clearly signals the City's opposition to Measure F. Furthermore, the Fact Sheet was funded by a general

appropriation. Taken as a whole and in context, the Fact Sheet does not merely present facts but rather conveys a strong political message intended to influence the outcome of the election.

The Fact Sheet constitutes campaign material in violation of Section 89001. The Fact Sheet qualifies as a mass mailing at public expense: it was a tangible item sent to over 200 recipients, when taken as a whole and in context, unambiguously urges a particular result in an election, and paid for using public funds. Its content, timing, tone, and format establish that it was designed to unambiguously urge a particular outcome in the election.

Because the Fact Sheet qualifies as campaign material paid for with public funds, the City thereby qualified as an independent expenditure committee. As such, the City was required to include appropriate advertisement disclosure statements on the mailing pursuant to the Act. The Fact Sheet did not contain the required disclosures. Although the City's name and seal appear on the document, these elements are not a substitute for the mandated disclaimer language of "Ad paid for by" followed by the Committee's name. Accordingly, the Fact Sheet failed to meet the Act's advertisement disclosure requirements.

In summary, the City's production and distribution of the Fact Sheet constituted a mass mailing at public expense that unambiguously urged voters to oppose Measure F. The content, tone, timing, and presentation of the Fact Sheet all point to a coordinated effort to influence the outcome of the election. The City further violated campaign finance laws by failing to include required disclosure language on the mailing and by failing to file mandatory campaign reports, as discussed below. These facts support the conclusion that the Fact Sheet was not a neutral communication, but rather political campaign material disseminated in violation of the Act.

Campaign Filings

As an Independent Expenditure Committee, the City failed to timely file a semi-annual campaign statement (Form 461) for the reporting period of January 1, 2022 to June 30, 2022, despite qualifying as an independent expenditure committee upon making a \$1,958 independent expenditure on or around June 3, 2022. The deadline for filing the above Form 461 was July 31, 2022 and the total amount reported should have included \$1,958 in independent expenditures as listed below.

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they are tied to the violation involving the use of public funds, they are not eligible under the streamline program.

In determining the appropriate penalty for a particular violation of the Act, the Commission considers the facts of the case, the public harm involved, and the purpose of the Act. In particular, the Commission considers the factors codified in Regulation Section 18361.5(e)(1)-(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 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.³⁹

Using public funds for a prohibited purpose carries a high degree of public harm. The nature of the City's violations of the Act is particularly concerning, as recognized by the California Supreme Court in Stanson v. Mott, where the court stated "the use of the public treasury to mount an election campaign which attempts to influence the resolution of issues which our Constitution leaves to the 'free election' of the people [sic] does present a serious threat to the integrity of the electoral process."40 The use of public funds to support or oppose ballot measures is prohibited because of the public harm of taxpayer funds being used to influence the voting public's views on ballot measures. Here, the City opposed the passage of a local measure using \$1,958 in public funds. The City influenced the election with the Fact Sheet, and Measure F failed.

The Act seeks to further protect the integrity of our electoral process by ensuring that voters know who is responsible for the political advertisements that seek to influence how they cast their ballot, and

³⁹ Regulation 18361.5, subd. (e)(1)-(8).

⁴⁰ Stanson at 218.

the voting public is harmed when that information is not included on campaign advertisements. In this case, the public harm was caused by the Fact Sheet advertisement failing to include proper advertisement disclaimers. In mitigation, the language and logo on the Fact Sheet clearly identified the City as the responsible party, and therefore mitigated the harm that would have resulted from a completely anonymous advertisement.

The public harm inherent in campaign late-filing violations is that the public is deprived of important, time-sensitive information regarding campaign activity, which is heightened when related to pre-election activity and 24-Hour reporting. Here, the City's failure to timely file a Form 496 prior to the June 7, 2022 Election, and failure to timely file a Form 461, resulted in the public having limited knowledge of the City's campaign activity before and after the election, including the amount of money spent.

The Commission also considers the penalties in prior cases with comparable violations. Furthermore, at the February 18, 2021, Commission Meeting, the Commission directed the Enforcement Division to pursue penalties at or above 90 percent of the maximum penalty when governmental agencies, like the City, engage in campaigning at public expense. Some recent similar cases include the following:

In the Matter of City of Garden Grove and Scott Stiles, FPPC No. 2018-01357 (The Commission approved a stipulated decision in October 2023). Garden Grove and sent 32,000 copies of an identical and prohibited campaign related mass mailing at public expense at a total cost of \$1,526 which unambiguously urged the passage of local tax Measure O, in violation of Sections 89001, 84502, 84504.2, 84204, and 84200. The four count stipulation charged a total of \$18,000, for sending a prohibited mass mailing at public expense, improper advertisement disclosures on the mailer, failure to timely file a 24-Hour report, and failure to timely file a semi-annual campaign statement for \$4,500 each.

As in Garden Grove, the City here improperly used public funds to distribute a mass mailing without proper advertisement disclosures and failed to timely file campaign statements and reports. The Commission has expressed a strong desire for these types of violations to be charged at or above 90% of the maximum penalty of \$5,000 per count. In particular, and as noted above, the most recent case, Garden *Grove*, resulted in a fine of \$4,500 for each violation. However, while Garden Grove sent 32,000 mailers

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at a cost of \$11,526, the City sent 18,150 and spent a total of \$1,958 campaigning for Measure F. Therefore, a similar penalty per count is recommended here.

Neither the Respondent nor their counsel contacted the Commission seeking advice pertaining to the regulations affecting public mailers and any required filings. There is no prior record of any similar violations against the City.

As part of the negotiated settlement, corrective campaign reports and statements have been filed now to provide full disclosure. Additionally, the City was cooperative during the investigation and their intent was to resolve the matter expeditiously.

For the foregoing reasons and considering the seriousness of the violations, while considering the mitigating factors, and the direction mandated by the Commission, a penalty of \$4,500 for Counts 1 through 4 are recommended, for a total penalty in the amount of \$18,000.

CONCLUSION

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

- 1. The City, as indicated in the respective counts, 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 the June 2025 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 the City pursuant to Section 83116.
- 4. The City has consulted with their attorney, Ty Mizote of Griswold Lasalle, and understand, and hereby knowingly and voluntarily waive, 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 the City'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. The City agrees to the issuance of the decision and order set forth below. Also, the City agrees to the Commission imposing against them an administrative penalty in the amount of \$18,000. A cashier's check or money orders 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 the matter. In addition, as part of the settlement, the City agrees to file all necessary statements and reports as mandated by law to provide full disclosure of the activities.
- 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 the City in connection with this stipulation shall be reimbursed to the City. 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:	Angela J. Brereton, Assistant Chief of Enforcement Fair Political Practices Commission
Dated:	Chris Tavarez, Interim Hanford City Manager

The foregoing stipulation of the parties "In the Matter of the City of Hanford," FPPC No. 2022-00564, is hereby accepted as the final decision and order of the Fair Political Practices Commission, effective upon execution below by the Chair.

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2	IT IS SO ORDERED.	
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4	Dated:	Adam E. Cilman Chain
5		Adam E. Silver, Chair Fair Political Practices Commission
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