



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
1102 Q Street • Suite 3000 • Sacramento, CA 95811

July 14, 2021

Gavin Newsom
c/o Thomas A. Willis
Olson Remcho LLP

Via email: twillis@olsonremcho.com

**Re: No Action Closure Letter
FPPC No. 2021-00241; Gavin Newsom**

Dear Mr. Willis:

The Enforcement Division of the Fair Political Practices Commission enforces the provisions of the Political Reform Act (the “Act”).¹ This letter is in response to several non-sworn complaints alleging that Gavin Newsom (“Newsom”), current Governor of California, failed to properly report certain economic interests on his statements of economic interests (“SEI”) in connection with the purchase and subsequent transfer of certain real property in 2018 and 2019. After conducting our investigation and review of the matter, we determined that the subject real property transactions did not give rise to any reportable interests. Therefore, because the allegations have been disproven, we are closing this matter without further action.

Section 87200 of the Act requires that elected state officials, including the Governor, report investments, business positions, and sources of income, including receipt of gifts, loans, and travel payments, from sources located in or doing business in their agency’s jurisdiction, on their SEIs. Under the Act, “investment” includes any investment interest in a business entity. Section 82005 of the Act defines “business entity” as “any organization or enterprise operated for profit.” Our investigation found that, although an entity, solely owned by Newsom and his spouse, was created to effect the subject real property transactions, it was not operated for profit and, therefore, did not give rise to a reportable investment interest.

In addition, Sections 82028 and 82030 of the Act provide that a reportable “gift” or “income” does not include a gift, loan, or payment received on a loan from an individual’s spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person. Our investigation found that all payments related to the purchase of the subject property emanated from either Newsom himself or an exempted family member; therefore, the payments did not give rise to any reportable gift or income interests.

¹The 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 Practices Commission are contained in §§ 18110 through 18997 of Title 2 of the California Code of Regulations, and all regulatory references are to this source.

If you have questions, please contact me at (916) 322-5021 or cburton@fppc.ca.gov.

Sincerely,

Christopher B. Burton

Christopher B. Burton, Assistant Chief
Enforcement Division