



FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329

(916) 322-5660 • Fax (916) 322-0886

October 15, 2012

Mr. James R. Sutton
The Sutton Law Firm
150 Post Street, Suite 405
San Francisco, CA 94108

Re: FPPC File No. 12/761, San Jose Fiscal Reforms, Mayor Reed, Chamber PAC and Issues Mobilization PAC Proponents - Demand Letter Re: Violation of Section 85501 – Prohibition on Independent Expenditures by Candidate-Controlled Committees

Dear Mr. Sutton:

The Fair Political Practices Commission (the "FPPC") enforces the provisions of the Political Reform Act (the "Act").¹ It has come to our attention through the filing of a sworn complaint, that your client, the above-named committee, a committee controlled by Mayor Chuck Reed, made a \$100,000 contribution to the San Jose Reform Committee Supporting Rose Herrera for City Council 2012, in violation of Section 85501.

Section 85501 provides that a controlled committee of a candidate may not make independent expenditures and may not contribute funds to another committee for the purpose of making independent expenditures to support or oppose other candidates.

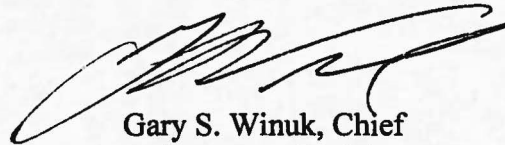
The San Jose Reform Committee Supporting Rose Herrera for City Council 2012 is primarily formed to support Rose Herrera by making independent expenditures supporting her election and independent expenditures opposing her opponent.

¹ The Political Reform 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 18110 through 18997 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.

The San Jose Fiscal Reforms, Mayor Reed, Chamber PAC and Issues Mobilization PAC has violated Section 85501 and must immediately demand that the San Jose Reform Committee Supporting Rose Herrera return the contribution in full.

The San Jose Fiscal Reform Mayor Reed committee's violation may result in an enforcement action, including monetary penalties of up to \$5,000 for each violation. If you have any questions, you may contact me at (916) 322-5660.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gary S. Winuk', written in a cursive style.

Gary S. Winuk, Chief
Enforcement Division

GSW/jt



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150 Post Street, Suite 405
San Francisco, CA 94108

Re: FPPC File No. 12/760, San Jose Reform Committee Supporting Rose Herrera for City Council 2012, - Demand Letter Re: Violation of Section 84506 – Advertisement Requirements on Independent Expenditures

Dear Mr. Sutton:

The Fair Political Practices Commission (the "FPPC") enforces the provisions of the Political Reform Act (the "Act").¹ It has come to our attention through the filing of a sworn complaint, that your client, the above-named committee, violated Section 84506.

Section 84506 requires that any mass mailing advertisement supporting or opposing a candidate that is paid for by an independent expenditure shall include a disclosure statement that identifies both the name of the committee making the independent expenditure and the names of the persons from whom the committee making the independent expenditure has received its two highest cumulative contributions of \$50,000 or more during the 12 month period prior to the expenditure.

Section 84506.5 also requires the advertisement to include a statement that the advertisement was not authorized by a candidate or a committee controlled by a candidate.

The mailers that accompanied the complaint contained a statement that the advertisements were not printed or mailed in *coordination* with any candidate or elected official and that the advertisements were paid for by San Jose Reform Committee – Supporting Rose Herrera for City

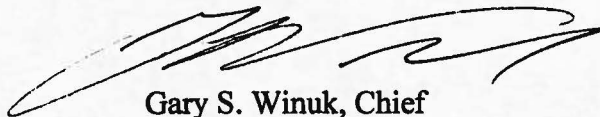
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Council, but failed to provide a statement that major funding was provided by the San Jose Fiscal Reforms, Mayor Reed, Chamber PAC and Issues Mobilization PAC Proponents.

The San Jose Reform Committee Supporting Rose Herrera for City Council 2012 committee must, from this point forward, include in its committee advertisements supporting Rose Herrera or opposing Jimmy Nguyen, the statement at the end of its committee identification that reads: "...major funding provided by San Jose Fiscal Reforms, Mayor Reed, Chamber PAC and Issues Mobilization PAC Proponents." If the committee receives any additional funding from other sources that would make that contributors total cumulative contributions amount to \$50,000 or more, the additional contributor must also show up on the committee's advertisement disclosure.

The San Jose Reform Committee Supporting Rose Herrera for City Council 2012's failure to include accurate advertisement disclosures may result in an enforcement action, including monetary penalties of up to \$5,000 for each violation. If you have any questions, you may contact me at (916) 322-5660.

Sincerely,



Gary S. Winuk, Chief
Enforcement Division

GSW/jt