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7
8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
9 STATE OF CALIFORNIA

10
11 In the Matter of:

12 COUNTY OF LOS ANGELES,
13 Respondent.

FPPC Case Nos. 17/150 and 18/1258

14 STIPULATION, DECISION AND ORDER (in
coordination with the settlement of the civil
lawsuit, *Howard Jarvis Taxpayers, et. al. vs. Los
Angeles County*, Superior Court Case No.
BC714579 and Appellate Court Case No. 8302793)

15 Respondent County of Los Angeles (“County”) funded nearly \$1 million of communications
16 regarding Measure H, a countywide sales tax increase on the ballot in the March 7, 2017 Special
17 Election.

18 The communications in this case occurred in 2016 and 2017. For this reason, all legal references
19 and discussions of law pertain to the Act’s provisions as they existed at that time.

20 The FPPC’s position is that under its definition of campaign related communications found in
21 Regulation 18420.1, Los Angeles County et al.’s activities qualified it as an independent expenditure
22 committee, triggering the Act’s filing and disclosure requirements for independent expenditure
23 committees including having its name and “paid for by” on the television, radio and on-line
24 communications to disclose the true source of these campaign efforts made in support of Measure H, as
25 required by Section 84506, subdivision (a), and Regulation section 18450.4, subdivision (b)(1). The cost
26 to the County for the communications totaled approximately \$814,412.50.

27 Because this case involves the advertising rules under the Act, the administrative remedy
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1 available is stated in former Section 84510. Section 84510 allowed for a monetary penalty in an amount
2 up to three times the cost of the advertisement, including placement cost, for violations of the
3 advertisement disclosure requirements of the Act.¹ In this matter, three times the cost of the
4 communications would be \$2,443,237.50 (\$814,412.50 x 3). The civil penalty available is the same.

5 The County disagrees with the enforceability of Regulation 18420.1, and contends that a pending
6 lawsuit challenging the regulation will hold it to be unenforceable. This settlement shall not be
7 considered an admission of liability by Defendant in connection with this matter, any pending or future
8 administrative enforcement matter by the Fair Political Practices Commission, or any pending or future
9 civil or criminal matter.

10 The Fair Political Practices Commission's approval of this settlement in conjunction with the civil
11 settlement of the *Howard Jarvis Taxpayers, et. al. vs. Los Angeles County*, Superior Court Case No.
12 BC714579 and Appellate Court Case No. 8302793 and the conditions and requirements of that settlement
13 – including paying a total of \$1.35 million, which shall include a settlement amount of one million two
14 hundred thousand dollars (\$1,200,000) pursuant to Government Code section 91009 and one hundred and
15 fifty thousand dollars (\$150,000) for legal expenses pursuant to Government Code section 91012 - fully
16 resolves its enforcement proceedings against Los Angeles County in FPPC Enforcement Cases No.
17 17/150 and No. 18/1258. The details of the conditions of the settlement are found in the attached
18 settlement agreement and are fully incorporated herein.

19 If the Commission declines to approve this contingent stipulation, then the FPPC cases will not be
20 dismissed and the administrative case will resume as this stipulation shall become null and void. If this
21 stipulation is not approved by the Commission, and if a full evidentiary hearing before the Commission
22 becomes necessary, neither any member of the Commission, nor the Executive Director, shall be
23 disqualified because of prior consideration of this Stipulation and all disclosure required by Regulation
24 18361.4(b)(3) will occur.

25 The parties to this agreement may execute their respective signature pages separately. A copy of
26 any party's executed signature page including but not limited to a hardcopy of a signature page
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28 ¹ §84510, subd. (a).

1 transmitted as a PDF email attachment is as effective and binding as the original.

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3 Dated: _____
4 Galena West, Chief of Enforcement
5 Fair Political Practices Commission

6 Dated: 7.30.2020 _____
7 , on behalf of County of Los Angeles

8 The foregoing stipulation of the parties "In the Matter of County of Los Angeles," FPPC Nos. 2017/0150
9 and 2018/1258 is hereby accepted as the final decision and order of the Fair Political Practices
10 Commission, effective upon execution below by the Vice-Chair.

11 IT IS SO ORDERED.

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14 Dated: _____
15 Alison Hayward, Vice-Chair
16 Fair Political Practices Commission
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