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9 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION  
10 STATE OF CALIFORNIA

11  
12 In the Matter of:

FPPC No. 18/1562

13 KARLA JURVETSON,

STIPULATION, DECISION, AND ORDER

14  
15 Respondent.  
16

17 **INTRODUCTION**

18 Respondent Karla Jurvetson (“Jurvetson”) is a physician and philanthropist who qualified as a  
19 major donor committee after making contributions to a single California primarily formed committee  
20 under the Political Reform Act (the “Act”)<sup>1</sup>. The Act requires major donor committees to file certain  
21 campaign statements and reports to disclose their campaign activities. Jurvetson violated the Act by  
22 failing to timely file two 24-hour contribution reports.

23 **SUMMARY OF THE LAW**

24 The violations in this case occurred in 2018, and all legal references and discussions of law pertain  
25 to the Act’s provisions as they existed at that time.

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28 <sup>1</sup> The Political Reform Act is contained in Government Code sections 81000 through 91014, and all statutory  
references are to this code. The regulations of the Fair Political Practices Commission are contained in Sections 18110  
through 18997 of Title 2 of the California Code of Regulations, and all regulatory references are to this source.

1 Need for Liberal Construction and Vigorous Enforcement of the Act

2 When enacting the Act, the people of California found and declared that previous laws regulating  
3 political practices suffered from inadequate enforcement by state and local authorities.<sup>2</sup> Thus, it was  
4 decreed that the Act “should be liberally construed to accomplish its purposes.”<sup>3</sup> One purpose of the Act  
5 is to promote transparency by ensuring that receipts and expenditures in election campaigns are fully and  
6 truthfully disclosed so that voters are fully informed and improper practices are inhibited.<sup>4</sup> Another  
7 purpose is to provide adequate enforcement mechanisms so that the Act will be “vigorously enforced.”<sup>5</sup>

8 Major Donor Committee

9 A person qualifies as a major donor committee when she makes contributions totaling \$10,000 or  
10 more in a calendar year to or at the behest of candidates or committees.<sup>6</sup>

11 24-Hour Contribution Reports

12 A late contribution is a contribution that totals in the aggregate \$1,000 or more that is made to or  
13 received by a candidate, a controlled committee, or a primarily formed committee during the 90-day  
14 period preceding the date of the election, or on the date of the election, at which the candidate or measure  
15 is to be voted on.<sup>7</sup> Each candidate or committee that makes or receives a late contribution must report it  
16 to its filing officer within 24 hours of the time it is made or received.<sup>8</sup>

17 The 90-day period prior to the June 5, 2018 election began on March 7, 2018.

18 Liability

19 All reports and statements must be signed under penalty of perjury and verified by the filer.<sup>9</sup>

20 **SUMMARY OF THE FACTS**

21 This case was opened in response to an anonymous complaint alleging that Jurvetson had not  
22 filed 24-hour contribution reports to report her contributions to the Committee to Recall Judge Persky

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25 <sup>2</sup> Section 81001, subd. (h).

26 <sup>3</sup> Section 81003.

27 <sup>4</sup> Section 81002, subd. (a).

28 <sup>5</sup> Section 81002, subd. (f).

<sup>6</sup> Section 82013, subd. (c).

<sup>7</sup> Section 82036, subd. (a).

<sup>8</sup> Section 84203.

<sup>9</sup> Section 81004, subd. (a).

1 (the “Recall Committee”) (ID# 1386601), a primarily formed committee opened to support the recall of  
2 Aaron Persky from the bench of the Santa Clara County Superior Court on the June 5, 2018 ballot.

3 Jurvetson made four contributions totaling \$311,000 to the Recall Committee in 2018. Two of  
4 those four contributions were late contributions that were not timely disclosed on 24-hour contributions  
5 reports. The following is a chart with information concerning those late contributions:

<b>Date Made</b>	<b>Due Date</b>	<b>Date Filed</b>	<b>Amount</b>
March 15, 2018	March 16, 2018	June 25, 2018	\$50,000
May 2, 2018	May 3, 2018	June 25, 2018	\$170,000
		<b>Total</b>	<b>\$220,000</b>

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9 The Recall Committee timely filed 24-hour contribution reports to disclose Jurvetson’s two late  
10 contributions. Jurvetson late-filed a 24-hour contribution report for the two late contributions after  
11 receiving notice from the Enforcement Division that a complaint had been filed against her. That 24-hour  
12 contribution report was filed after the date of the election. Jurvetson contends that she had not qualified  
13 as a major donor committee prior to 2018 and was unaware of her obligation to file 24-hour contributions  
14 reports. Jurvetson further contends that she did not receive notification from the Recall Committee  
15 regarding her obligation to file the 24-hour contribution reports required by the Act.

### **VIOLATION**

#### **Count 1: Failure to Timely File 24-Hour Contribution Reports**

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18 Jurvetson failed to timely file two 24-hour contribution reports for a \$50,000 contribution made  
19 on March 15, 2018 and a \$170,000 contribution made on May 2, 2018, in violation of Government Code  
20 Section 84203.

### **PROPOSED PENALTY**

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22 This matter consists of one count. The maximum penalty that may be imposed is \$5,000 per count.

23 In determining the appropriate penalty for a particular violation of the Act, the Commission  
24 considers the facts of the case, the public harm involved, and the purpose of the Act. Also, the  
25 Commission considers factors such as: (a) the seriousness of the violation; (b) the presence or absence of  
26 any intention to conceal, deceive, or mislead; (c) whether the violation was deliberate, negligent, or  
27 inadvertent; (d) whether the violation was isolated or part of a pattern; (e) whether corrective amendments

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1 voluntarily were filed to provide full disclosure; and (f) whether the violator has a prior record of  
2 violations.<sup>10</sup>

3 This violation resulted in a lack of transparency for the public into Jurvetson's campaign  
4 activities, as Jurvetson failed to provide any disclosure prior to the election and provided delayed  
5 disclosure after. However, there is no evidence of an intention to conceal, deceive, or mislead the public.  
6 The violations seem to have been negligent, as Jurvetson voluntarily filed a 24-hour contribution report  
7 for her two late contributions soon after receiving contact from the Enforcement Division. These  
8 violations seem to be isolated incidents. Jurvetson contends that she has made contributions primarily to  
9 federal political committees which do not impose disclosure requirements on contributors. Lastly,  
10 Jurvetson does not have prior enforcement history.

11 The Commission also considers penalties in prior cases with comparable violations. Recent cases  
12 with similar violations include the following:

13 Count 1

14 *In the Matter of Siemens Mobility, Inc.*; FPPC No. 17/102. (The Commission approved a  
15 stipulated agreement on November 15, 2018.) Respondent self-reported that it had failed to timely file  
16 two 24-hour contribution reports for two \$50,000 late contributions it made to two recipient committees,  
17 totaling \$100,000. Those two recipient committees properly reported the late contributions on their 24-  
18 hour contribution reports. The Commission approved a penalty of \$2,000 for failure to timely file two  
19 24-hour contribution reports.

20 Like *Siemens Mobility*, Jurvetson failed to timely file two 24-hour contribution reports, but the  
21 recipient committee in this case also properly reported the late contributions on their 24-hour contribution  
22 reports, giving the public some notice prior to the election. Unlike *Siemens Mobility*, Jurvetson did not  
23 self-report her violations, and the non-reported late contributions totaled \$220,000. Therefore, a penalty  
24 of \$3,000 is recommended for Count 1.

25 **CONCLUSION**

26 Complainant, the Enforcement Division of the Fair Political Practices Commission, and  
27 Respondent Karla Jurvetson hereby agree as follows:

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<sup>10</sup> Regulation 18361.5, subd. (d).

1           1.       The Respondent violated the Act as described in the foregoing pages, which are a true and  
2 accurate summary of the facts in this matter.

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

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

8           4.       The Respondent has consulted with her attorney, Beverly Grossman Palmer of  
9 Strumwasser & Woocher LLP, and understands, and hereby knowingly and voluntarily waives, any and  
10 all procedural rights set forth in Sections 83115.5, 11503, 11523, and Regulations 18361.1 through  
11 18361.9. This includes, but is not limited to the right to appear personally at any administrative hearing  
12 held in this matter, to be represented by an attorney at the Respondent’s own expense, to confront and  
13 cross-examine all witnesses testifying at the hearing, to subpoena witnesses to testify at the hearing, to  
14 have an impartial administrative law judge preside over the hearing as a hearing officer, and to have the  
15 matter judicially reviewed.

16           5.       The Respondent agrees to the issuance of the decision and order set forth below. Also, the  
17 Respondent agrees to the Commission imposing against it an administrative penalty in the amount of  
18 \$3,000. One or more credit/debit card payments, cashier’s checks, or money orders totaling said  
19 amount—to be paid to the General Fund of the State of California—is/are submitted with this stipulation  
20 as full payment of the administrative penalty described above, and same shall be held by the State of  
21 California until the Commission issues its decision and order regarding the matter.

22           6.       If the Commission declines to approve this stipulation—then this stipulation shall become  
23 null and void, and within fifteen business days after the Commission meeting at which the stipulation is  
24 rejected, all payments tendered by the Respondent in connection with this stipulation shall be reimbursed  
25 to the Respondent. If this stipulation is not approved by the Commission, and if a full evidentiary hearing  
26 before the Commission becomes necessary, neither any member of the Commission, nor the Executive  
27 Director, shall be disqualified because of prior consideration of this Stipulation.

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1 7. The parties to this agreement may execute their respective signature pages separately. A  
2 copy of any party's executed signature page including a hardcopy of a signature page transmitted via fax  
3 or as a PDF email attachment is as effective and binding as the original.

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5 Dated: \_\_\_\_\_  
6 Galena West, Chief of Enforcement  
7 Fair Political Practices Commission

8 Dated: \_\_\_\_\_  
9 Karla Jurvetson, Respondent  
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1 The foregoing stipulation of the parties “In the Matter of Karla Jurvetson,” FPPC No. 18/1562, is hereby  
2 accepted as the final decision and order of the Fair Political Practices Commission, effective upon  
3 execution below by the Chair.

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5 IT IS SO ORDERED.

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7 Dated: \_\_\_\_\_

\_\_\_\_\_ Richard C. Miadich, Chair  
8 Fair Political Practices Commission  
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