

February 6, 2020

Kathryn Burton
4106 Via Mar de Delfinas
San Diego, CA 92130

VIA U.S. AND ELECTRONIC MAIL

Mat Wahlstrom
3925-½ Centre Street
San Diego, CA 92103

Re: Ethics Commission Case No. 2020-10

Dear Ms. Burton and Mr. Wahlstrom:

Earlier today the San Diego Ethics Commission received your complaint alleging that Todd Gloria and the San Diego County Democratic Party [SDCDP] violated the City's campaign laws. Pursuant to the Ethics Commission Investigation and Enforcement Procedures set forth at San Diego Municipal Code section 26.0420, et seq., I conducted a Preliminary Review of your complaint to determine whether to seek the Commission's authorization to commence an investigation.¹ The purpose of the Preliminary Review is to determine whether a complaint contains factual allegations concerning a violation of local governmental ethics laws by a person over whom the Commission has jurisdiction.

In your complaint, you allege that the City's campaign laws were violated because: (1) Mr. Gloria established a second committee (Todd Gloria for Assembly 2020); (2) funds raised by the second committee were donated to the San Diego County Democratic Party [SDCDP], and; (3) the SDCCDP spent money to support Mr. Gloria's mayoral candidacy. You contend that Mr. Gloria used the second committee "to launder money through the SDCCDP to support his mayoral campaign from donors who cannot lawfully donate to his mayoral campaign."

During my review of the complaint, I considered the following:

- Nothing in state or local campaign laws prohibits a City candidate from opening a second committee for a different election.

¹ The Commission's Investigative and Enforcement procedures require that I expedite the Preliminary Review when a complaint is received within 90 days of an election. SDMC § 27.0422(c).

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- Although the Ethics Commission does not have jurisdiction over the Todd Gloria for Assembly 2020 committee, state law does not prohibit candidates from using campaign funds to make contributions to political party committees. Therefore, it is not necessary or appropriate to refer the allegation to the California Fair Political Practices Commission. Cal. Gov't Code § 89512.
- Campaign disclosure statements filed by the SDCDP with the Secretary of State confirm that it made payments to support Mr. Gloria's mayoral campaign. Nothing in these disclosure statements suggests that such payments violated the City's campaign laws, nor have you provided any information to support such an allegation.

In summary, the actions described in the complaint are permissible under state and local law and do not support an allegation that funds were unlawfully "laundered" to support Mr. Gloria's mayoral candidacy. In other words, the complaint does not contain sufficient facts to support an allegation that the City's campaign laws may have been violated. As a result, I have concluded that the allegations in the complaint do not warrant a formal investigation, and that this matter is not appropriate for consideration by the Commission.

Sincerely,



Stacey Fulhorst
Executive Director