



FEDERAL ELECTION COMMISSION
 WASHINGTON, D.C. 20463

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
 Cal Voters for Honest Government and) MUR 6828
 Johnny Diaz, Jr. in his official capacity as)
 treasurer)
)
)
)

STATEMENT OF REASONS OF COMMISSIONER ELLEN L. WEINTRAUB

This matter involved activity from the 2014 election cycle. Though the Commission’s Office of General Counsel (“OGC”) circulated its analysis and recommendations to the Commission in early 2015, we did not vote on the allegations until *four years* later.¹ The record clearly shows that OGC staff did their job. The responsibility for the delay rests squarely with certain commissioners (although some of us tried repeatedly to move the ball forward). Once we were finally able to hold a vote, we unanimously found reason to believe that Cal Voters for Honest Government and Johnny Diaz, Jr. in his official capacity as treasurer (“Cal Voters” or “the Committee”) failed to include required disclaimers on its communications and that the Committee fraudulently solicited funds by misrepresenting itself as a campaign committee.²

The Federal Election Campaign Act of 1971, as amended (the “Act”) requires that public communications that expressly advocate the election or defeat of a clearly identified candidate or that solicit contributions through certain types of media include disclaimers stating who paid for the communication.³ If the communication is not authorized by a candidate or candidate committee, the disclaimer must say so and must provide an address, phone number, or website of the payor.⁴ The Act also prohibits any person from fraudulently misrepresenting themselves as speaking, writing, or otherwise acting for or on behalf of any candidate for the purpose of soliciting contributions.⁵

Cal Voters registered with the FEC as a super PAC in the early spring of 2014.⁶ At the time, Joe Baca was a candidate for the U.S. House of Representatives in the 2014 primary for California’s

¹ See First Gen. Counsel’s Rpt. In MUR 6828 (Cal Voters for Honest Government, *et al.*), dated Feb. 4., 2015 (“FGCR”); Certification in MUR 6828 (Cal Voters for Honest Government, *et al.*), dated March 26, 2019 (“March 2019 Cert.”).
² See March 2019 Cert.
³ 52 U.S.C. § 30120.
⁴ *Id.*
⁵ *Id.* § 30124(b).
⁶ See FGCR at 3 and internal citations.


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31st Congressional District.⁷ The Complaint alleged that Cal Voters failed to include disclaimers on a series of mailers, a website, and a billboard supporting Baca's candidacy.⁸ OGC determined the Committee's communications lacked adequate disclaimers and that its messaging, logo, and use of Baca's name in the title of its website suggests the Committee may have fraudulently solicited funds. We therefore found reason to believe that Cal Voters violated the Act and instructed OGC to investigate the allegations, during which time it sought to determine who operated Cal Voters, the level of financial activity that may have stemmed from potential fraudulent misrepresentation, and the scope of communications that lacked proper disclaimers.⁹

The investigation confirmed the Commission's preliminary findings that Cal Voters failed to include the required disclaimers on its communications and that it used Baca's name to solicit contributions.¹⁰ The investigation also revealed that Cal Voters may have violated additional provisions of the Act.¹¹

Despite the diligent efforts of our attorneys, the *four years* this matter collected dust meant we were left with little time to pursue Cal Voters' violations before the five-year statute of limitations expired. It is unfortunate. Without that lengthy and unreasonable obstruction, the Commission might have been able to take meaningful action. Instead, my former colleagues' inexcusable delay means another respondent will not be held accountable for blatant violations of the law.

September 17, 2021
Date


Ellen L. Weintraub
Commissioner

⁷ *See id.*

⁸ *See id.* at 2.

⁹ *See* Second Gen. Counsel's Rpt. In MUR 6828 (Cal Voters for Honest Government, *et al.*), dated June 7, 2021.

¹⁰ *See id.* at 13. The investigation also revealed that most of the Committee's contributions came from the individuals who established the Committee; fortunately, few donors were deceived by the misleading solicitations. *See id.*

¹¹ *See id.* at 17.