

CITY OF OAKLAND



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Public Ethics Commission
Enforcement Unit

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October 4, 2017

Jean Quan
Re-Elect Mayor Quan 2014



Re: PEC Case No. 15-02a; Warning Letter

Dear Ms. Quan:

On January 5, 2015, the Commission received a sworn complaint alleging that your committee Re-Elect Mayor Quan 2014 violated the Oakland Campaign Reform Act (OCRA) by receiving contributions in excess of the contribution limit from the Bay Area Citizens Political Action Committee (Bay Area Citizens PAC) and The Milo Group of California, Inc. (Milo Group).

The PEC has completed its investigation into the allegation and found the following. You were a candidate for Mayor in the November 2014 election, Re-Elect Mayor Quan 2014 was your committee for that election, and you accepted the voluntary expenditure ceiling for that election. In 2013 and 2014, you and Re-Elect Mayor Quan 2014 received contributions totaling \$1,400 from the Bay Area Citizens PAC and \$700 from the Milo Group. At the time of the contributions, the Bay Area Citizens PAC and the Milo Group shared two officers.

For the November 2014 election, a candidate for Mayor who accepted the voluntary expenditure ceiling and the candidate's committee were prohibited from receiving contributions in excess of \$700 from any single source.¹ Any entities that shared two or more officers were considered a single source for purposes of the contribution limit.² Therefore a candidate for Mayor in the November 2014 election who accepted the voluntary expenditure ceiling and the candidate's committee were prohibited from

¹ OCRA § 3.12.050. All statutory references and discussions of law pertain to provisions as they existed at the time of the violation

² OCRA § 3.12.080(B)(2).

accepting more than \$700 from any single source, including any committees that shared two or more officers.

By accepting contributions totaling \$2,100 from the Bay Area Citizens PAC and the Milo Group, entities that shared two officers at the time of the contributions, you and Re-Elect Mayor Quan 2014 exceeded the \$700 contribution limit by \$1,400 and violated OCRA section 3.12.050.

The PEC has decided to close this matter with this warning letter in lieu of imposing a penalty for the following reasons: 1) you timely reported all the relevant contributions; 2) you were unsuccessful in the election and are no longer a City official; 3) Re-Elect Mayor Quan 2014 no longer exists; and 4) the Bay Area Citizens PAC and the Milo Group have been held liable by the Commission for making the unlawful contributions to you and Re-Elect Mayor Quan 2014.³

The information in this case will be retained and may be used against you and the committee should an enforcement action become necessary due to newly discovered information or your failure to comply with the contribution limit in the future. Your failure to comply with the contribution limit in the future will result in the imposition of administrative penalties by the PEC of up to \$5,000 per violation or three times the amount of the unlawful contributions, whichever is greater.

This warning letter is a PEC case resolution without a monetary penalty, but does not provide you with an opportunity for a full hearing before the PEC. If you wish to avail yourself to a full hearing process by requesting that this case proceed with further enforcement rather than a warning, please notify me in writing within 10 days from the date of this letter. If I do not receive such notification within 10 days in writing, this warning letter will remain in effect and the matter will be closed.

If you would like further information or have additional information regarding this matter, you can reach me at (510) 238-4976 or mdalju@oaklandnet.com.

Sincerely,

Milad Dalju
Deputy Director and Chief of Enforcement
City of Oakland Public Ethics Commission

³ On March 7, 2016, the PEC approved a settlement agreement with the Bay Area Citizens PAC and the Milo Group. A copy of the approved settlement agreement can be found on the PEC's website: <http://www2.oaklandnet.com/oakca1/groups/ceda/documents/report/oak057337.pdf>