



May 30, 2019

Fair Political Practices Commission
Enforcement Division
1102 Q Street, Suite 3000
Sacramento, CA 95811
Attn: Galena West, Esq.

Re: Formal Complaint Regarding Failure to Disclose Public Resources to
Promote Passage of June 4, 2019 Measure EE School Parcel Tax in Los
Angeles Unified School District

Dear Ms. West:

This is a Formal Complaint and demand for immediate investigation on behalf of Howard Jarvis Taxpayers Association and its President, Jon Coupal, pursuant to FPPC Regulation 18420.1. Los Angeles Unified School District (LAUSD), a public agency, has been funding political campaign communications and advertisements to promote passage of the 16 cent per square foot of improved space per parcel, an estimated \$500 million parcel tax for properties lying within the Los Angeles Unified School District boundaries. The LAUSD has not filed any campaign reports for its activity.

This complaint is made pursuant to Government Code section 83115. We request the FPPC investigate and commence civil or administrative action against the LAUSD based on its failure to comply with the Political Reform Act as described below. Pursuant to section 83115 of the Act, we also respectfully request the FPPC notify us in writing of the action the FPPC has taken or will take on this sworn complaint. **Time is of the essence in this matter: Election Day is June 4, 2019.**

Under California statutory law, including Education Code 7054, school districts are strictly prohibited from engaging in political advocacy using public resources. No use may be made of school property, funds, personnel, supplies or equipment "for the purpose of urging the support or defeat of any ballot measure."

LAUSD has a video of the Superintendent, Austin Beutner, specific to Measure EE on the District website: <https://achieve.lausd.net/Page/15133>

LAUSD has allowed vinyl banners to be affixed to school property advertising the upcoming election for Measure EE. Included on the banner is a website without

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disclosure of who paid for the banner. Photos of several of the banners attached to school property are on the following pages.





















School marquis have also been used to advertise for the upcoming Measure EE are also attached for reference.











LAUSD has funded mailings to property owners with applications for Senior Exemptions to the proposed parcel tax, copies of which are on the following pages including the envelope used showing it was directly sent by LAUSD.



LOS ANGELES UNIFIED SCHOOL DISTRICT
333 South Beaudry Avenue, 24th Floor
Los Angeles, California 90017
Telephone: (213) 241-7000 | Fax: (213) 241-8442



AUSTIN BEUTNER
Superintendent

Important Measure EE Senior Exemption Information for Homeowners Age 65 and Older

Dear Resident,

On June 4th, voters residing within the boundaries of Los Angeles Unified will be able to participate in a special election and vote on Measure EE, a local school funding parcel tax measure. If approved by two-thirds of voters, Measure EE would levy 16 cents per square foot of buildings located on properties within Los Angeles Unified boundaries for a term of 12 years. However, a full exemption from the cost of Measure EE is available to homeowners age 65+ and certain low-income residents with disabilities.

Measure EE funding would be used to improve local schools by reducing class sizes; attracting and retaining high-quality teachers and school employees; and providing quality instructional programs and resources, and safe, secure, clean, well-maintained, supportive, and welcoming schools.

Senior Citizen Exemption — Eligibility Form Enclosed

All homeowners age 65 and older are eligible for a full exemption from the cost of Measure EE for their primary residences.

Please complete the enclosed Senior Exemption Form and submit to Los Angeles Unified on or before July 1, 2019 if you wish to be exempted from the cost of Measure EE for the 2019-20 tax year (mailing address included on attached form). This information will be utilized to determine your eligibility for the exemption. Additional information, including an in-person submission may be required. If so, you'll be contacted by or on behalf of Los Angeles Unified.

Applicants who are exempted will automatically be exempted for the duration of Measure EE as long as you continue to own and occupy the property listed on your application as your principal place of residence. Instructions for qualifying for the exemption are included in this mailing.

Regardless of whether you file for a senior exemption from Measure EE, and how you plan to vote, you are permitted and encouraged to vote in the June 4, 2019 special election.

For more information about the senior exemption, call: (213) 241-7889 or email: accounting-info@lausd.net or visit MeasureEELAUSD.org.

Sincerely,

A handwritten signature in blue ink, appearing to read "Austin Beutner".

Austin Beutner
Superintendent

Estos documentos están disponibles en español en: MeasureEELAUSD.org, o en la Oficina del Distrito Unificado de Los Ángeles: 333 S. Beaudry Ave., Piso 26, Los Angeles, CA 90017.

**LOS ANGELES UNIFIED SCHOOL DISTRICT MEASURE EE
SCHOOL FUNDING PARCEL TAX
SENIOR CITIZEN EXEMPTION APPLICATION**

APPLICATION DUE ON OR BEFORE July 1, 2019

Mail, fax, or email the signed, completed application, with attachments to:
Los Angeles Unified School District
Attention: Accounting/Parcel Tax*
333 S. Beaudry Ave., 26th Floor
Los Angeles, CA 90017
Fax: (213) 241-6822
Email: accounting-info@lausd.net

Property Owner's Name: _____ Date of Birth: _____

Co-Owner's Name (if applicable): _____ Date of Birth: _____

(If there is more than one co-owner, you may write "see attached" and attach a separate sheet)

Assessor's Parcel Number (AIN #): _____ If you own one or more
parcels "contiguous" (immediately adjacent) to the main parcel, list the AIN number(s) or write "see
attached" and attach a separate sheet (a property tax bill is required for each parcel):

Property Address: _____

Phone Number: _____ Email Address: _____

1. Please attach a copy of one of the following legal documents indicating that you will be at least 65 years of age by July 1, 2019, which reflects the property address:

☐ Valid Driver's License ☐ California ID Card ☐ Passport

2. Please attach a copy of one of the following documents indicating that the property is your primary place of residence (Remit slip must be included):

☐ Utility Bill ☐ Social Security Check ☐ Insurance Policy

3. Please attach a copy of your current property tax bill indicating that you own the property.

This information will be utilized to determine your eligibility for the exemption.

Additional information, including an in-person submission may be required. If so, you'll be contacted by or on behalf of Los Angeles Unified.

I declare under penalty of perjury that I personally own the property for which I am claiming the exemption from the Measure EE Parcel Tax, that I use it as my primary place of residence, that this application is, to the best of my knowledge, correct and complete, and may be verified/audited at any time during the tax year by, or on behalf of school district officials.

Property Owner's Signature _____

Date _____

**LOS ANGELES UNIFIED SCHOOL DISTRICT MEASURE EE
SCHOOL FUNDING PARCEL TAX
SENIOR CITIZEN EXEMPTION APPLICATION INSTRUCTIONS**

1. This exemption is for property owners who are 65 years of age or older by July 1, 2019 and occupy the parcel as their primary residence for single-family residential purposes. The exemption applies to one parcel only. Rental properties and non-primary properties (vacation home, second home, and rentals) are not eligible for the exemption.
2. You only need to apply one time for the Senior Citizen Exemption. If your application is approved, you will be eligible to receive the Senior Citizen Exemption for the entire term of Measure EE, as long as you continue to own and occupy the property listed on your application as your principal place of residence.
3. If you sell your primary residence or purchase a new home to use as your primary residence, you must re-file for a senior exemption for the new property.
4. To find your Parcel Number, look for the 10-digit number ("XXXX-XXX-XXX") on your property tax bill; or call the County Assessor at (213) 974-3211.
5. Mail, fax, or email the signed, completed application, with attachments to:

Los Angeles Unified School District
Attention: Accounting/Parcel Tax*
333 S. Beaudry Ave., 26th Floor
Los Angeles, CA 90017
Fax: (213) 241-6822
Email: accounting-info@lausd.net
6. **Return by July 1, 2019** for Tax Year 2019/20. Applications received after this date will be submitted for the following tax year.
7. Confirmation letters will be mailed to all applicants who qualify for an exemption.
8. If you have questions, please call: (213) 241-7889 or email: accounting-info@lausd.net or visit MeasureEELAUSD.org

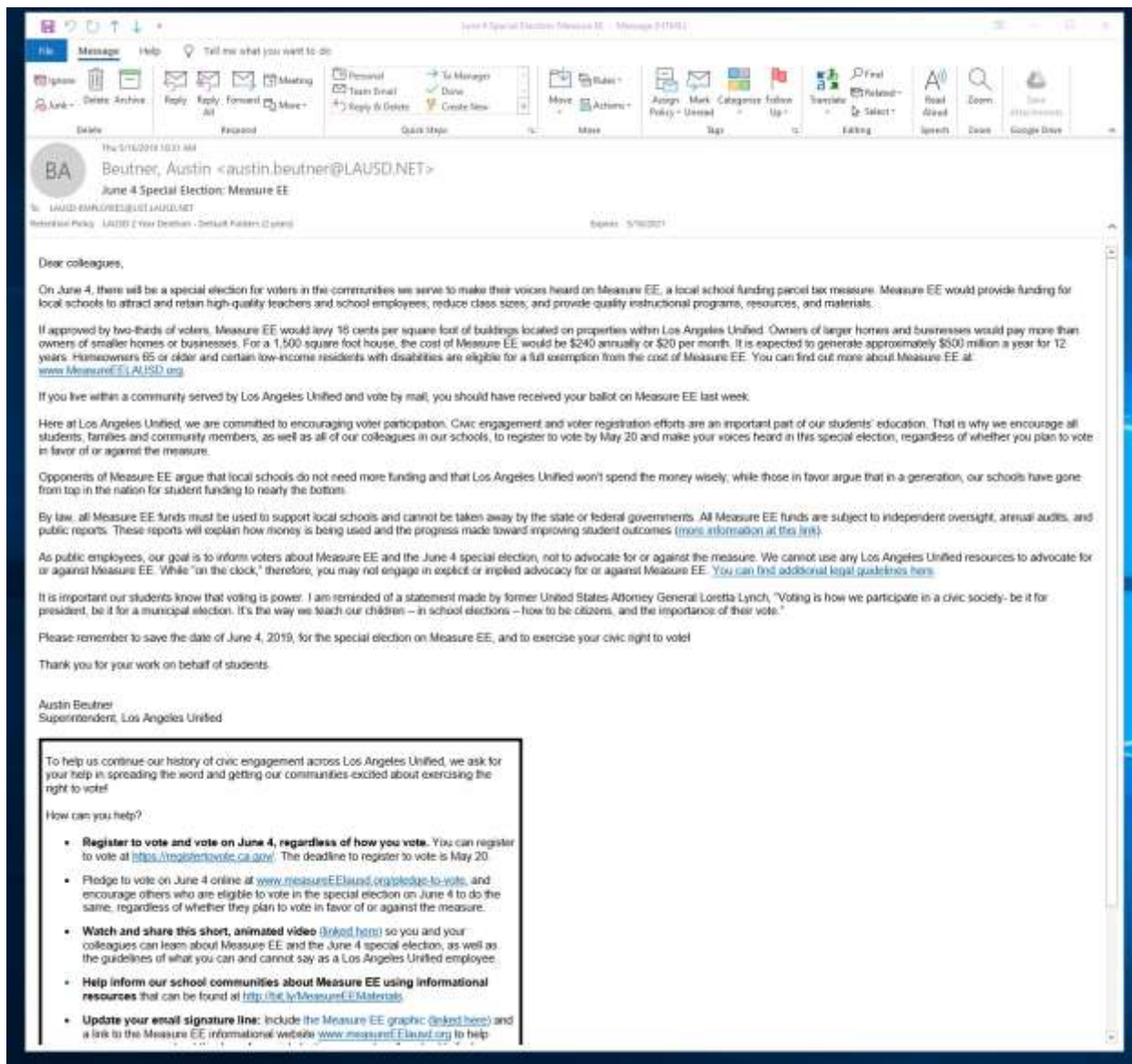
Estos documentos están disponibles en español en: MeasureEELAUSD.org, o en la Oficina del Distrito Unificado de Los Angeles: 333 S. Beaudry Ave., Piso 26, Los Angeles, CA 90017.

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Superintendent, Austin Beutner, has used the LAUSD Employee email directory to send emails regarding Measure EE to district staff during school hours, a copy of the email sent May 16, 2019 at 10:31am is below for reference.

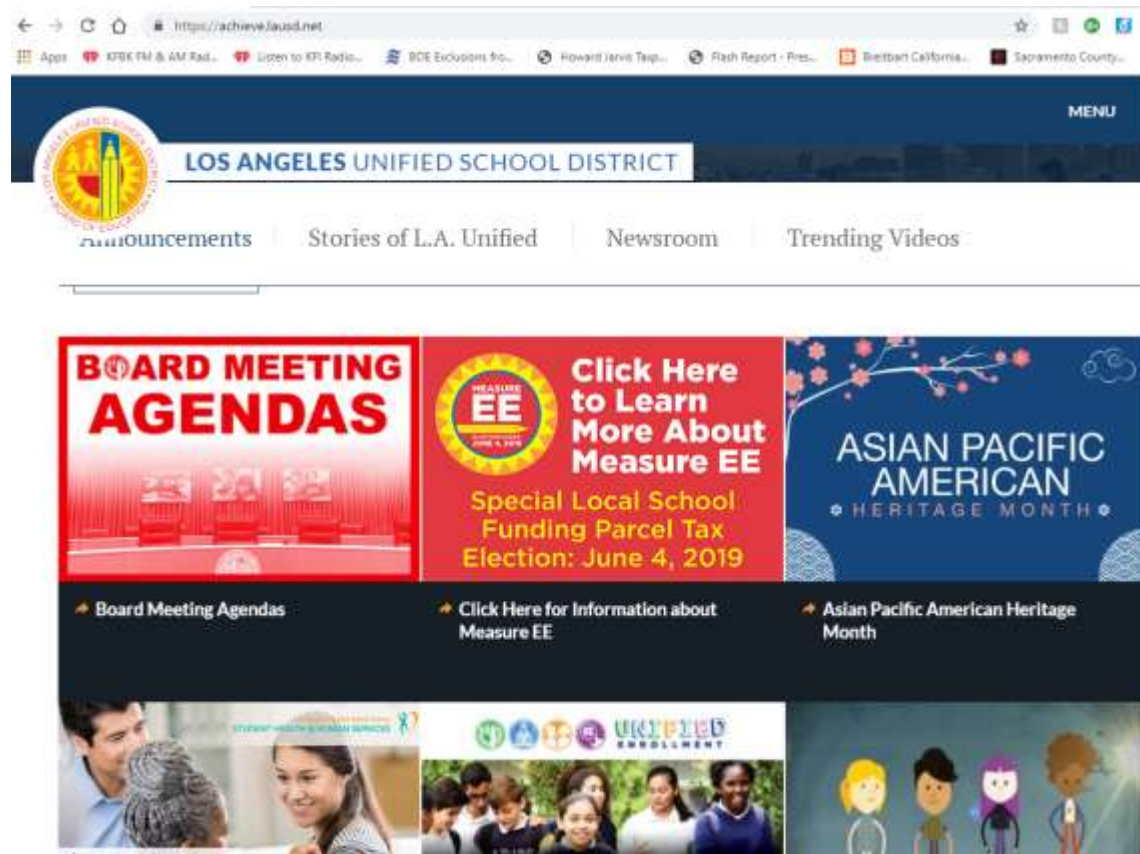


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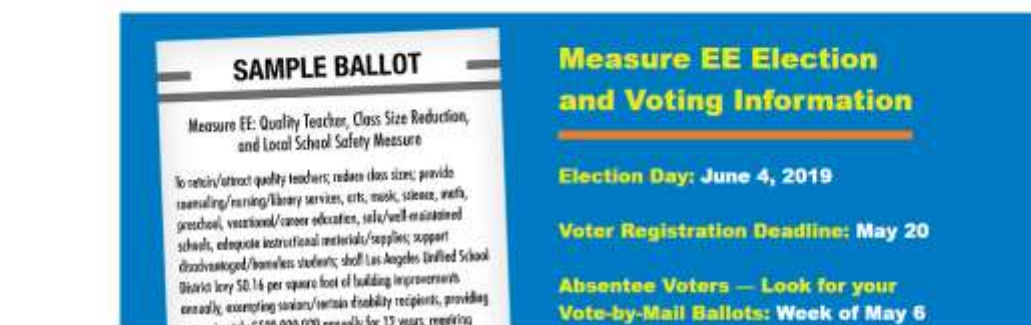
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The official website of LAUSD: <https://achieve.lausd.net/> is promoting the passage of EE and contains a link to the Measure EE homepage <https://www.measureee.org/about-measure-ee> which does not contain a disclosure of the page sponsor.





Election Information



In determining whether a publicly funded communication is a political advertisement, FPPC Regulation 18420.1(b) provides that a “communication paid for with public moneys by a state or local governmental agency unambiguously urges a particular result in an election... [where]... considering the style, tenor, and timing of the communication, it can be reasonably characterized as campaign material and is not a fair presentation of facts serving only an informational purpose.” (Emphasis added.) The California Supreme Court in *Stanson v. Mott* (1976) 17 Cal.3d 206,220 opined that publicly-funded communications must “necessarily include all consequences, good and bad, of the proposal, not only the anticipated improvement..., but also the increased tax rate and such other less desirable consequences as may be foreseen.” (Emphasis added.) In *League of Women Voters v. Countywide Crim. Justice Coordination Co.* (1988) 203 Cal.app.3d 529, 554 the Court of Appeal held that a public entity’s communications should be treated as political “advocacy” where they promote “a single view in an effort to influence the electorate.”

Here, each of the communications distributed or displayed by LAUSD express a single, unambiguous viewpoint - *Vote ‘Yes’ on Measure EE*. Using expressive words and phrases like “Supporting Quality Teachers;” “Class Size Reduction;” and “School Safety,” there can be no other interpretation of these advertisements, other than soliciting a ‘yes’ vote on Measure EE. Additionally, the communications are in no way a “fair presentation” of facts that serve only an informational purpose. Because the communications funded by LAUSD unambiguously urge a particular result on the

Measure EE election, the communications are political advertisements subject to the ACT. LAUSD, therefore maintains an express reporting obligation under the Political Reform Act and FPPC Regulations to disclose the communications as either “contributions” or “independent expenditures” benefitting the Yes on Measure EE effort.¹

One of the express purposes of the Act is to prevent corruption of the political process. To accomplish this mandate, the Act requires, among other things, that “[r]eceipts and expenditures in election campaigns...be fully and truthfully disclosed in order that the voters may be fully informed and improper practices may be inhibited.” (Gov. Code § 81002(a).) Here, LAUSD maintains a campaign disclosure obligation even though its political expenditures supporting Measure EE may be illegal. (See, e.g., Penal Code, § 424 [Misappropriation of public funds “punishable by imprisonment in the state prison for two, three or four years”]; Gov. Code, § 54964(a) [“An officer, employee, or consultant of a local agency may not expend or authorize the expenditure of any of the funds of the local agency to support or oppose the approval or rejection of a ballot measure... by the voters”]; Gov. Code, § 8314 [“It is unlawful for any elected state or local officer, including any state or local appointee, employee or consultant, to use or permit others to use public resources for a campaign activity...”]) The reason that the school district may not advocate for voters to adopt Measure EE is that our Constitution has long recognized the damage to both the public trust and the integrity of the electoral process that results when public official use community resources to influence the vote. The California Supreme Court stated nearly 40 years ago in *Stanson v. Mott*:

A fundamental precept of this nation’s democratic electoral process is that the government may not ‘take sides’ in election contests or bestow an unfair advantage on one of several competing factions.

(*Stanson, supra*, 17 Cal.3d at 217.)

Regulation 18420.1 provides specifically that a “local governmental agency that qualifies as a committee under Section 82013 shall file campaign statements and reports pursuant to Chapter 4 and any other relevant provisions of the Act.” The school district has unquestionably met section 82013 threshold for committee status (“Makes independent expenditures total \$1,000 or more in a calendar year; or Makes contributions totaling \$10,000 or more in a calendar year to or at the behest of candidates or committees”). By failing to properly disclose its political expenditures required by the Act, the LAUSD has deprived the public of their right to know the

¹ The Act and FPPC Regulations require detailed reporting the direct and indirect costs of planning, producing and distributing the communications, including the salaries and expenses of LAUSD employees and consultants related to production of the advertisements. (Cal. Code Regs. § 18420.1.) Indirect costs of a communication are costs reasonably related to designing, producing, printing, or formulating the content of communication including, but not limited to, payments for polling or research; payments for computer usage, software, or programming; and payments for the salary, expenses, or fees of the agency’s employees, agents, vendors, and consultants,”

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sources of the campaign dollars spent attempting to influence their vote on Measure EE.

Furthermore, the LAUSD communications have also violated the Political Reform Act by failing to include properly identifying information as to who “paid for” them. The Act requires communications supporting or opposing ballot measures carry disclaimers identifying the source of their funding. (Gov. Code § 84506; 2 Cal. Code Regs. § 18450.4(b)(3)(A) [The disclaimer for video advertisements “shall be both written and spoken either at the beginning or at the end of the communication, except that if the disclosure statement is written for at least five seconds of broadcast of thirty seconds or less or ten seconds of a sixty second broadcast, a spoken disclosure statement is not required”]; 2 Cal. Code Regs. § 18450.4(b)(3)(G)1 [Disclaimer requirements for electronic/digital media advertisements].) By failing to include identifying information on its communications advocating passage of Measure EE, the district has separately violated the Act.

By this letter, we request the FPPC immediately undertake an investigation to determine the severity of the school district’s violation relative to their failure to inform the voters that they are the funders of the advertisements supporting Measure EE by failing to file committee reports and failing to include appropriate advertising disclaimers. Indeed, the Act calls for “vigorous enforcement” (Gov. Code, § 81002(f)), and requires that the Act be liberally construed in favor of the purposes of the Act (Gov. Code, § 81003). If the Enforcement Division declines to pursue this matter, we respectfully request the FPPC/civil prosecutor authorize the complainant herein to bring a civil action to enforce the Act pursuant to section 91007(a)(2).

Please feel free to contact me if you have any questions or require additional information. Thank you in advance for your assistance.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Jon Coupal", is centered below the "Very truly yours," text.

Jon Coupal, President
Howard Jarvis Taxpayers Association

cc: Public Integrity Division, Los Angeles County District Attorney’s Office

VERIFICATION

The foregoing is true and correct or, if stated on information and belief, I believe it to be true and correct. Executed under penalty of perjury under the laws of the State of California this 30th day of May, 2019 at Sacramento, California.



Jon Coupal, President
Howard Jarvis Taxpayers Association (HJTA)

Complainant on behalf of HJTA and himself