

BY U.S. MAIL AND ELECTRONIC MAIL

February 19, 2026

Fair Political Practices Commission
Enforcement Division
1102 Q Street, Suite 3050
Sacramento, CA 95811

Email: Complaint@fppc.ca.gov

Response by Adam Verdin & Adam Verdin for Supervisor 2026
Complaint by Supervisor Jimmy Paulding (San Luis Obispo County)

Commission Intake Coordinator and Counsel:

This is an addendum to the Response to Complaint referenced above. The Response requested immediate dismissal of the Complaint, and this Addendum contains and references an article published today in the local online publication *New Times of San Luis Obispo County*, entitled "Paulding files campaign finance complaint against 4th District candidate Verdin."

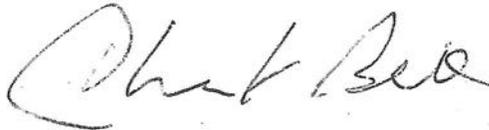
In the last paragraph of the article, Paulding retreats from his allegations of a campaign finance violation in his FPPC Complaint. He admits, "[Verdin] is exploiting a loophole allowing him to accept double the developer money because, like Lynn Compton before him, his campaign is largely financed by big developers whose projects he has publicly supported and whose interests his campaign is designed to protect."

This direct admission is, without acknowledgement, fatal to Complainant's complaint. It warrants an immediate dismissal or simply declination to initiate an investigation of the matter.

It's worth commenting that hiding behind the political label "loophole" is something tiringly familiar to the Commission and those of us who have worked with it. Of course, politics and speech allow for such "mischaracterizations." However, as my longer response to the Complaint makes clear, the "per election" contribution limit scheme that is a part of the Political Reform Act (as incorporated in the San Luis Obispo County Ordinance itself) is based on constitutional foundations. As the district court in the SEIU case cited in my Response made clear, the constitutional concerns are also founded on considerations of fairness, to challenger candidates and to the public. As pointed out in our Response, this "loophole" is a "feature," not a "bug" of the system. Among the benefits are giving challengers to incumbent candidates like Jimmy Paulding a fair chance to overcome those incumbent candidates' advantages.

My Response noted that some have characterized the Complainant's charge as a political smear. At this point, the more important point is that this Complainant's admission cited in the New Times article above is an unacknowledged repudiation of his legal claim. Whether or not it was a smear, clearly, he is trying to walk away quietly with stolen goods – he netted a bunch of headline stories in local TV, talk shows and newspapers under false pretenses. This was not in the public interest, and the damage should be ended by a rapid and public dismissal.

Very truly yours,

A handwritten signature in black ink, appearing to read "Chuck Bell". The signature is fluid and cursive, with a large initial "C" and "B".

Chuck Bell

charles.h.bell.jr@gmail.com

916-215-7757

CC: David Bainbridge, Chief, Enforcement Division

Dan Dow, District Attorney, County of San Luis Obispo

With Attachments A

Attachment A to Addendum to Response to FPPC Complaint

Paulding adv. Adam Verdin and Verdin for Supervisor 2026

New Times of San Luis Obispo – February 19, 2026

Paulding files campaign finance violation complaint against 4th District Supervisor opponent Verdin



by [Bulbul Rajagopal](#) February 19, 2026

The California Fair Political Practices Commission (FPPC) has been pulled into the heated San Luis Obispo County 4th District Supervisor race.

Incumbent South County Supervisor Jimmy Paulding issued a statement on Feb. 15 alleging that his opponent, Oceano business owner Adam Verdin, [accepted money from local development firm Covelop Inc.](#) that's double the legal state limit.

"The contribution is disclosed on a campaign filing signed by Verdin on Jan. 29, 2026, certifying under penalty of perjury that the report was 'true and complete,'" Paulding said in the statement. "There has been no public indication that the excess amount has been returned or otherwise remedied."

The supervisor laid out his allegation in a formal complaint to the FPPC and submitted a copy to the SLO County District Attorney's Office.

Shortly after assuming office in 2023, Paulding voted to decrease SLO County's previous \$25,000 cap on how much a single individual or entity could contribute to a campaign. He and other supervisors opted to match the state limit.

A single individual or entity can now contribute a maximum of \$5,900 to one election campaign, according to the FPPC's limit for 2025-26.

Verdin told *New Times* that Covelop's payments were "perfectly lawful" because they are for different elections.

"The county did not modify the limit or create an entirely new law that would have created an overall \$5,900 limit for a county supervisorial race of for 2026," he said.

Verdin's campaign finance filings show he received \$11,800 from Covelop over four installments in 2025.

On Sep. 25, 2025, the firm made two separate payments of \$2,950 to Verdin's campaign earmarked for the 2026 primary election. At the time, the 4th District race had a third candidate—Family Paralegal Associates owner Tyler Brewer—also vying for the seat.

Two days after Covelop's first set of payments, Brewer announced he was dropping out of the race and endorsing Verdin.

On Oct. 10, 2025, Covelop made two more payments of \$2,950 to Verdin's campaign—labeling the second total of \$5,900 for the general election in November.

A third candidate could still enter the race and make way for a general election if they file all the required documents by March 6.

“By accepting the \$5,900 general election contribution, our campaign may not spend the money until a general election,” Verdin said. “If no general election is required, state law provides for the return of the contribution to the donor or reallocation of the unused funds for a future campaign.”

He pointed to state Government Code Section 85301 that specified the contribution limits for a person donating to an election candidate applies “per election.”

“Supervisor Paulding must not have read the Verdin campaign report or does not understand the very state campaign law the county adopted in its own county ordinance 3487, that adopted the state law in 2023,” Verdin said.

Paulding has also criticized Verdin for accepting money from developers like Covelop, its in-house broker and general contractor Patrick Arnold, and NKT Commercial, which oversees the controversial Dana Reserve project.

In a Feb. 17 letter to *New Times*, Generation Build founder Michael Massey accused Paulding of spreading misinformation about Verdin's alleged violation and creating a “pattern of political intimidation.”

“By publicly insinuating wrongdoing where none exists, Supervisor Paulding appears to be sending a message to local businesses and community members: support his opponent at your own risk,” Massey wrote. “The irony is also striking. Residents will recall how Paulding's political influence was exercised in support of favored projects, including the controversial battery plant proposal in Nipomo, where Paulding's backdoor maneuvering appears to have advanced the project despite substantial safety concerns.”

Massey claimed Generation Build would soon release a complaint alleging “political ethics violations and the improper use of taxpayer resources.”

Paulding told *New Times* that the election between him and Verdin would be decided in June, just as it was in 2018 and 2022 when he ran against former 4th District Supervisor Lynn Compton.

“[Verdin] is exploiting a loophole allowing him to accept double the developer money because, like Lynn Compton before him, his campaign is largely financed by big developers whose projects he has publicly supported and whose interests his campaign is designed to protect.” Δ