



## FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329  
(916) 322-5660 • Fax (916) 322-0886

April 22, 2013

Cary Davidson, Esq.  
Flora S. Yin, Esq.  
Reed & Davidson, LLP  
o/b/o California Real Estate Independent Expenditure Committee,  
and M. Iqbal Bholat, Treasurer

# REDACTED

**Re: Warning Letter  
FPPC No. 12/928; California Real Estate Independent Expenditure  
Committee, and M. Iqbal Bholat**

Dear Mr. Davidson and Ms. Yin:

The Fair Political Practices Commission (the "FPPC") enforces the provisions of the Political Reform Act (the "Act")<sup>1</sup> found in Government Code section 81000, et seq. This letter is in response to a referral from the Lake Elsinore City Clerk that your clients, California Real Estate Independent Expenditure Committee (CREIEC), and M. Iqbal Bholat, failed to disclose CREIEC's street address on two mass mailings it sent in support of a candidate for Lake Elsinore City Council in the November 2012 election.

The Commission has completed its investigation of the facts in this case. Specifically, the FPPC found that your clients did not fully comply with the sender identification provisions of the Act as they apply to mass mailings, which are defined in Government Code section 820415 and Regulation 18435 as over two hundred substantially similar pieces of mail sent by a committee within a calendar month.

The Act prohibits committees from sending mass mailings unless the name, street address, and city of the committee are shown on the outside of each piece of mail. (Section 84305(a).) In October 2012, CREIEC paid for and sent two mailings supporting a candidate for the Lake Elsinore City Council, each of which was over two hundred substantially

---

<sup>1</sup> The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

similar pieces of mail within a calendar month. However, CREIEC's street address and city were not printed on either of the mailings.

Your clients' actions violated the Act because, as the sender of the mailings, your clients failed to properly include CREIEC's street address and city on the mailings. However, based on the specific facts of this case we are closing this matter with a warning letter. Each mailing identified the sender as "Paid for By the California Real Estate Independent Expenditure Committee" and, instead of CREIEC's street address and city, included the street address and city of the local affiliated realtors' association, who had requested that the mailings be sent in support of the local candidate. Additionally, as a state general purpose committee, your clients timely and properly filed CREIEC's pre-election campaign statement for the reporting period of October 1 - 20, 2012, in which your clients fully disclosed both mailings. Thus, it does not appear that your clients were avoiding identifying CREIEC as the sender of the mailings, and the public could determine who sent the mailings and review CREIEC's campaign statements for the disclosure details.

This letter serves as a written warning to your clients. The information in this matter will be retained and may be considered should an enforcement action become necessary based on future conduct or newly discovered information. Failure to comply with the provisions of the Act in the future will result in monetary penalties of up to \$5,000 for each violation.

A warning letter is an FPPC case resolution without administrative prosecution or fine. However, the warning letter resolution does not provide you with the opportunity for a probable cause hearing or hearing before an Administrative Law Judge or the Commission. If your clients wish to avail themselves of these proceedings by requesting that their case proceed with prosecution rather than a warning, please notify us within ten (10) days from the date of this letter. Upon this notification, the FPPC will rescind this warning letter and proceed with administrative prosecution of this case. If we do not receive such notification, this warning letter will be posted on the FPPC's website ten (10) days from the date of this letter.

Thank you for your courtesy and cooperation in this matter.

Sincerely,

**REDACTED**

Angela J. Brereton  
Senior Commission Counsel  
Enforcement Division