



FAIR POLITICAL PRACTICES COMMISSION

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August 12, 2014

California Real Estate Independent Expenditure Committee
c/o Cary Davidson, Esq.
Reed & Davidson, LLP

Warning Letter Re: FPPC No. 14/399; California Real Estate Independent Expenditure Committee

Dear Mr. Davidson:

The Fair Political Practices Commission (the "FPPC") enforces the provisions of the Political Reform Act (the "Act"),¹ found in Government Code section 81000, et seq. This letter is in response to a sworn complaint filed against California Real Estate Independent Expenditure Committee ("CREIEC") that alleged CREIEC failed to timely file a late independent expenditure report in connection with a billboard supporting Assembly candidate Steve Glazer.

The FPPC has completed its investigation of the facts of this case. Specifically, the FPPC found that CREIEC did not file a Form 496, Late Independent Expenditure Report, within 24 hours of the posting of billboards supporting Steve Glazer.

The Act requires a committee that makes a late independent expenditure of \$1,000 or more to report the expenditure within 24 hours. (Sections 82036.5; 84204.)

CREIEC violated the Act because the billboards appeared on or before May 2, 2014, but the late independent expenditure report for the billboards was not filed with the Office of the Secretary of State until May 6, 2014. In reviewing the facts, it appears that the company retained to post the billboards posted the billboard ads several days early and failed to notify CREIEC when it did so. CREIEC had no knowledge that the ads were posted prior to the contracted date. As a result, we are closing our file with a warning letter.

This letter serves as a written warning. The information in this matter will be retained and may be considered should an enforcement action become necessary based on newly discovered information or future conduct. 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.

¹ 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.

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 FPPC. If CREIEC wishes to avail itself of these proceedings by requesting that this case proceed with prosecution rather than a warning, please notify us within ten days from the date of this letter. Upon this notification, the FPPC will rescind the 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 days from the date of this letter.

Please feel free to contact me with any questions you may have regarding this letter.

Sincerely,



Milad Dalju
Commission Counsel
Enforcement Division

cc: Jerome C. Pandell