



FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329

(916) 322-5660 • Fax (916) 322-0886

October 1, 2014

Amber Maltbie
Nossaman LLP
o/b/o Assembly Candidate Katy Henry



RE: Warning Letter Re: FPPC Case No. 14/969; In the Matter of Katy Henry

Dear Ms. Maltbie:

The Fair Political Practices Commission (“FPPC”) enforces the provisions of the Political Reform Act (“Act”) ¹, found in Government Code section 81000, et seq. This letter is in response to your letter on behalf of your client, Ms. Kathleen “Katy” Henry, a candidate in the November 2014 General Election for the 40th Assembly District. You contacted us on Ms. Henry’s behalf because Ms. Henry used personal funds without first depositing them into her campaign bank account. Ms. Henry became aware that she violated the law in this regard when she attended one of the FPPC’s campaign disclosure training for candidates and sought counsel on remedying the problem.

Section 85201 requires individuals that file a statement of intention to run for election to establish a campaign contribution account into which all contributions to the candidate, including a candidate’s contributions or loans to herself, must be deposited and from which all campaign expenditures must be made. Your client’s actions violated the Act because she failed to deposit personal funds used for her campaign into her bank account prior to spending them. However, because your client has no prior violations and because she voluntarily alerted our agency to the matter and took steps to quickly amend campaign statements, we are closing your client’s case with this warning letter. 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. Although the FPPC is not seeking a penalty in the current matter, your client is responsible for any late filing fees assessed by Secretary of State. (Section 91013.)

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 Fair Political Practices Commission. If you wish to avail yourself of these proceedings by requesting that your 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. Although the FPPC is not seeking a penalty in the current matter, you are still responsible for any late filing fees assessed by your filing officer. (Section 91013.) The FPPC publishes forms and manuals to facilitate compliance with the provisions of the Act. If you need forms or a manual, or guidance regarding your obligations, please call the FPPC's Technical Assistance Division at 1-866-275-3772 or visit our website at www.fppc.ca.gov.

Please feel free to contact Adrienne Korchmaros at (916) 322-8241 with any questions you may have regarding this letter.

Sincerely,


Gary S. Winuk
Chief, Enforcement Division

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