



FAIR POLITICAL PRACTICES COMMISSION
1000 S. STANISLAUS AVENUE, SUITE 100
SACRAMENTO, CALIFORNIA 95833
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WWW.FPPC.CA.GOV

November 21, 2012

✓ Mr. Travis Allen
Ms. Lysa Ray, Treasurer
Travis Allen for Assembly 2012

REDACTED

Re: Warning Letter
FPPC No. 12/797, Travis Allen; Travis Allen for Assembly 2012; and Lysa Ray, Treasurer

Dear Mr. Allen and Ms. Ray:

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 complaint filed against you that alleged you and your committee failed to file 90-day election cycle reports and violated the limit on personal loans. We are closing this matter with a warning letter.

The FPPC has completed its investigation of the facts in this case. Specifically, the FPPC found that as of June 30, 2012, you had loaned your committee \$100,000. In September 2012, you reported another \$95,500 loan to your committee before the balance of the original loan was paid down.

Under the Act, a candidate for elective state office may not personally loan to his campaign, including the proceeds of a loan obtained by the candidate from a commercial lending institution, an amount, the outstanding balance of which exceeds \$100,000. Furthermore, a candidate may make a series of personal loans to his campaign as long as the outstanding balance does not exceed \$100,000 at the time of making the loans. If a candidate's personal loan balance has reached the \$100,000 limit, the loan balance must be reduced before the candidate may make any additional loans to his campaign. (Section 85307 and Regulation 18530.8(d).)

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.

Additionally, the FPPC found that you and your committee failed to file electronic reports pursuant to Section 85309. Section 85309 requires candidates for elective state office who are required to file electronically, shall file a report disclosing receipt of a contribution of \$1,000 or more received during an election cycle. For the November election, this period covers August 8, 2012 through November 6, 2012. Furthermore, subdivision (c) requires a candidate for elective state office who is required to file electronically, shall file a report disclosing receipt of a contribution of \$5,000 or more received at any time other than during an election cycle. Your campaign received a number of contributions during the election cycle and after the election cycle but failed to file the required reports by their respective deadlines.

Loaning your committee more than the \$100,000 without reducing the balance of the original loan is prohibited under Section 85307 and your failure to file the electronic reports by the deadlines is a violation of Section 85309. However, because you amended your campaign statement to reflect the \$95,500 as a contribution instead of loan, you filed the election cycle reports disclosing the contributions and loan and the fact that you do not have an enforcement history, we are closing this matter 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.

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.

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. Please also visit our website at www.fppc.ca.gov.

Please feel free to contact Teri Rindahl at 916.327.2018 with any questions you may have regarding this letter.

Sincerely,

REDACTED

Gary S. Winuk
Chief, Enforcement Division

GSW/tr

Cc: Heidi Abel