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

December 31, 2010

Mr. Douglas Knox
Redacted

Warning Letter Re: FPPC No. 10/1114, Douglas Knox

Dear Mr. Knox:

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 failed to file campaign statements in connection with Modoc County's Last Frontier Healthcare District August 31, 2010 special election. 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 you violated the Act when you spent over $1,000 to oppose Measures Q and R, measures for the formation of a hospital district and special tax assessment, and failed to file as an independent expenditure committee.

When a person makes a payment of $1,000 or more in connection with a communication which expressly advocates the election or defeat of a clearly identified candidate or the qualification, passage or defeat of a clearly identified measure, but which is not made to or at the behest of the affected candidate or committee, that person will qualify as an independent expenditure committee and will incur filing obligations under the Act. (Sections 82031, 84200, 84200.5, and 84204.)

Your actions violated the Act because you failed to file the required disclosure forms disclosing all payments made in connection with your campaign to oppose the measures. However, because you filed the required disclosure statements immediately upon contact by the Enforcement Division and the fact that you do not have any prior enforcement actions against you, we are closing this matter with a warning letter.

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[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.

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.

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: Tom Gifford
Richard Steyer