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

January 26, 2011

Mr. Clay Pedersen
Candidate, Insurance Commissioner
REDACTED

Re: **Warning Letter**
FPPC No. 11/044; Clay Pedersen

Dear Mr. Pedersen:

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 a non-filer referral from the Los Angeles County Registrar-Recorder/County Clerk that alleged you failed to file two pre-election statements in connection with the November 2, 2010 General Election.

The FPPC has completed its investigation of the facts in this case. Specifically, the FPPC found that while you filed your campaign short form, Form 470, with the Secretary of State's office on March 1, 2010, you failed to file a copy with the Los Angeles County Registrar-Recorder/County Clerk.

The Act requires that candidates and their committees file campaign statements at periodic intervals. Specifically the Act provides that elected officers, candidates, and committees shall file pre-election statements. (Section 84200.5.) The Act also allows for a candidate who plans to receive contributions of less than $1,000 and who plans to make expenditures of less than $1,000 in a calendar year to file a Short Form Campaign Statement, Form 470, for that calendar year. (Section 84206.)

When a campaign statement is required to be filed under section 84200.5, the Act requires candidate's for statewide office to file the original campaign statement with the Secretary of State's office, and one copy to the Los Angeles County Registrar-Recorder/County Clerk and one copy to the Registrar of Voters of the City and County of San Francisco. (Section 84215(a).)

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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.

Your actions violated the Act because you failed to file a copy with the Los Angeles County Registrar-Recorder/County Clerk even after they sent you written notification of your filing obligations. You must immediately file this campaign statement with the Los Angeles County Registrar-Recorder/County Clerk. However, because you have filed your statement with the Secretary of State, and you do not have an open committee, 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.

Although the FPPC is not seeking a penalty in the current matter, you are still responsible for any late filing fees assessed by the Los Angeles County Registrar-Recorder/County Clerk. (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. 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: Los Angeles County Registrar-Recorder/County Clerk