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

July 20, 2010

✓ Glen Holmes
Katie Holmes
Committee to Elect Glen Holmes
REDACTED

RE: **Warning Letter**
FPPC Case No. 10/272; Glen Holmes, Committee to Elect Glen Holmes, and Katie Holmes, Treasurer

Dear Mr. Holmes and Ms. Holmes:

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 your committee, Committee to Elect Glen Holmes, had consistently not filed accurate campaign reports and had not disclosed a loan from Wayne Minor to your committee of $57,500 on October 10, 2008. Mr. Minor reported this loan on his major donor statement. In response to our inquiry regarding this loan, you state that it was mistakenly characterized as a payment for political purposes and was actually paid to you as part of a business transaction.

The FPPC has completed its investigation of the facts in this case. Specifically, the FPPC found that you and your committee, Committee to Elect Glen Holmes, did not file campaign statements after the second preelection statement for the November 2008 election.

The Act provides that a recipient committee's failing to file campaign reports for as long as the committee remains open is a violation. Specifically, the Act requires candidates and their controlled committees to file periodic reports disclosing contributions received and expenditures made until the committee is closed. (GC §§ 84200 and 84214.) Your actions violated the Act

[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.

because you ceased filing campaign reports after the election. Because, however, you had no more money in your committee and because you have now filed the post-election report as well as a terminating statement, we have decided to close this case.

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.

If you have questions regarding this matter, please contact Adrianne Korchmaros at (916) 322-8241.

Sincerely,

REDACTED

Gary S. Winuk, Chief
Enforcement Division

GSW:ak

cc: Bill Klippel