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

August 6, 2010

Mr. Steve Knight
Steve Knight for Assembly 2010
REDACTED

Ms. Lysa Ray
REDACTED

Re: **Warning Letter Re: FPPC No. 10/482; Steve Knight for Assembly 2010; Steve Knight; Lysa Ray, Treasurer**

Dear Mr. Knight and Ms. Ray:

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 complaint filed against you by the Office of the Secretary of State that alleged you failed to file a campaign statement in electronic format.

The FPPC has completed its investigation of the facts in this case. Specifically, the FPPC found that you failed to file your pre-election statement for the period January 1, 2010 through March 17, 2010 in electronic format by the March 22, 2010 deadline.

The Act requires that any candidate or committee that is required to file statements, reports, or other documents in connection with a state elective office or state measure, to file electronic statements with the Office of the Secretary of State, once the cumulative amount of contributions, expenditures or loans is $50,000 or more. (Section 84605(a).) Once a candidate or committee files online or electronically, it shall continue to file all subsequent reports in electronic format. (Section 84605(g).)

Your actions violated the Act because you failed to file the campaign statement(s) noted above in electronic format. You must immediately file your campaign statement(s) online or

[1] The Political Reform Act is contained in Government Code sections 81000 through 92014. 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.

electronically with the Office of the Secretary of State. Since you did file a version of this statement in paper format, we are closing our file on this matter.

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 your filing officer. (Gov. Code § 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 Jeanette Turvill at (916) 322-8194 with any questions you may have regarding this letter.

Sincerely,

REDACTED

Gary S. Winuk
Chief, Enforcement Division

GW/JET/jt
cc. Mr. Chris Reynolds
Office of the Secretary of State