



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
1102 Q Street • Suite 3000 • Sacramento, CA 95811

November 12, 2021

Jim Sutton
o/b/o Kimbley Craig for Mayor City of Salinas 2020
Kimbley Craig, Candidate
Chris Steinbruner, Treasurer
jsutton@campaignlawyers.com

Warning Letter Re: FPPC Case No. 2021-01050; Kimbley Craig for Mayor City of Salinas 2020

Dear Mr. Sutton,

The Enforcement Division of the Fair Political Practices Commission enforces the provisions of the Political Reform Act (the “Act”).¹ This letter is in response to a complaint filed against your clients, Kimbley Craig for Mayor City of Salinas 2020 (“the Committee”), Kimbley Craig, and Chris Steinbruner, that alleged your clients violated the Act’s campaign reporting provisions. The Enforcement Division has completed its review of this matter and found that the Committee failed to timely report expenditures made by agents (“subvendor payments”) on its semi-annual campaign statement for the October 18, 2020 through December 31, 2020 reporting period.

The Act requires committees to disclose precise information on their campaign statements. Specifically, the Act requires that for expenditures of \$100 or more, the committee must report the full name of each person to whom an expenditure is made, as well as the person’s street address, the amount of the expenditure, and a brief description of the expenditure.² An expenditure also includes payments made to an agent or independent contractor, commonly referred to as “subvendor payments,” of \$500 or more.³ An expenditure is made on the date the payment is made or on the date consideration is received.⁴

Your clients violated the Act because they failed to fully report subvendor payments on the Committee’s semi-annual campaign statement for the reporting period of October 18, 2020

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014, and all statutory references are to this code. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations, and all regulatory references are to this source.

² §84211(i)

³ §84211(k)

⁴ §82025(a)

through December 31, 2020. However, mitigating evidence exists such that the Enforcement Division has elected to close this case with a warning letter rather than issue a fine. The initial campaign statement disclosed a \$25,900 accrued expense to vendor "Cortez Consulting" on Schedule F without corresponding subvendor disclosure. Immediately after being contacted by the Enforcement Division, your clients requested subvendor information from Cortez Consulting, and filed an amendment to the semi-annual campaign statement disclosing the subvendor activity (\$7,000 to "Community Strategies, LLC"). Additionally, the subvendor payments represented a relatively small percentage of the total amount of expenditures made by the Committee. And finally, the Committee, Kimbley Craig, and committee treasurer Chris Steinbruner do not have a prior history of violating this section of the Act.

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 Enforcement Division case resolution without administrative prosecution or fine. The Commission has adopted Regulation 18360.1 to authorize the Enforcement Division to issue warning letters to conclude cases in specified circumstances. However, the warning letter resolution does not provide your client with the opportunity for a probable cause hearing or hearing before an Administrative Law Judge or the Commission. If your clients wish to avail themselves of these proceedings by requesting that this 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 Enforcement Division 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 Commission's website ten (10) days from the date of this letter.

If your clients need forms or a manual, or guidance regarding their obligations, please call the Commission's Toll-Free Advice Line at 1-866-275-3772 or visit our website at www.fppc.ca.gov.

Please feel free to contact Ginny Lambing at glambing@fppc.ca.gov with any questions you may have regarding this letter.

Sincerely,

Angela J. Brereton

Angela J. Brereton, Chief
Enforcement Division
AJB:gal