STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
1102 Q Street • Suite 3050 • Sacramento, CA 95811

January 11, 2024

Rebuild California
Briana Baleskie, Treasurer
[redacted]

<u>Warning Letter Re: FPPC No. 2024-00063; Rebuild California and Briana Baleskie</u>

Dear Committee and Treasurer:

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 an anonymous complaint alleging that you violated the campaign disclosure provisions of the Act by failing to include all required information on the semi-annual campaign statement for the period ending December 31, 2022.

The Enforcement Division has completed its review of the facts in this case. Specifically, we found that Rebuild California (the "Committee") failed to timely disclose an accrued expense on the semi-annual campaign statement covering the period October 23, 2022 through December 31, 2022.

The Act requires committees to file campaign statements at specified times to disclose the committee's activity during the reporting period covered by the statement. Specifically, the Act requires committees to itemize expenditures made to a person during the period totaling $100 or more and provide detailed information regarding those expenditures[2]. Committees must also disclose expenditures made of less than $100 as "unitemized expenditures."[3]. The Act's definition of expenditure includes accrued expenses (i.e. unpaid bills), and any accrued expense which remains outstanding shall be reported on each campaign statement until the expense is paid or forgiven.[4]

[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 18104 through 18998 of Title 2 of the California Code of Regulations, and all regulatory references are to this source.
[2] Section 84211(i) and (k)
[3] Section 84211(j)
[4] Regulation 18421.6

Your actions violated the Act because you failed to report an accrued expense in the amount of $20,000 on the campaign statement covering the period October 23, 2022 through December 31, 2022. However, the Enforcement Division has decided to close this case with a warning letter rather than a fine because you filed an amendment to the campaign statement immediately after you were contacted by the Enforcement Division, you timely disclosed the payment of the accrued expense on the campaign statement covering the period January 1, 2023 through June 30, 2023, and you have no 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. 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 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 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.

Please feel free to contact Vanessa Greer at vgreer@fppc.ca.gov or 916-322-2043 with any questions you may have regarding this letter.

Sincerely,

Christopher B. Burton

Christopher B. Burton, Assistant Chief
Enforcement Division

CBB: vg