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8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION  
9 STATE OF CALIFORNIA  
10

11 In the Matter of:

12 STANISLAUS COUNTY DEMOCRATIC  
13 CENTRAL COMMITTEE – STATE,  
14 AND RITA COPELAND,

15 Respondents.

FPPC Case No. 17/617

STIPULATION, DECISION AND ORDER

16 INTRODUCTION

17 Respondent Stanislaus County Democratic Central Committee - State (“Stanislaus Democratic  
18 Committee”) is a political party committee. Rita Copeland (“Copeland”) is the former treasurer of the  
19 Stanislaus Democratic Committee. The Political Reform Act (the “Act”)<sup>1</sup> typically requires active  
20 political party committees to file preelection statements. Additionally, political party committees are  
21 required to file 24-hour reports. The Stanislaus Democratic Committee and Copeland violated the Act by  
22 failing to timely file two preelection statements and a 24-hour report.  
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28 <sup>1</sup> The Political Reform Act is contained in Government 81000 through 91014. The regulations of the Fair Political are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations.

1 **SUMMARY OF THE LAW**

2 **Need for Liberal Construction and Vigorous Enforcement of the Political Reform Act**

3 When enacting the Political Reform Act, the people of the state of California found and declared  
4 that previous laws regulating political practices suffered from inadequate enforcement by state and local  
5 authorities.<sup>2</sup> To that end, the Act must be liberally construed to achieve its purposes.<sup>3</sup>

6 **Political Party Committee**

7 A political party committee is defined under the Act as a "...state central committee or county  
8 central committee of an organization that meets the requirements for recognition as a political party  
9 pursuant to Section 5100 of the Elections Code."<sup>4</sup>

10 **Preelection Statements**

11 The Act requires a political party committee to file preelection statements in connection with a  
12 state election if the committee receives "...contributions totaling one thousand dollars (\$1,000) or more,  
13 or if it makes contributions or independent expenditures totaling five hundred dollars (\$500), in  
14 connection with the election during the period covered by the preelection statement."<sup>5</sup> The preelection  
15 statement for the period ending 45 days before the election shall be filed no later than 40 day before the  
16 election and the preelection statement for the period ending 17 days before the election shall be filed no  
17 later than 12 days before the election.<sup>6</sup>

18 **24-Hour Reports**

19 The Act defines a late contribution made by a political party as "A contribution, including a loan,  
20 that totals in the aggregate one thousand dollars (\$1,000) or more and is made to or received by a  
21 political party committee...within 90 days before the date of a state election or on the date of the  
22 election"<sup>7</sup> A committee the receives a late monetary contribution shall report it within 24 hours of  
23 receipt.<sup>8</sup>

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26 <sup>2</sup> Section 81001, subdivision (h).

27 <sup>3</sup> Section 81003.

28 <sup>4</sup> Section 85205.

<sup>5</sup> Section 84200.5, subdivision (h).

<sup>6</sup> Section 84200.8, subdivisions (a) and (b).

<sup>7</sup> Section 82036, subdivision (b).

<sup>8</sup> Section 84203.

1 **Treasurer Liability**

2 Under the Act, it is the duty of the treasurer of a political party committee to ensure that the  
3 committee complies with all the requirements of the Act concerning the receipt, expenditure, and  
4 reporting of funds.<sup>9</sup> The treasurer may be held jointly and severally liable, along with the committee, for  
5 violations committed by the committee.<sup>10</sup>

6 **SUMMARY OF THE FACTS**

7 The Stanislaus Democratic Committee qualified as a committee on January 1, 1974. Copeland  
8 served as treasurer of the Stanislaus Democratic Committee from May 28, 2010 through November 13,  
9 2017. This matter was opened based on an audit conducted by the Franchise Tax Board (“FTB”) of the  
10 Stanislaus Democratic Committee’s activities from January 1, 2013 – December 31, 2014. According to  
11 the FTB Audit report, the Stanislaus Democratic Committee received a total of \$450,236 in  
12 contributions and made a total of \$441,156 in expenditures during the period in which it was audited.  
13 The FTB determined and the Enforcement Division verified that during the audit period the Stanislaus  
14 Democratic Committee failed to timely file two preelection statements and a 24-hour report.

15 On July 23, 2013, a Special Election was held in the 16<sup>th</sup> Senate District. The Stanislaus  
16 Democratic Committee was required to file a preelection statement by June 13, 2013 covering the  
17 reporting period of March 31, 2013 – June 8, 2013<sup>11</sup> after receiving \$1,000 or more in contributions  
18 during the period. In total, the Stanislaus Democratic Committee received approximately \$1,241 through  
19 five contributions and made \$4,489 in three expenditures during this period. The Stanislaus Democratic  
20 Committee did not file the preelection statement by June 13, 2013. It did file a semiannual statement on  
21 July 31, 2013, which included the preelection period but was after the election.

22 On December 9, 2014, a Special Primary Election was held in State Senate District 35. The  
23 Stanislaus County Democratic Committee was required to file a preelection statement covering the  
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26 <sup>9</sup> Sections 81004, 84100 84213, and Regulation 18427.

<sup>10</sup> Sections 83116.5 and 91006.

27 <sup>11</sup> The filing schedule for a political party as it pertains to special elections in 2013 lists the reporting period as May  
28 5, 2013 – June 8, 2013. However, because the Stanislaus Democratic Committee filed preelection statement covering the  
reporting period of February 24, 2013 – March 30, 2013, they were required to start the date range for the period ending June  
8, 2013 on March 31, 2013 so there would not be gaps in their reporting periods.

1 reporting period of October 19, 2014 – October 25, 2014, due by October 30, 2014 after receiving  
2 \$1,000 or more in contributions during the period. The Stanislaus Democratic Committee’s activity  
3 during this period was as follows: it made a \$20,000 contribution to Tim Sbranti for Assembly 2014 on  
4 October 20, 2014, it received a \$25,000 contribution from the California Association of Highway  
5 Patrolmen PAC on October 22, 2014, and it received a \$25,000 contribution from SEIU United  
6 Healthcare Workers West PAC on October 22, 2014. The Stanislaus Democratic Committee did not file  
7 the statement covering the first preelection period by October 30, 2014, but it did file a statement  
8 covering the second preelection period ending on November 22, 2014, due by December 1, 2014, which  
9 included the first preelection period. Additionally, the contribution to Tim Sbranti was timely reported  
10 on a 24-hour report and the contributions from the California Association of Highway Patrolmen PAC  
11 and SEIU United Healthcare Worker West PAC were reported on a 24-hour report that was filed late,  
12 but before the election. This report was due on October 23, 2014 but wasn’t filed until November 12,  
13 2014.

## 14 **VIOLATIONS**

### 15 Count 1: Failure to Timely File Preelection Statements

16 The Stanislaus Democratic Committee and Copeland failed to timely file preelection statements  
17 covering the reporting period of March 31, 2013 – June 8, 2013, due by June 13, 2013, and covering the  
18 reporting period of October 19, 2014 – October 25, 2014, due by October 30, 2014, in violation of  
19 Government Code Sections 84200.5, subdivision (h) and 84200.8.

### 20 Count 2: Failure to Timely File a 24-Hour Report

21 The Stanislaus Democratic Committee and Copeland failed to timely file a 24-Hour report by  
22 October 23, 2014, after receiving two contributions totaling \$50,000 on October 22, 2014, in violation of  
23 Government Code Section 84203.

## 24 **PROPOSED PENALTY**

25 This matter consists of two counts. The maximum penalty that may be imposed is \$5,000 per  
26 count. Thus, the maximum penalty that may be imposed is \$10,000.<sup>12</sup> In determining the appropriate  
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28 <sup>12</sup> See Section 83116, subdivision (c).

1 penalty for a particular violation of the Act, the Commission considers the facts of the case, the public  
2 harm involved, and the purposes of the Act. Also, the Commission considers factors such as: (a) the  
3 seriousness of the violation; (b) the presence or absence of any intention to conceal, deceive or mislead;  
4 (c) whether the violation was deliberate, negligent or inadvertent; (d) whether the violation was isolated  
5 or part of a pattern; (e) whether corrective amendments voluntarily were filed to provide full disclosure;  
6 and (f) whether the violator has a prior record of violations.<sup>13</sup> Additionally, the Commission considers  
7 penalties in prior cases with comparable violations.

8 The Enforcement Division did not find any evidence of intentional concealment. The Stanislaus  
9 Democratic Committee and Copeland cooperated with the Enforcement Division in this matter. The  
10 actions of Stanislaus Democratic Committee and Copeland in determining whether preelection  
11 statements needed to be filed for the special elections discussed above appeared to be negligent, not  
12 intentional.

13 In a recent penalty approved by the Commission addressing the failure to timely file preelection  
14 statements and 24-hour reports is *In the matter of Robert G. Jones, Robert G. Jones for Los Rios Trustee*  
15 *2010, and Julianne C. Jones*; FPPC Case no. 16/339 (approved Mar. 22, 2018). In the *Jones* matter, the  
16 Commission approved a penalty of \$2,000 for their failure to timely file a preelection statement for the  
17 reporting period of July 1, 2014 – September 30, 2014 (filed 822 days late) where they received \$20,000  
18 in contributions and made \$24,122 in expenditures, a preelection statement for the reporting period of  
19 October 1, 2014 – October 18, 2014 (filed 805 days late) where they received no contributions and made  
20 \$1,981 in expenditures, and a semi-annual statement for the reporting period of October 19, 2014 –  
21 December 31, 2014 (filed 448 days late) where they received \$3,000 in contributions and made no  
22 expenditures. The Commission also approved a penalty of \$1,500 for their failure to timely file two 24-  
23 hour reports after receiving a total of \$23,000 in contributions. The statements were both filed before the  
24 pertinent election.

25 Regarding Count 1, a penalty of \$2,000 is warranted as the two cases are very similar. The  
26 amount of contributions the Stanislaus Democratic Committee received during the reporting period  
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28 <sup>13</sup> Regulation 18361.5, subdivision (d).



1           4.       Respondents understand, and hereby knowingly and voluntarily waive, any and all  
2 procedural rights set forth in Sections 83115.5, 11503, 11523, and Regulations 18361.1 through 18361.9.  
3 This includes, but is not limited to the right to appear personally at any administrative hearing held in this  
4 matter, to be represented by an attorney at Respondent’s own expense, to confront and cross-examine all  
5 witnesses testifying at the hearing, to subpoena witnesses to testify at the hearing, to have an impartial  
6 administrative law judge preside over the hearing as a hearing officer, and to have the matter judicially  
7 reviewed.

8           5.       Respondents agree to the issuance of the decision and order set forth below. Also,  
9 Respondents agree to the Commission imposing against it an administrative penalty in the amount of  
10 \$3,500. One or more cashier’s checks or money orders totaling said amount—to be paid to the General  
11 Fund of the State of California—is/are submitted with this stipulation as full payment of the  
12 administrative penalty described above, and same shall be held by the State of California until the  
13 Commission issues its decision and order regarding this matter.

14           6.       If the Commission refuses to approve this stipulation—then this stipulation shall become  
15 null and void, and within fifteen business days after the Commission meeting at which the stipulation is  
16 rejected, all payments tendered by the Respondents in connection with this stipulation shall be  
17 reimbursed to the Respondents. If this stipulation is not approved by the Commission, and if a full  
18 evidentiary hearing before the Commission becomes necessary, neither any member of the Commission,  
19 nor the Executive Director, shall be disqualified because of prior consideration of this Stipulation.

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1           7.       The parties to this agreement may execute their respective signature pages separately. A  
2 copy of any party's executed signature page including a hardcopy of a signature page transmitted via fax  
3 or as a PDF email attachment is as effective and binding as the original.

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5 Dated: \_\_\_\_\_

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Galena West, Chief of Enforcement  
Fair Political Practices Commission

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9 Dated: \_\_\_\_\_

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Rita Copeland, individually, and o/b/o Stanislaus  
County Democratic Central Committee – State



1 The foregoing stipulation of the parties “Stanislaus County Democratic Central Committee –  
2 State and Rita Copeland,” FPPC Case No. 17/617 is hereby accepted as the final decision and order of  
3 the Fair Political Practices Commission, effective upon execution below by the Chair.  
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5 IT IS SO ORDERED.  
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7 Dated: \_\_\_\_\_  
8 Alice T. Germond, Chair  
9 Fair Political Practices Commission  
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