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3 **FAIR POLITICAL PRACTICES COMMISSION**
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8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
9 STATE OF CALIFORNIA
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12 In the Matter of) FPPC No. 13/482
13)
14) STIPULATION, DECISION and
15) ORDER
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Respondents.

18 Complainant, the Fair Political Practices Commission (“Commission”), and respondents Black
19 Women Organized for Political Action State PAC and Beryl M. Crumpton, hereby agree that this
20 Stipulation will be submitted for consideration by the Fair Political Practices Commission at its next
21 regularly scheduled meeting.

22 The parties agree to enter into this Stipulation to resolve all factual and legal issues raised in this
23 matter and to reach a final disposition without the necessity of holding an administrative hearing to
24 determine the liability of Respondents, pursuant to Section 83116 of the Government Code.

25 Respondents understand, and hereby knowingly and voluntarily waive, any and all procedural
26 rights set forth in Sections 83115.5, 11503 and 11523 of the Government Code, and in Sections 18361.1
27 through 18361.9 of Title 2 of the California Code of Regulations. This includes, but is not limited to,
28 the right to personally appear at any administrative hearing held in this matter, to be represented by an

1 attorney at Respondents' own expense, to confront and cross-examine all witnesses testifying at the
2 hearing, to subpoena witnesses to testify at the hearing, to have an impartial administrative law judge
3 preside over the hearing as a hearing officer, and to have the matter judicially reviewed.

4 It is further stipulated and agreed that Respondents Black Women Organized for Political Action
5 State PAC and Beryl M. Crumpton violated the Political Reform Act by failing to timely file semi-
6 annual campaign statements, in violation of Government Code Section 84200, subdivision (a)(1 count),
7 and failing to timely file a pre-election campaign statement in connection with the 2012 California
8 Primary Election, in violation of Government Code Section 84200.5, subdivision (e)(1 count). These
9 counts are described in Exhibit 1, which is attached hereto and incorporated by reference as though fully
10 set forth herein. Exhibit 1 is a true and accurate summary of the facts in this matter.

11 Respondents agree to the issuance of the Decision and Order, which is attached hereto.
12 Respondents also agree to the Commission imposing upon him an administrative penalty in the amount
13 of Four Thousand Dollars (\$4,000). A cashier's check from Respondents in said amount, made payable
14 to the "General Fund of the State of California," is submitted with this Stipulation as full payment of the
15 administrative penalty, to be held by the State of California until the Commission issues its decision and
16 order regarding this matter. The parties agree that in the event the Commission refuses to accept this
17 Stipulation, it shall become null and void, and within fifteen (15) business days after the Commission
18 meeting at which the Stipulation is rejected, all payments tendered by Respondents in connection with
19 this Stipulation shall be reimbursed to Respondents. Respondents further stipulate and agree that in the
20 event the Commission rejects the Stipulation, and a full evidentiary hearing before the Commission
21 becomes necessary, neither any member of the Commission, nor the Executive Director, shall be
22 disqualified because of prior consideration of this Stipulation.

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Dated: _____

Gary Winuk, Enforcement Chief,
on behalf of the
Fair Political Practices Commission

Dated: _____

Gwendolyn M. Booze,
on behalf of
Respondent Black Women Organized for Political Action State PAC

Dated: _____

Respondent Beryl M. Crumpton

DECISION AND ORDER

The foregoing Stipulation of the parties “In the Matter of Black Women Organized for Political Action State PAC and Beryl M. Crumpton” FPPC No. 13/549, including all attached exhibits, is hereby accepted as the final decision and order of the Fair Political Practices Commission, effective upon execution below by the Chair.

IT IS SO ORDERED.

Dated: _____

Joann Remke, Chair
Fair Political Practices Commission

1 **EXHIBIT 1**

2 **INTRODUCTION**

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4 Respondent Black Women Organized for Political Action State PAC (“Respondent Committee”) is a state general purpose committee. Respondent Beryl M. Crumpton (“Respondent Treasurer”) served as Respondent Committee’s treasurer from its inception in 1999 to November 8, 2013. On November 8, 2013, Respondent Committee submitted an amended Form 410 making Ms. Gwendolyn M. Booze (“Ms. Booze”) its new treasurer.

9 This matter arises from two referrals from the California Secretary of State’s Political Reform Division indicating that Respondent Committee failed to file a Form 460 semi-annual statement for the periods covering July 1, 2011 to December 31, 2011; and January 1, 2012 to June 30, 2012. Our investigation of the referrals revealed that in addition to the delinquent semi-annual statements listed above, Respondent Committee also failed to file the semi-annual statements covering July 1, 2012 to December 31, 2012; and January 1, 2013 to June 30, 2013. Shortly after being contacted by the Fair Political Practices Commission Enforcement Division (the “Enforcement Division”), Respondent Committee filed the four delinquent campaign statements.

17 The figures disclosed in the delinquent semi-annual statements indicate that Respondent Committee was politically active during the second pre-election period preceding the June 2012 State Primary Election. As a result, Respondent Committee was required to file a pre-election statement covering that period by May 24, 2012, which it did not.

21 For the purposes of this stipulation, Respondents’ violations of the Political Reform Act (the “Act”)¹ are stated as follows:

23 COUNT 1 Respondents failed to timely file semi-annual statements for the periods covering July
24 1, 2011 to June 30, 2013, in violation of Government Code Section 84200, subdivision
25 (a).

27 ¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references
28 are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18109 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.

1 COUNT 2 Respondents failed to timely file a pre-election statement for the period covering March
2 18, 2012 to May 19, 2012, in violation of Government Code Section 84200.5,
3 subdivision (e).

4 **SUMMARY OF THE LAW**

5 All statutory references and discussions of law pertain to the Act's provisions as they existed at
6 the time of the violation.

7 An express purpose of the Act, as set forth in Section 81002, subdivision (a), is to ensure that
8 receipts and expenditures in election campaigns are fully and truthfully disclosed, so that voters may be
9 fully informed, and improper practices may be inhibited. The Act, therefore, establishes a campaign
10 reporting system designed to accomplish this purpose of disclosure.

11 **Duty to File Semi-Annual Campaign Statements**

12 Section 82013, subdivision (a), defines a "committee" to include any person who receives
13 contributions totaling \$1,000 or more in a calendar year. This type of committee is commonly known as
14 a "recipient committee." A "recipient committee" that is formed or exists to support or oppose
15 candidates or measures voted on in a state election or in more than one county, is known under the Act
16 as a "state general purpose committee." (Section 82027.5, subd. (b).)

17 Under the Act's campaign reporting system, committees are required to file semi-annual
18 statements each year no later than July 31 for the period ending June 30, and no later than January 31 for
19 the period ending December 31. (Section 84200, subd. (a).) Those campaign statements must contain all
20 information required by Section 84211, including contributions received and expenditures made by the
21 committee during that statement period.

22 **Duty to File Pre-Election Campaign Statements**

23 Under the Act's campaign reporting system, state general purpose committees are required to file
24 pre-election campaign statements disclosing the committee's financial information if it makes
25 contributions or independent expenditures totaling five hundred dollars (\$500) or more during the period
26 covered by the pre-election statement. (Section 84200.5, subd. (e).) Section 84200.7 provides for the
27 filing of two pre-election campaign statements covering two reporting periods prior to elections held in
28 June of an even-numbered year. The reporting period for the second pre-election campaign statement

1 runs from March 18, 2012 to May 19, 2012. The pre-election campaign statement covering the second
2 pre-election period must be filed no later than May 24, 2012. (Section 84200.7, subd. (a).)

3 **Treasurer Liability**

4 As provided in Section 84100, every committee shall have a treasurer. Under Section 81004,
5 subdivision (b), Section 84100 and Regulation 18427, subdivision (a), a committee’s treasurer has the
6 duty to ensure compliance with all requirements of the Act concerning the receipt and expenditure of
7 funds, and the reporting of such funds. Pursuant to Sections 83116.5 and 91006, the treasurer of a
8 committee may be held jointly and severally liable, along with the committee, for the committee’s
9 violations.

10 **SUMMARY OF THE FACTS**

11 Respondent Black Women Organized for Political Action State PAC (“Respondent Committee”)
12 is a state general purpose committee. Respondent Committee qualified as a state general purpose
13 committee under the Act on or about August 4, 1999, when it was organized with the Secretary of State.
14 Respondent Beryl M. Crumpton (“Respondent Treasurer”) served as Respondent Committee’s treasurer
15 from its inception in 1999 to November 8, 2013. On November 8, 2013, Respondent Committee
16 submitted an amended Form 410 making Ms. Gwendolyn M. Booze (“Ms. Booze”) its new treasurer.
17

18 This matter arises from two referrals from the California Secretary of State’s Political Reform
19 Division indicating that Respondent Committee failed to file Form 460 semi-annual statements for the
20 periods covering July 1, 2011 to December 31, 2011; and January 1, 2012 to June 30, 2012. Our
21 investigation of the referrals revealed that in addition to the delinquent semi-annual statements listed
22 above, Respondent Committee also failed to file the semi-annual statements covering July 1, 2012 to
23 December 31, 2012; and January 1, 2013 to June 30, 2013.

24 Shortly after being contacted by the Fair Political Practices Commission Enforcement Division
25 (the “Enforcement Division”), Respondent Committee filed the four delinquent semi-annual statements.
26 The figures disclosed in the delinquent semi-annual statements indicate that Respondent Committee was
27 politically active during the second pre-election period preceding the June 2012 State Primary Election
28 spanning from March 18, 2012 to May 19, 2012. During that period Respondent Committee spent
\$1,000 on print ads related to the June 2012 State Primary Election and contributed \$50 to Nate Miley, a

1 candidate for Alameda County Supervisor in the June 2012 State Primary Election. As a result,
2 Respondent Committee was required to file a pre-election statement covering the second pre-election
3 period by the May 24, 2012 deadline.

4 According to the delinquent statements, from July 1, 2011 to June 30, 2013, Respondent
5 Committee received approximately \$9,647.67 in contributions and made approximately \$10,639.37 in
6 expenditures. The following table illustrates the amount of contributions received and expenditures
7 made by Respondent Committee during the periods in which they did not timely file:

8 Period Covered	Statement 9 Due	Statement 10 Filed	Reported 11 Contributions	Reported 12 Expenditures
13 7/1/11 – 12/31/11	1/31/12	11/8/13	\$5,151.67	\$6,084.36
14 1/1/12 – 6/30/12	7/31/12	11/8/13	\$1,800.00	\$1,363.00
15 7/1/12 – 12/31/12	1/31/13	11/8/13	\$2,496.00	\$2,950.01
16 1/1/13 – 6/30/13	7/31/13	11/8/13	\$200.00	\$242.00
17 Total			\$9,647.67	\$10,639.37

18 The Commission has prosecuted Respondents on one prior occasion for failing to disclose
19 contributions made and expenditures received. In that matter, Respondents filed a Form 625 indicating
20 that Respondent Committee received no contributions and made no expenditures even though
21 Respondent Committee had received \$13,409 in contributions and made \$12,801 in expenditures.

22 **COUNT 1**

23 **Failure to Timely File Required Semi-Annual Statements**

24 As a registered state general purpose committee, Respondent Black Women Organized for
25 Political Action State PAC, had a duty to file semi-annual campaign statements for the four reporting
26 periods spanning July 1, 2011 to June 20, 2013. By failing to timely file the semi-annual statements
27 required for the abovementioned reporting periods, Respondents violated Section 84200, subdivision (a).
28

1 **COUNT 2**

2 **Failure to Timely File Required Pre-Election Statement**

3 As a registered state general purpose committee that made over \$500 in contributions and
4 expenditures in connection with the June 2012 State Primary Election, Respondent Committee had a
5 duty to file a pre-election statement for the second pre-election period spanning March 18, 2012 to May
6 19, 2012, by the May 24, 2012 deadline. By failing to timely file the required pre-election statement
7 covering the second pre-election period preceding the June 2012 Primary Election, Respondents violated
8 Section 84200.5, subdivision (e).

9 **CONCLUSION**

10 This matter consists of two counts of violating the Act, which carries a maximum possible
11 administrative penalty of Ten Thousand Dollars (\$10,000).

12 In determining the appropriate penalty for a particular violation of the Act, the Enforcement
13 Division considers the typical treatment of a violation in the overall statutory scheme of the Act, with an
14 emphasis on serving the purposes and intent of the Act. The Enforcement Division also considers the
15 facts and circumstances of the violation in context of the factors set forth in Regulation 18361.5,
16 subdivision (d)(1)-(6), which include: the seriousness of the violations; the presence or lack of intent to
17 deceive the voting public; whether the violation was deliberate, negligent, or inadvertent; whether the
18 Respondent demonstrated good faith in consulting with Commission staff; whether there was a pattern
19 of violations; and whether upon learning of the violation the Respondent voluntarily filed amendment to
20 provide full disclosure.

21 **Failure to Timely File Semi-Annual Statements**

22 The Enforcement Division considers failure to file required campaign statements to be a serious
23 violation of the Act as it undermines one of its central purposes – transparency. Without timely
24 disclosure of semi-annual statements the public is deprived of important information concerning the
25 campaign’s contributors and financial activities.

26 Recent mainline stipulations show that violations arising from a failure to timely file a semi-
27 annual report generally settle within the range of \$1,000 to 2,500 per count, depending upon various
28 factors, including: (a) whether the statement was filed late or not filed at all; (b) whether the

1 Respondent had a prior history of violating the Act; and (c) the relative number and size of the
2 contributions and expenditures made during the period covered by the statement.

3 Here, Respondent Committee and Respondent Treasurer failed to timely file four semi-annual
4 statements over three years. Exacerbating the public harm here is the fact that one of the delinquent
5 statements covered a period in which Respondent Committee was politically active. In further
6 aggravation, Respondents have a prior enforcement history and Respondent Treasurer had prior
7 experience working with the Act. Given Respondent Treasurer's enforcement history and prior
8 experience working with the Act, she should have known of Respondent Committee's duty to timely file
9 semi-annual statements.

10 However, in mitigation, Respondent Crumpton has been replaced by Respondent Committee's
11 current treasurer, Ms. Booze. Ms. Booze has fully cooperated with the Enforcement Division and has
12 filed all delinquent semi-annual statements. Also, as a state general purpose committee that spent only
13 \$1,300 on campaign related activity over two years, the public harm associated with non-disclosure is
14 relatively low.

15 The following are similar cases regarding Section 84200 violations that were recently approved
16 by the Commission:

17 • ***In the Matter of Ron Smith and Friends of Ron Smith; FPPC 13/208.***

18 Respondent Ron Smith, a member of the West Basin Municipal Water District Board,
19 and his candidate controlled committee, Friends of Ron Smith, failed to file a semi-annual
20 campaign statement covering the period July 1, 2012, through December 31, 2012, due January
21 31, 2013. Respondent Smith had been prosecuted on two other occasions for failing to timely
22 file three other campaign statements. However, in mitigation, during the period covered by the
23 delinquent statement, respondent's controlled committee did not receive any contributions or
24 make any expenditures. **On February 20, 2014, the Commission approved a \$2,000 fine for
25 the one count.**

26 • ***In the Matter of Santa Barbara County Lincoln Club and Cory Bantilan; FPPC 12/063.***

27 Respondents Santa Barbara County Lincoln Club, a general purpose recipient committee
28 and its Treasurer Cory Bantilan, failed to timely file three semi-annual campaign statements
covering the periods January 1, 2011, through June 30, 2011, due August 1, 2011; July 1, 2011,

1 through December 31, 2011, due January 31, 2012; and January 1, 2012, through June 30, 2012,
2 due July 31, 2012, in violation of Government Code Sections 84200, subdivision (a) and 84605,
3 subdivision (a) (3 counts). Respondents had been prosecuted on one other occasion. **On**
4 **February 28, 2013, the Commission approved a total fine of \$6,000 for the three counts.**

5 Therefore, based upon the above factors including precedent and Respondents' prior
6 enforcement history, imposition of a \$2,000 penalty for Count 1 is recommended.

7 Failure to Timely File Pre-Election Statement

8 As stated above, the Enforcement Division considers failure to file required campaign statements
9 to be a serious violation of the Act as it undermines one of its central purposes – transparency. Without
10 timely disclosure of pre-election statements the public is deprived of important information concerning
11 the campaign's contributors and financial activities when the information is the most relevant.

12 Recent stipulations show that fines for violations arising from a failure to file pre-election
13 campaign statements range from \$2,000 to \$2,500 per count depending upon various factors including:
14 (a) whether the statement was filed late or not filed at all; (b) whether the Respondent had a prior history
15 of violating the Act; and (c) the relative number and size of the contributions and expenditures made
16 during the period covered by the statement.

17 Here, Respondent Committee failed to file a pre-election statement after making contributions
18 and expenditures in connection with the June 5, 2012 Primary Election totaling \$1,050. Respondent
19 Committee's treasurer, Respondent Crumpton, was an experienced campaign treasurer and thus knew,
20 or at least should have known, of Respondent Committee's duty to file a pre-election statement if it
21 made contributions or independent expenditures totaling five hundred dollars (\$500) or more during a
22 pre-election period. Also, as discussed above, Respondents have a history of violating the Act's
23 reporting provisions.

24 In mitigation, Respondent Committee has since replaced Respondent Crumpton with its new
25 treasurer, Ms. Booze. Ms. Booze has fully cooperated with our investigation.
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1 The following are similar cases regarding Section 84200 violations that were recently approved
2 by the Commission:

- 3 • *In the Matter of Sacramento County Democratic Central Committee and William Guy*
4 *Crouch*, FPPC No. 09/740.

5 Respondents failed to timely file two pre-election campaign statements, disclosing
6 contributions totaling approximately \$11,550. In mitigation, respondents did not have a history
7 of violating the Act. The Commission approved settlement of this case in August 12, 2010, and
8 the agreed upon penalty for each of these violations was \$2,000 per count.

- 9 • *In the Matter of Republican Central Committee of San Luis Obispo County, Patricia Smith,*
10 *Elizabeth Van Note, and Danielle Duboff*, FPPC No. 11/441.

11 In this case, respondent committee failed to timely file a pre-election campaign statement
12 and failed to file multiple late contribution reports. Respondent Committee received
13 contributions totaling approximately \$16,129 during the period covered by the pre-election
14 statement. In mitigation, respondent cooperated with the Enforcement Division and had no
15 history of violations. On September 13, 2012, the Commission approved a penalty of \$2,000 for
16 respondent committee's failure to timely file a pre-election campaign statement.

17 Therefore, based upon the above factors including precedent and Respondents' prior
18 enforcement history, imposition of a \$2,000 penalty for Count 2 is recommended.

19 **Proposed Penalty**

20 After consideration of the factors of Regulation 18361.5 and consideration of the penalties
21 imposed in recent cases, a penalty of \$2,000 for Count 1 is recommended and a penalty of \$2,000 for
22 Count 2 is recommended, for a total penalty of \$4,000.