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7
8 **BEFORE THE FAIR POLITICAL PRACTICES COMMISSION**
9 **STATE OF CALIFORNIA**

10
11 In the Matter of:

12 STEVEN DETRICK, DETRICK FOR
13 COUNCIL 2012, and JANICE DETRICK

14 Respondents.

FPPC No. 16/709

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17 **STIPULATION**
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STIPULATION, DECISION, AND ORDER

Complainant, the Enforcement Division of the Fair Political Practices Commission, and respondents Steven Detrick, Detrick for Council 2012, and Janice Detrick (collectively referred to as “Respondents”) hereby agree that this Stipulation will be submitted for consideration by the Fair Political Practices Commission at its next regularly-scheduled meeting.

The parties agree to enter into this Stipulation to resolve all factual and legal issues raised by this matter and to reach a final disposition without the necessity of holding an additional administrative hearing to determine the liability of Respondents.

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

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

4 It is further stipulated and agreed that Respondents violated the Political Reform Act by failing to
5 disclose on a campaign statement both the occupation and employer of nine individuals who contributed
6 \$100 or more in violation of Government Code section 84211, subdivision (f), and failing to disclose the
7 dates of loans received on campaign statements in violation of Government Code section 84211,
8 subdivision (g), all as described in Exhibit 1. Exhibit 1 is attached hereto and incorporated by reference
9 as though fully set forth herein. Exhibit 1 is a true and accurate summary of the facts in this matter.

10 Respondents agree to the issuance of the Decision and Order, which is attached hereto.
11 Respondents also agree to the Commission imposing an administrative penalty in the total amount of
12 \$3,500. Respondents submitted with this Stipulation a cashier's check in said amount, made payable to
13 the "General Fund of the State of California," as full payment of the administrative penalty that shall be
14 held by the State of California until the Commission issues its Decision and Order regarding this matter.
15 The parties agree that in the event the Commission refuses to accept this Stipulation, it shall become null
16 and void, and within fifteen (15) business days after the Commission meeting at which the Stipulation is
17 rejected, all payments tendered by Respondents in connection with this Stipulation shall be reimbursed to
18 Respondents. Respondents further stipulate and agree that in the event the Commission rejects the
19 Stipulation, and a full evidentiary hearing before the Commission becomes necessary, neither any member
20 of the Commission, nor the Executive Director, shall be disqualified because of prior consideration of this
21 Stipulation.

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25 Dated: _____
26 Galena West, Chief, on behalf of the Enforcement
27 Division Fair Political Practices Commission
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1 Dated: _____ Steven Detrick, individually, and on behalf of Detrick
2 for Council 2012

3 Dated: _____
4 Janice Detrick, individually

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6 **DECISION AND ORDER**

7 The foregoing Stipulation of the parties “In the Matter of Steven Detrick, Detrick for Council 2012,
8 and Janice Detrick,” FPPC No. 16/709, including all attached exhibits, is hereby accepted as the final
9 decision and order of the Fair Political Practices Commission, effective upon execution below by the
10 Chair.

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12 IT IS SO ORDERED.

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14 Dated: _____
15 Joann Remke, Chair
16 Fair Political Practices Commission
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EXHIBIT 1

INTRODUCTION

Respondent Steven Detrick (“Detrick”) is a City of Elk Grove City Council Member. Detrick for Council 2012 is his controlled committee (“Committee”). The Committee’s treasurer is Janice Detrick (“Treasurer”). The Political Reform Act (the “Act”)¹ requires a candidate and his controlled committee to disclose on campaign statements the contributions received and expenditures made. Detrick, the Committee and the Treasurer violated the Act by failing to disclose the occupation and employer of individuals who contributed \$100 or more to the Committee, and failing to report the dates of loans received.

SUMMARY OF THE LAW

Contributor information on campaign statements

A committee’s campaign statement must disclose the name, street address, occupation, employer name, date, amount of contribution, and cumulative amount of contributions for each person who contributes \$100 or more during the period covered by the campaign statement.²

Loan Disclosure

If a committee receives a loan of \$100 or more it must disclose the amount of the loan, the name, street address, employer and occupation of the lender, as well as the original date of each loan, the due date and interest rate of the loan, the payments made on the loan, and the outstanding balance at the end of each statement period.³

SUMMARY OF THE FACTS

Detrick was first elected to the Elk Grove City Council in 2008. He is running for re-election in the 2016 general election.

The Committee reported receiving contributions totaling \$37,844 on its semi-annual statement covering the second half of 2015. That statement failed to disclose either the occupation or employer for nine individuals who contributed \$100 or more to the Committee. Their contributions totaled \$4,750. At the request of the Enforcement Division, the Committee filed an amended statement on August 18, 2016 disclosing the occupation and employer information for the nine contributors. Those contributions consisted of the following:

¹The 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, subd. (f).

³ § 84211, subd. (g).

Contributor	Occupation and Employer	Contribution	Information not Timely Disclosed
George Phillips	Attorney, Phillips Land Law, Inc.	\$250	employer
Frank Schetter	Contracting and engineering, Schetter Electric, Inc., Co	\$250	occupation
Steven Ramirez	Owner, McDonald's franchise	\$500	occupation
Thomas P. Winn	Real estate investor, Lenar Communities	\$2,500	employer
Daniel Stouder	Attorney, Boutin Jones, Inc.	\$250	employer
Angela M. Spease	Owner, Spease Bees and ISSE Services	\$250	employer
Monica M. Patel	Branch Manager/Vice President, Bank of the West	\$100	occupation
Timothy D. Taron	Attorney, Hefner, Stark & Marois, LLP	\$150	employer
Gary N. Kamilos	Developer, Gerry N. Kamilos, LLC	\$500	employer

The Committee's campaign statement for the second half of 2015 also failed to timely disclose all of the information required for loans made to the Committee. The Committee did not include the original date of a \$71,500 outstanding loan the Committee reported receiving from Detrick. It also did not disclose the original date of a \$7,500 loan the Committee reported receiving from the Treasurer.

Similarly, the Committee's semi-annual statement for the first half of 2016 again did not disclose the original date of the outstanding Detrick loan of \$71,500, or the outstanding loan from the Treasurer of \$7,500. Further, the statement reported an additional outstanding loan from Detrick of \$80,000 but did not provide the original date of the loan, nor did it indicate how much of that loan the Committee received during the statement period. This lack of information made it impossible to determine when the Committee received the loan. At the request of the Enforcement Division, the Committee filed amended statements on August 18, 2016 disclosing the date of each loan discussed above.

VIOLATIONS

Count 1 – Failure to timely disclose employer and occupation information of contributors

The Committee, Detrick, and the Treasurer failed to timely disclose occupation and employer information for nine contributors on the Committee's campaign statement covering July 1, 2015 through December 31, 2015, in violation of section 84211, subdivision (f).

Count 2 – Failure to timely disclose dates loans were received

The Committee, Detrick, and the Treasurer failed to timely disclose the original dates of three loans the Committee received on its semi-annual statements for July 1, 2015 through December 31, 2015 and January 1, 2016 through June 30, 2016 in violation of section 84211, subdivision (g).

CONCLUSION

This matter consists of two counts of violating the Act, which carries a maximum administrative penalty of \$5,000 per count and \$10,000 total.

In determining the appropriate penalty for a particular violation of the Act, the Commission considers the typical treatment of a violation in the overall statutory scheme of the Act, with an emphasis on serving the purposes and intent of the Act. Additionally, the Commission considers the facts and circumstances of the violation in context of the factors set forth in Regulation 18361.5, subdivision (d): 1) the seriousness of the violations; 2) the presence or lack of intent to deceive the voting public; 3) whether the violation was deliberate, negligent, or inadvertent; 4) whether the Respondent demonstrated good faith in consulting with Commission staff; 5) whether there was a pattern of violations; and 6) whether, upon learning of the violation, the violator voluntarily filed amendments to provide full disclosure.

The Commission also considers penalties in prior cases involving similar violations. Cases similar to count 1 include:

- *In the Matter of Joe Yee, Friends of Joe Yee for City Council 2012, and Lynda Otto*, FPPC No. 12/820: Respondents failed to disclose occupation and employer information for 60 contributions over six reporting periods. The total amount of these contributions was \$11,525; which was approximately 7% of the total amount of all contributions received by the committee. On February 20, 2014, the Commission approved a \$1,500 penalty for this violation.
- *In the Matter of Sandra A. Volta Johnson, Sandra Johnson for City Council 2012, and Kimberly Underwood*, FPPC 14/853. Respondents failed to timely disclose the occupation and employer information for 20 individual contributors for contributions received over three successive reporting periods totaling \$14,600; which was approximately 28% of the total contributions received by the committee. On August 20, 2015, the Commission approved a penalty of \$1,500 for this violation.

The most recent case with a violation similar to count 2 was *In the Matter of Maxine Sherard, Sherard for Assembly 2006, and Sherard for Assembly 2008*, FPPC No. 10/026. In that case, the respondents failed to include on two separate campaign statements all required information regarding four loans totaling \$17,500. The information not disclosed included such information as occupation and employer of the lender, interest rate of the loan, and original dates of the loans. Also, on three occasions loans disclosed on prior statements were omitted entirely. On October 13, 2011, the Commission imposed a default penalty of \$2,500 for the violation

The Committee's campaign statement failed to disclose occupation and employer information for nine contributors whose contributions totaled \$4,750 which represented about 12% of the Committee's total contributions for the statement period. This level of non-disclosure is similar to the comparable case discussed above. The Committee's lack of disclosure on the loans it received was less egregious than the violations in the *Sherard* case since the Committee did not omit as much information and did not omit any loans in their entirety and the *Sherard* case was resolved through a default proceeding.

In aggravation, Detrick has a history of violating the Act, having twice paid Commission fines for personal use of campaign funds within the past 3 years (FPPC case Nos. 2013/195 and 2014/130). Due to the nature of Detrick's past violations, it's imperative the Committee's campaign statements be complete and accurate to ensure compliance with the Act.

Detrick contends the reporting errors were unintentional. The Treasurer is a volunteer and not a professional treasurer. Detrick stated the Committee intends to hire a professional campaign treasurer in an effort to avoid errors in the future.

PROPOSED PENALTY

After considering the factors listed in Regulation 18361.5, the penalties in prior cases, and other relevant factors, we propose a penalty of \$2,000 for count 1 and \$1,500 for count 2 for a total penalty of \$3,500.