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

10
11 In the Matter of:

FPPC Case No. 16/278

12 COMMITTEE TO ELECT RON GILLIS
AND RONALD E. GILLIS,

STIPULATION, DECISION AND ORDER

13 Respondents.
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15 INTRODUCTION

16 In 2003, Ronald E. Gillis (“Gillis”) created the controlled committee Committee to Elect Ron
17 Gillis (the “Committee”) in conjunction with his bid for election to the Santa Clarita Community College
18 District Board of Trustees (the “Board”) in the November 2003 General Election. Gillis also serves as
19 the treasurer of the Committee. The Committee was referred to the Enforcement Division of the Fair
20 Political Practices Commission (the “Commission”) for its failure to timely file various semiannual
21 campaign statements covering reporting periods in 2015 and 2016, in violation of Section 84200,
22 subdivision (a), of the Political Reform Act (the “Act”).¹

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27 ¹ The Act is contained in Government Code sections 81000 through 91014. All statutory references are to the
28 Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in
Sections 18110 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 **SUMMARY OF THE LAW**

2 The Act and its regulations are amended from time to time. The violations in this case occurred
3 in 2016 and 2017. For this reason, all legal references and discussions of law pertain to the Act’s
4 provisions as they existed at that time.

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

6 When enacting the Act, the people of California found and declared that previous laws regulating
7 political practices suffered from inadequate enforcement by state and local authorities.² For this reason,
8 the Act is to be construed liberally to accomplish its purposes.³

9 One purpose of the Act is to promote transparency by ensuring that receipts and expenditures in
10 election campaigns are fully and truthfully disclosed so that voters are fully informed and improper
11 practices are inhibited.⁴ Along these lines, the Act includes a comprehensive campaign reporting
12 system—and the true sources of campaign contributions may not be concealed.⁵ Another purpose of the
13 Act is to provide adequate enforcement mechanisms so that the Act will be “vigorously enforced.”⁶

14 Mandatory Filing of Campaign Statements

15 At the core of the Act’s campaign reporting system is the requirement that committees file
16 campaign statements and reports for certain reporting periods and by certain deadlines.⁷

17 The Act requires a recipient committee to file semiannual campaign statements twice per year
18 disclosing its campaign contributions and expenditures. A recipient committee must file a semiannual
19 statement by January 31 for the period ending December 31 and by July 31 for the period ending June
20 30, or the next business day if the deadline falls on a weekend or holiday.⁸

21 Joint and Several Liability of Candidate, Committee, and Treasurer

22 It is the duty of a committee treasurer to ensure that the committee complies with the Act.⁹ A
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24 ² Section 81001, subd. (h).

25 ³ Section 81003.

26 ⁴ Section 81002, subd. (a).

27 ⁵ Sections 84200, *et seq.*; and 84301.

28 ⁶ Section 81002, subd. (f).

⁷ Sections 84200, *et seq.*

⁸ Section 84200, subd. (a); Regulation 18116, subd. (a).

⁹ Sections 81004, 84100, 84104, and 84213; Regulation 18427.

1 treasurer may be held jointly and severally liable, along with the candidate and the committee, for
2 violations committed by the committee.¹⁰

3 SUMMARY OF THE FACTS

4 The Committee filed a statement of organization on or about September 16, 2003. Gillis was
5 successfully elected to the Board in the November 2003 General Election. Since, at least, the second half
6 of 2015, the Committee has not had any financial activity, but continues to report an ending cash balance
7 of \$14,077 on its campaign statements. Further, Gillis no longer serves on the Board.

8 The Committee failed to timely file the following campaign statements:

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10 Statement Type	Reporting Period	Due Date	Date Filed	Amount of Contributions/ Expenditures
11 Semiannual	7/1/15 – 12/31/15	2/1/16	4/12/16	\$0/\$0
12 Semiannual	1/1/16 – 6/30/16	8/1/16	8/30/17	\$0/\$0
13 Semiannual	7/1/16 – 12/31/16	1/31/17	8/30/17	\$0/\$0
14 Semiannual	1/1/17 – 7/31/17	7/31/17	8/30/17	\$0/\$0

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18 On March 29, 2016, the Enforcement Division of the Commission sent a letter to the Committee
19 requesting that it file its past-due campaign statement for the period of July 1, 2015 to December 31,
20 2015 within 30 days. On or about April 12, 2016, the Committee filed the pertinent statement.

21 The Enforcement Division attempted to contact Gillis by telephone on April 4, 2017 and by email
22 on June 2, 2017 regarding the Committee's past-due campaign statements for the periods of January 1,
23 2016 to June 30, 2016 and July 1, 2016 to December 31, 2016, but was either unable to reach or received
24 no response from Gillis.

25 On July 6, 2017, the Enforcement Division sent a letter to Respondents requesting that they file
26 the Committee's past-due campaign statements for the periods of January 1, 2016 to June 30, 2016 and
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28 ¹⁰ Sections 83116.5 and 91006.

1 July 1, 2016 to December 31, 2016 within 30 days. Respondents did not comply. Therefore, on or about
2 August 26, 2017, the Enforcement Division served a probable cause report on Respondents.

3 On or about August 30, 2017, the Committee filed its semiannual campaign statements for the
4 reporting periods of January 1, 2016 to June 30, 2016; July 1, 2016 to December 31, 2016; and January
5 1, 2017 to June 30, 2017.

6 VIOLATIONS

7 Count 1: Failure to Timely File Semiannual Campaign Statements

8 The Committee and Gillis failed to timely file the Committee's semiannual campaign statement
9 for the period of July 1, 2015 to December 31, 2015 by February 1, 2016; and the Committee's
10 semiannual campaign statement for the period of January 1, 2016 to June 30, 2016 by August 1, 2016, in
11 violation of Section 84200, subdivision (a).

12 Count 2: Failure to Timely File Semiannual Campaign Statements

13 The Committee and Gillis failed to timely file the Committee's semiannual campaign statement
14 for the period of July 1, 2016 to December 31, 2016 by January 31, 2017; and the Committee's
15 semiannual campaign statement for the period of January 1, 2017 to June 30, 2017 by July 31, 2017, in
16 violation of Section 84200, subdivision (a).

17 PROPOSED PENALTY

18 This matter consists of two counts. The maximum penalty that may be imposed is \$5,000 per
19 count. Thus, the maximum penalty that may be imposed is \$10,000.¹¹

20 In determining the appropriate penalty for a particular violation of the Act, the Commission
21 considers the facts of the case, the public harm involved, and the purposes of the Act. Also, the
22 Commission considers factors such as: (a) the seriousness of the violation; (b) the presence or absence of
23 any intention to conceal, deceive or mislead; (c) whether the violation was deliberate, negligent or
24 inadvertent; (d) whether the violation was isolated or part of a pattern; (e) whether corrective
25 amendments voluntarily were filed to provide full disclosure; and (f) whether the violator has a prior
26 record of violations.¹²

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¹¹ Section 83116, subd. (c).

28 ¹² Regulation 18361.5, subd. (d).

1 In this case, considering the low level of financial activity involved and the fact that Gillis is no
2 longer in office, the seriousness of the violations contained herein is low. Further, the Enforcement
3 Division found no evidence that Respondents intended to conceal, deceive, or mislead the public, nor did
4 the violations appear to be deliberate. Also considered was the fact that Respondents have a prior history
5 of violating the Act; therefore, the violations contained herein constitute part of a pattern.

6 Additionally, the Commission considers penalties in prior cases involving similar violations.
7 Recent similar cases include the following:

8 • *In the Matter of Contra Costa Supervisor John Gioia 2010 Officeholder Account, Contra Costa*
9 *Supervisor John Gioia 2014 Officeholder Account, John Gioia, and Jennifer Peck*; FPPC Nos. 17/84 and
10 17/86. Respondents, a candidate, two candidate-controlled committees, and their treasurers, failed to
11 timely file a total of 14 semiannual campaign statements. Many of the subject statements were due after
12 Gioia had run for office and converted his committees to officeholder account committees. In August
13 2017, the Commission approved a penalty of \$1,500 on each of six counts.

14 The failure to timely file semiannual campaign statements undermines one of the Act's central
15 purposes – transparency. The violation here is aggravated by Respondents' prior enforcement history
16 with the Commission related to the same violation. In particular, in FPPC No. 15/215, in December
17 2015, the Commission approved a stipulation which imposed a streamline penalty of \$400 against
18 Respondents for their failure to timely file two semiannual campaign statements covering the reporting
19 periods of July 1, 2014 to December 31, 2014; and January 1, 2015 to June 30, 2015. As displayed by
20 the foregoing, Respondents have a pattern of violating the Act by disregarding their obligation to timely
21 file semiannual campaign statements.

22 This case is similar to the comparable case *Gioia* in that the pertinent statements covered
23 reporting periods occurring after Gillis ran for office. However, in aggravation, Respondents were
24 nonresponsive to the Enforcement Division's communications until a probable cause report was served
25 on them. This fact, combined with Respondents' prior history, justifies a penalty in the amount of \$2,000
26 for each of Counts 1 and 2.

27 Based on the foregoing, a penalty in the total amount of \$4,000 is recommended.

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1 **CONCLUSION**

2 Complainant, the Enforcement Division of the Fair Political Practices Commission, and
3 Respondents, Committee to Elect Ron Gillis and Ronald E. Gillis, hereby agree as follows:

4 1. The Respondents violated the Act as described in the foregoing pages, which are a true
5 and accurate summary of the facts in this matter.

6 2. This stipulation will be submitted for consideration by the Fair Political Practices
7 Commission at its next regularly scheduled meeting—or as soon thereafter as the matter may be heard.

8 3. This stipulation resolves all factual and legal issues raised in this matter—for the purpose
9 of reaching a final disposition without the necessity of holding an administrative hearing to determine the
10 liability of the Respondent pursuant to Section 83116.

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

18 5. The Respondents agree to the issuance of the decision and order set forth below. Also, the
19 Respondents agree to the Commission imposing against them an administrative penalty in the amount of
20 \$4,000. One or more cashier’s checks or money orders totaling said amount—to be paid to the General
21 Fund of the State of California—is/are submitted with this stipulation as full payment of the
22 administrative penalty described above, and same shall be held by the State of California until the
23 Commission issues its decision and order regarding this matter.

24 6. If the Commission refuses to approve this stipulation—then this stipulation shall become
25 null and void, and within fifteen business days after the Commission meeting at which the stipulation is
26 rejected, all payments tendered by the Respondents in connection with this stipulation shall be
27 reimbursed to the Respondents. If this stipulation is not approved by the Commission, and if a full
28 evidentiary hearing before the Commission becomes necessary, neither any member of the Commission,

1 nor the Executive Director, shall be disqualified because of prior consideration of this Stipulation.

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

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6 Dated: _____
7 Galena West, Chief of Enforcement
8 Fair Political Practices Commission

9 Dated: _____
10 Ronald E. Gillis, individually and on behalf of
11 Committee to Elect Ron Gillis
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1 The foregoing stipulation of the parties “In the Matter of Committee to Elect Ron Gillis and Ronald E.
2 Gillis,” FPPC Case No. 16/278 is hereby accepted as the final decision and order of the Fair Political
3 Practices Commission, effective upon execution below by the Chair.

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5 IT IS SO ORDERED.

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7 Dated: _____

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9 Joann Remke, Chair
10 Fair Political Practices Commission
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