

1 GALENA WEST
Chief of Enforcement
2 JENNA C. RINEHART
Commission Counsel
3 **FAIR POLITICAL PRACTICES COMMISSION**
1102 Q Street, Suite 3000
Sacramento, CA 95811
4 Telephone: (916) 323-6302
5 Email: JRinehart@fppc.ca.gov

6 Attorneys for Complainant
7 Enforcement Division of the Fair Political Practices Commission

8
9 **BEFORE THE FAIR POLITICAL PRACTICES COMMISSION**

10 **STATE OF CALIFORNIA**

11 In the Matter of:

FPPC Case No. 18/1340

12 DOUG HUSEN, COMMITTEE TO
13 ELECT DOUG HUSEN FOR
14 CORONA CITY COUNCIL 2018, and
MAUREEN HUSEN,

STIPULATION, DECISION AND ORDER

15 Respondents.
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17 **INTRODUCTION**

18 Respondent, Doug Husen (“Husen”), was an unsuccessful candidate for District 4 City Council
19 for the City of Corona in the November 6, 2018 General Election. Respondent, Committee to Elect
20 Doug Husen for Corona City Council 2018 (ID# 1405820) (the “Committee”), was Husen’s controlled
21 committee. Respondent, Maureen Husen (“Maureen”), served as the Committee’s treasurer.

22 The Political Reform Act (the “Act”)¹ requires candidates, committees, and treasurers to timely
23 file certain campaign statements and reports. Husen, the Committee, and Maureen violated the Act by
24 failing to timely file pre-election and semi-annual campaign statements and 24-hour contribution
25 reports.
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27 ¹ The Political Reform Act – sometimes simply referred to as the Act – is contained in Government Code sections
28 81000 through 91014. 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. All regulatory references are to
this source.

1 **SUMMARY OF THE LAW**

2 The violations in this case occurred in 2018. For this reason, all legal references and discussions
3 of law pertain to the Act’s provisions as they existed at that time.

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

5 When enacting the Act, the people of California found and declared that previous laws regulating
6 political practices suffered from inadequate enforcement by state and local authorities.² Thus, it was
7 decreed the Act “should be liberally construed to accomplish its purposes.³ A central purpose of the Act
8 is to provide adequate enforcement mechanisms so that the Act will be “vigorously enforced.”⁴ Another
9 central 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.⁵

12 **Pre-Election Campaign Statements**

13 All candidates appearing on the ballot to be voted on at the next election and their controlled
14 committees shall file the applicable pre-election campaign statements.⁶ The first pre-election campaign
15 statement, for the period ending 45 days before the election, shall be filed no later than 40 days before
16 the election.⁷ The second pre-election campaign statement, for the period ending 17 days before the
17 election, shall be filed no later than 12 days before the election.⁸

18 **24-Hour Contribution Reports**

19 A “late contribution” is a contribution that totals in the aggregate \$1,000 or more and is made to
20 or received by a candidate, a controlled committee, or a committee formed or existing primarily to
21 support or oppose a candidate or measure during the 90-day period preceding the date of the election, or
22 on the date of the election, at which the candidate or measure is to be voted on.⁹ Each candidate or

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25 ² Section 81001, subdivision (h).

26 ³ Section 81003.

27 ⁴ Section 81002, subdivision (f).

28 ⁵ Section 81002, subdivision (a).

⁶ Section 84200.5, subdivision (a).

⁷ Section 84200.8, subdivision (a).

⁸ Section 84200.8, subdivision (b).

⁹ Section 82036, subdivision (a).

1 committee that makes or receives a late contribution shall report the late contribution within 24 hours of
2 the time it is made or received.¹⁰

3 **Semi-Annual Campaign Statement**

4 Candidates and committees shall file semi-annual campaign statements each year no later than
5 July 31 for the period ending June 30, and no later than January 31 for the period ending December 31.¹¹

6 **Joint and Several Liability of Committee and Treasurer**

7 It is the duty of a committee treasurer to ensure the committee complies with the Act.¹² A
8 treasurer may be held jointly and severally liable, along with the committee and candidate, for violations
9 committed by the committee.¹³

10 **Liability for Violations**

11 Any person who violates any provision of the Act, who purposely or negligently causes any
12 other person to violate any provision of the Act, or who aids and abets any other person in the violation
13 of any provision of the Act, is liable for administrative penalties up to \$5,000 per violation.¹⁴

14 **SUMMARY OF THE FACTS**

15 Husen was unsuccessful in his bid for District 4 City Council for the City of Corona in the
16 November 6, 2018 General Election. According to the Committee's campaign statements, the
17 Committee qualified as a committee on or before July 31, 2018. According to the Committee's bank
18 records, the Committee raised and spent approximately \$28,045. As of December 31, 2018, the
19 Committee was terminated.

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27 ¹⁰ Section 84203, subdivisions (a)-(b).

¹¹ Section 84200.

¹² Sections 81004, 84100, and Regulation 18427.

¹³ Sections 83116. 5 and 91006.

¹⁴ Sections 83116 and 83116. 5.

1 **Failure to Timely File Pre-Election and Semi-Annual Campaign Statements**

2 Prior to and following the November 6, 2018 General Election, Husen, the Committee, and
3 Maureen filed pre-election and semi-annual campaign statements as follows:

STATEMENT	REPORTING PERIOD	DUE DATE	DATE FILED	ACTIVITY
First Pre-Election	07/01/2018 to 09/22/2018	09/27/2018	09/27/2018	CTB = \$15,797 EXP = \$9,495
Second Pre-Election	09/23/2018 to 10/20/2018	10/25/2018	10/30/2018 (5 days late)	CTB = \$5,475 EXP = \$9,941
Semi-Annual	10/21/2018 to 12/31/2018	01/31/2019	04/05/2019 (64 days late)	CTB = \$5,000 EXP = \$7,091

9 **Failure to Timely File 24-Hour Contribution Reports**

10 The 90-day period preceding the November 6, 2018 General Election began on August 8, 2018.
11 The Committee’s first and second pre-election campaign statements revealed late contributions received
12 which required 24-hour contribution reports that were late/not filed as follows:

DUE DATE	CONTRIBUTOR	AMOUNT	DATE FILED
08/16/2018	Law Offices of Brad Husen	\$1,000	09/10/2018 (25 days late)
09/07/2018	Dos Lagos CRN, LLC	\$1,000	09/10/2018 (3 days late)
09/09/2018	L. Wayne Kiley	\$1,000	09/10/2018 (1 day late)
09/26/2018	Plainjoe Studios	\$1,000	Not filed
10/19/2018	Pro DENT Labs	\$1,000	Not filed
10/20/2018	CREPAC	\$1,000	Not filed
10/23/2018	Frank Smith	\$5,000	Not filed
TOTAL:		\$11,000	

19 **VIOLATIONS**

21 **Count 1: Failure to Timely File Pre-Election and Semi-Annual Campaign Statements**

22 Husen, the Committee, and Maureen failed to timely file a pre-election campaign statement for
23 the reporting period ending October 20, 2018, by the October 25, 2018 due date, and a semi-annual
24 campaign statement for the reporting period ending December 31, 2018, by the January 31, 2019 due
25 date, in violation of Government Code Sections 84200, 84200.5, and 84200.8.

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1 **Count 2: Failure to Timely File 24-Hour Contribution Reports**

2 Prior to the November 6, 2018 General Election, Husen, the Committee, and Maureen failed to
3 timely file 24-hour contribution reports for seven late contributions received totaling \$11,000, in
4 violation of Government Code Section 84203.

5 **PROPOSED PENALTY**

6 This matter consists of two counts. The maximum penalty that may be imposed is \$5,000 per
7 count. Thus, the maximum penalty that may be imposed here is \$10,000.¹⁵

8 In determining the appropriate penalty for a particular violation of the Act, the Commission
9 considers the facts of the case, the public harm involved, and the purposes of the Act. Further, the
10 Commission considers factors such as: (a) the seriousness of the violation; (b) the presence or absence of
11 any intention to conceal, deceive or mislead; (c) whether the violation was deliberate, negligent or
12 inadvertent; (d) whether the violation was isolated or part of a pattern; (e) whether corrective
13 amendments voluntarily were filed to provide full disclosure; and (f) whether the violator has a prior
14 record of violations.¹⁶

15 The public harm inherent in campaign reporting violations is that the public is deprived of
16 important, time-sensitive information regarding campaign activity. Aside from one late contribution
17 totaling \$5,000, Husen, the Committee, and Maureen disclosed the Committee’s campaign activities
18 prior to the pertinent election.

19 In this case, there was no evidence to support an intent to conceal, deceive or mislead the public
20 as to the Committee’s receipts and expenditures. The violations here appear to be negligent as Husen
21 had prior campaign experience and so knew, or should have known, of the Committee’s filing
22 obligations. Also, Husen, the Committee, and Maureen timely filed the first pre-election campaign
23 statement and five 24-hour contribution reports. Husen, the Committee, and Maureen do not have prior
24 enforcement history.

25 The Commission considers penalties in prior cases with the same or similar violations and
26 comparable facts.

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28 ¹⁵ Section 83116, subdivision (c).

¹⁶ Regulation 18361. 5, subdivision (d).

1 *In the Matter of Dan Medina for Gardena Mayor 2017, Dan Medina, and Susana Weltz Medina;*
2 FPPC Case No. 15/2256. Respondents, an unsuccessful candidate for Mayor of the City of Gardena, his
3 controlled-committee, and its treasurer, failed to timely file campaign statements (Count 1) and 24-hour
4 contribution reports (Count 2). Specifically, Respondents failed to timely file three semi-annual
5 campaign statements, one pre-election campaign statement, and seven 24-hour contribution reports for
6 ten late contributions received totaling \$11,973. In aggravation to Count 1, Respondents failed to timely
7 report \$2,100 in contributions and \$825 in expenditures. In mitigation to Count 2, all of the late
8 contributions were disclosed on other campaign statements filed prior to the election. Medina had prior
9 campaign experience as he was an officeholder and had an open election committee since 2013.
10 Throughout 2017, the Respondent committee reported \$21,189 in contributions and \$24,538 in
11 expenditures. On February 20, 2020, the Commission approved a penalty of \$4,000; \$2,500 for Count 1;
12 \$1,500 for Count 2.

13 As to Count 1, a similar penalty than that approved in *Medina* is recommended. Similar to
14 *Medina*, Husen, the Committee, and Maureen failed to timely file one pre-election campaign statement
15 and one semi-annual campaign statement. In aggravation, Husen failed to file his statement of intention
16 prior to receiving approximately \$300 in contributions. Although, the contributions were from Husen
17 himself. Also, Husen, the Committee, and Maureen failed to accurately report the Committee's date of
18 qualification and failed to report approximately \$101.46 in contributions and \$2,339.67 in expenditures
19 thereby misinforming the public as to the Committee's campaign activities. Husen had prior campaign
20 experience as this was his third time running in an election. Throughout 2018, the Committee raised and
21 spent \$28,045.54. Therefore, a penalty of \$2,500 is recommended.

22 As to Count 2, a higher penalty than that approved in *Medina* is recommended. Similar to
23 *Medina*, Husen, the Committee, and Maureen failed to timely file seven 24-hour contribution reports for
24 late contributions received totaling \$11,000. Unlike *Medina*, one of the late contributions here totaling
25 \$5,000 was not disclosed on another campaign statement filed prior to the election. The remaining six
26 late contributions totaling \$6,000 were disclosed prior to the election. Therefore, a penalty of \$2,000 is
27 recommended.

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1 Under these circumstances, it is respectfully submitted that imposition of an agreed upon penalty
2 in the amount of \$4,500 is justified, as reflected in the chart below:

3 Count	Violation	Penalty
4 1	Failure to Timely File Pre-Election and Semi-Annual Campaign Statements	\$2,500
5 2	Failure to Timely File 24-Hour Contribution Reports	\$2,000
6	TOTAL:	\$4,500

7 **CONCLUSION**

8 Complainant, the Enforcement Division of the Fair Political Practices Commission, and
9 Respondents, Doug Husen, Committee to Elect Doug Husen for Corona City Council 2018, and
10 Maureen Husen, hereby agree as follows:

- 11 1. Respondents violated the Act as described in the foregoing pages, which are a true and accurate
12 summary of the facts in this matter.
- 13 2. This stipulation will be submitted for consideration by the Fair Political Practices Commission at
14 its next regularly scheduled meeting – or as soon thereafter as the matter may be heard.
- 15 3. This stipulation resolves all factual and legal issues raised in this matter – for the purpose
16 of reaching a final disposition without the necessity of holding an administrative hearing to
17 determine the liability of Respondents pursuant to Section 83116.
- 18 4. Respondents understand, and hereby knowingly and voluntarily waive, any and all
19 procedural rights set forth in Sections 83115.5, 11503, 11523, and Regulations 18361.1 through
20 18361.9. This includes, but is not limited to the right to appear personally at any administrative
21 hearing held in this matter, to be represented by an attorney at Respondents’ own expense, to
22 confront and cross-examine all witnesses testifying at the hearing, to subpoena witnesses to
23 testify at the hearing, to have an impartial administrative law judge preside over the hearing as a
24 hearing officer, and to have the matter judicially reviewed.
- 25 5. Respondents agree to the issuance of the decision and orders set forth below. Also,
26 Respondents agree to the Commission imposing against them an administrative penalty in the
27 amount of \$4,500. One or more cashier’s checks or money orders totaling said amount – to be
28 paid to the General Fund of the State of California – is/are submitted with this stipulation as full

1 payment of the administrative penalty described above, and same shall be held by the State of
2 California until the Commission issues its decision and order regarding this matter.

3 6. If the Commission refuses to approve this stipulation – then this stipulation shall become
4 null and void, and within fifteen business days after the Commission meeting at which the
5 stipulation is rejected, all payments tendered by Respondents in connection with this stipulation
6 shall be reimbursed to Respondents. If this stipulation is not approved by the Commission, and if
7 a full evidentiary hearing before the Commission becomes necessary, neither any member of the
8 Commission, nor the Executive Director, shall be disqualified because of prior consideration of
9 this stipulation.

10 7. The parties to this agreement may execute their respective signature pages separately. A
11 copy of any party’s executed signature page, including a hardcopy of a signature page
12 transmitted via fax or as a PDF email attachment, is as effective and binding as the original.
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14 Dated: _____

Galena West, Chief of Enforcement
Fair Political Practices Commission

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18 Dated: _____

Doug Husen, individually and on behalf of
Committee to Elect Doug Husen for Corona City Council
2018, Respondents

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23 Dated: _____

Maureen Husen, Treasurer, Respondent

1 The foregoing stipulation of the parties “In the Matter of Doug Husen, Committee to Elect Doug
2 Husen for Corona City Council 2018, and Maureen Husen,” FPPC Case No. 18/1340, is hereby accepted
3 as the final decision and order of the Fair Political Practices Commission, effective upon execution by
4 the Chair.

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6 IT IS SO ORDERED.

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8 Dated: _____
9 Richard C. Miadich, Chair
10 Fair Political Practices Commission
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