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8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION  
9 STATE OF CALIFORNIA

10  
11 In the Matter of:

FPPC No. 13/934

12 SACRAMENTO CENTRAL LABOR  
13 COUNCIL-C.O.P.E. AND BILL CAMP

STIPULATION, DECISION AND ORDER

14 Respondents.

15  
16 **STIPULATION**

17 Complainant Fair Political Practices Commission and Respondents Sacramento Central Labor  
18 Council-C.O.P.E. and Bill Camp hereby agree that this Stipulation will be submitted for consideration by  
19 the Fair Political Practices Commission at its next regularly scheduled meeting.

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

23 Respondents understand, and hereby knowingly and voluntarily waive, any and all procedural  
24 rights set forth in Government Code sections 83115.5, 11503 and 11523, and in California Code of  
25 Regulations, title 2, sections 18361.1 through 18361.9. This includes, but is not limited to the right to  
26 appear personally at any administrative hearing held in this matter, to be represented by an attorney at  
27 Respondents' own expense, to confront and cross-examine all witnesses testifying at the hearing, to  
28 subpoena witnesses to testify at the hearing, to have an impartial administrative law judge preside over

1 the hearing as a hearing officer, and to have the matter judicially reviewed.

2 As described in Exhibit 1, it is further stipulated and agreed that Respondents impermissibly  
3 accepted three contributions from two separate sources in excess of the \$6,500 contribution limit to a  
4 general purpose committee for the purpose of supporting or defeating candidates for elective state office  
5 in 2010, in violation of Section 85303, subdivision (a) (2 Counts). Additionally, Respondents  
6 impermissibly made five monetary contributions to three separate state candidates in excess of the  
7 relevant contribution limit per 2010 election, in violation of Section 85301, subdivisions (a) and (b), (3  
8 Counts). Exhibit 1, which is attached hereto and incorporated by reference as though fully set forth  
9 herein, 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, and  
11 Respondents agree to the Commission imposing upon them an administrative penalty in the amount of  
12 \$15,500. A cashier's check or money order from Respondents totaling said amount, made payable to the  
13 "General Fund of the State of California," is submitted with this Stipulation as full payment of the  
14 administrative penalty and shall be held by the State of California until the Commission issues its  
15 Decision and Order regarding this matter. The parties agree that in the event the Commission refuses to  
16 accept this Stipulation, it shall become null and void, and within fifteen (15) business days after the  
17 Commission meeting at which the Stipulation is rejected, all payments tendered by Respondents in  
18 connection with this Stipulation shall be reimbursed to Respondents. Respondents further stipulate and  
19 agree that in the event the Commission rejects the Stipulation and a full evidentiary hearing before the  
20 Commission becomes necessary, neither any member of the Commission, nor the Executive Director,  
21 shall be disqualified because of prior consideration of this Stipulation.

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23 Dated: \_\_\_\_\_

\_\_\_\_\_  
24 Gary S. Winuk, Enforcement Chief,  
25 on behalf of the Fair Political Practices  
26 Commission  
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Dated: \_\_\_\_\_

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Bill Camp, individually as treasurer and on behalf  
of Sacramento Central Labor Council-C.O.P.E.,  
Respondents

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**DECISION AND ORDER**

The foregoing Stipulation of the parties “In the Matter of Sacramento Central Labor Council-  
C.O.P.E. and Bill Camp,” FPPC No. 13/934, 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

## **EXHIBIT 1**

### **INTRODUCTION**

Respondent Sacramento Central Labor Council-C.O.P.E. (“Respondent Committee”) is a general purpose committee, sponsored by the Sacramento Central Labor Council, AFL-CIO. At all relevant times, Respondent Bill Camp (“Respondent Camp”) was the treasurer.

This case is the result of a Franchise Tax Board Audit during the period January 1, 2009 through December 31, 2010. The Respondent Committee received a total of \$89,772 in contributions during the audit period and made expenditures of \$89,814 during the audit period.

As a general purpose committee under the Political Reform Act (the “Act”),<sup>1</sup> Respondents have a duty to abide by the contribution limits when accepting contributions for the purpose of making contributions to support or defeat candidates for elective state office and making contributions to state candidates. (Sections 85303, subd. (a) and 85301, subds (a)(b).) In this matter, Respondents impermissibly accepted three monetary contributions from two sources in excess of the \$6,500 contribution limit to a general purpose committee for the purpose of supporting or defeating candidates for elective state office in 2010. Additionally, Respondents impermissibly made five monetary contributions to three separate state candidates in excess of the relevant contribution limit per 2010 election.

For the purposes of this Stipulation, Respondents’ violations of the Act are stated as follows:

#### **Making and Accepting Over-the-Limit Contributions**

**COUNT 1:** On or about March 2, 2010 and June 4, 2010, the Respondents Committee and Camp impermissibly accepted \$22,500 in monetary contributions from the United Food and Commercial Workers 8, Golden State Political Action Committee, in excess of the \$6,500 contribution limit per 2010 calendar year to a general purpose committee which was used to make contributions to support state candidates in the 2010 General Election, in violation of Section 85303, subdivision (a).

**COUNT 2:** On or about October 28, 2010, the Respondents Committee and Camp impermissibly accepted a \$23,000 monetary contribution from United Food and Commercial Workers Region 8 Council Political Education Fund, in excess of the \$6,500 contribution limit per 2010 calendar year to a general purpose committee which was used to make contributions to

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<sup>1</sup> The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the 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.

support state candidates in the 2010 General Election, in violation of Section 85303, subdivision (a).

COUNT 3: On or about October 22, 2010 and October 29, 2010, the Respondents Committee and Camp impermissibly made monetary contributions in the amount of \$12,900 to Dave Jones for Insurance Commissioner 2010, in connection to the 2010 General Election, in excess of the \$6,500 contribution limit per election to a statewide candidate, in violation of Section 85301, subdivision (b).

COUNT 4: On or about July 23, 2010 and December 3, 2010, the Respondents Committee and Camp impermissibly made a monetary contribution in the amount of \$7,800 to McCarty for Assembly 2010, in connection with the 2010 Primary Election, in excess of the \$3,900 contribution limit per election to a statewide candidate, in violation of Section 85301, subdivision (a).

COUNT 5: On or about October 29, 2010, the Respondents Committee and Camp impermissibly made a monetary contribution in the amount of \$12,900 to Newsom for California Lieutenant Governor, in connection with the 2010 General Election, in excess of the \$6,500 contribution limit per election to a statewide candidate, in violation of Section 85301, subdivision (b).

### **SUMMARY OF THE LAW**

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

#### **Duty to Abide by Contribution Limits**

The Act imposes campaign contribution limits with respect to the making and receiving of certain contributions. However, these limits are adjusted periodically, and different limits apply depending upon who is contributing and who is receiving. (See Section 85301, subdivision (a), as well as Sections 83124, 85303 and 85305, which prohibit the making and acceptance of over-the-limit contributions.)

In 2010, a general purpose committee wishing to contribute to a candidate for California State Legislature could not contribute more than \$3,900 per election. (Section 85301, subd. (a); Regulation 18545, subd. (a)(1).) Additionally, a general purpose committee could not contribute to a candidate for a statewide office (except Governor) of more than \$6,500 per election. (Section 85301, subd. (b).)

Additionally, in 2010, a person could not contribute more than \$6,500 per calendar year to a committee for the purpose of making contributions to candidates for elective state office, except political party committees. (Section 85303, subd. (a) and Regulation 18534). However, individuals could exceed this amount so long as the excess was not used by the committee to support/oppose candidates for elective state office.

### **Liability of Committee Treasurers**

As provided in Section 84100, every committee shall have a treasurer. Under Section 84100 and Regulation 18427, subdivision (a), it is the duty of a committee's treasurer to ensure that the committee complies with all of the requirements of the Act concerning the receipt and expenditure of funds and the reporting of such funds. A committee's treasurer may be held jointly and severally liable, along with the committee and candidate, for any reporting violations. (Sections 83116.5 and 91006; Regulation 18316.6.)

### **SUMMARY OF THE FACTS**

Respondent Committee is a general purpose committee, sponsored by the Sacramento Central Labor Council, AFL-CIO. At all relevant times, Respondent Camp was the treasurer.

Respondent Committee stated it was a small contributor committee. Under Section 85203, a small contributor committee may make contributions to state candidates at a limit that is twice the amount that other persons may give, other than political party committees. However, among multiple requirements to remain a small contributor committee, no one person may contribute more than \$200 per calendar year to the committee. In this matter, as of July 11, 2008, Respondent Committee no longer qualified as a small contributor committee after impermissibly receiving and accepting contributions over \$200. Therefore, Respondent Committee was a general purpose committee and required to abide by the contribution limits when accepting contributions for the purpose of making contributions to support or defeat candidates for elective state office and making contributions to state candidates. (Sections 85303, subd. (a) and 845301, subds. (a) and (b).)

### **Counts 1-2**

#### **Accepting Contributions Over-the-Limit**

Respondent Committee, as a general purpose committee, may only receive a contribution totaling \$6,500 per person for the 2010 calendar year for the purpose of making contributions to support candidates for elective state office. This amount is to be placed in a separate account that is labeled as an "all purpose" account, meaning the money can be used for any purpose. Any money received above this amount must be segregated into another account and dubbed "restricted use" funds, so that these funds are not used to make contributions to candidates from elective state office. (Section 85303, subd. (a) and Reg. 18534.)

On or about March 2, 2010 and June 4, 2010, the Respondents Committee and Camp impermissibly accepted \$22,500 in two monetary contributions from the United Food and Commercial Workers 8, Golden State Political Action Committee, in excess of the \$6,500

contribution limit per 2010 calendar year to a general purpose committee which was used to make contributions to support state candidates in the 2010 General Election, in violation of Section 85303, subdivision (a).

Additionally, on or about October 28, 2010, the Respondents Committee and Camp impermissibly accepted a \$23,000 monetary contribution from United Food and Commercial Workers Region 8 Council Political Education Fund, in excess of the \$6,500 contribution limit per 2010 calendar year to a general purpose committee which was used to make contributions to support state candidates in the 2010 General Election, in violation of Section 85303, subdivision (a).

Thus, Respondents Committee and Camp accepted contributions from two sources over the applicable contribution limit, in violation of Government Code section 85303, subdivision (a).

**Counts 3 – 5**  
**Making Contributions Over-the-Limit**

In 2010, a general purpose committee wishing to contribute to a candidate for California State Legislature could not contribute more than \$3,900 per election. (Section 85301, subd. (a); Regulation 18545, subd. (a)(1).) Additionally, a general purpose committee could not contribute to a candidate for a statewide office (except Governor) of more than \$6,500 per election. (section 85301, subd. (b).)

On or about October 22, 2010 and October 29, 2010, the Respondents Committee and Camp impermissibly made two monetary contributions in the amount of \$12,900 to Dave Jones for Insurance Commissioner 2010, in connection with the 2010 General Election, in excess of the \$6,500 contribution limit per election to a statewide candidate, in violation of Section 85301, subdivision (b).

On or about July 23, 2010 and December 3, 2010, the Respondents Committee and Camp impermissibly made two monetary contributions in the amount of \$7,800 to McCarty for Assembly 2010 (a candidate for the California State Legislature), in connection with the 2010 Primary Election, in excess of the \$3,900 contribution limit per election to a statewide candidate, in violation of Section 85301, subdivision (a).

On or about October 29, 2010, the Respondents Committee and Camp impermissibly made a monetary contribution in the amount of \$12,900 to Newsom for California Lieutenant Governor, in excess of the \$6,500 contribution limit per election to a statewide candidate, in violation of Section 85301, subdivision (b).

Thus, Respondents Committee and Camp made five contributions to three separate state candidates over the applicable contribution limits, in violation of Section 85301, subdivisions (a) and (b).



## CONCLUSION

This matter consists of five counts of violating the Act, which carries a maximum administrative penalty of twenty five thousand dollars (\$25,000).

In determining the appropriate penalty for a particular violation of the Act, the Enforcement Division 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. The Enforcement Division also considers the facts and circumstances of the violation in context of the factors set forth in Regulation 18361.5, subdivision (d)(1)-(6), which include: the seriousness of the violations; the presence or lack of intent to deceive the voting public; whether the violation was deliberate, negligent, or inadvertent; whether the Respondent demonstrated good faith in consulting with Commission staff; whether there was a pattern of violations; and whether upon learning of the violation the Respondent voluntarily filed amendment to provide full disclosure.

The conduct of accepting a contribution in excess of the contribution limit harms the integrity of the election process and is a serious violation of the Act. Under Section 85303, the Commission has only prosecuted one recent case (Approved in 2011), *In the Matter of Monterey County Republican Central Committee and Chris Steinbruner*; FPPC 08/761. In this matter, Respondents were a state general purpose, political party committee, who accepted and made contributions over the \$30,200 contribution limit. While the Respondents had opened a separate account, they failed to designate a “restricted use” account and used the contributions over the limits to make contributions to state candidates. A fine amount of \$4,000 for each count of Section 85303 was approved by the Commission in October 2011.

In this matter, Respondents made contributions as if they were a small contributor committee, but accepted multiple contributions over \$200. Respondents should have been aware that they no longer qualified as a small contributor committee in 2008 and of the contribution limits that they could accept as a general purpose committee. In mitigation, Respondents acceptance of contributions in excess of the limits were from a local labor union which was an affiliated member of the Respondent Committee. As a result, a fine amount of \$4,000 is recommended for each count.

Under Section 85301, prior Commission cases involving making of campaign contributions over the limit have resulted in penalties in the middle of the penalty range. For example, in the case of *In the Matter of Voters for a New California and Joaquin Ross*; FPPC No. 10/470, approved April 2013, a \$3,000 penalty was imposed. In this matter, Respondents exceeded the contribution limit for the primary election by a substantial amount (more than \$24,000). Also, Respondent Joaquin Ross maintained that he realized he made a mistake when he approved the payment for the mass mailings on or about May 4, 2010. For a week or more after that, he had opportunity to stop the mass mailings before they were mailed, but he did not attempt to do so. It was noted that Respondents have no prior enforcement history and cooperated with the investigation.

*In the Matter of Badru Valani*, FPPC No. 12/430, approved Dec. 13, 2012 (\$2,000 penalty imposed against contributor to California State Assembly candidate.) This was a reduced penalty, which took into account the relatively small amount of the contribution, as well as the fact that the candidate withdrew from the election and never appeared on the ballot.

Making a contribution in excess of the campaign contribution limit is a serious violation of the Act as it circumvents the limits on campaign contributions proscribed by California's voters and provides an unfair advantage to one candidate over another in an election. As a result of Respondents claiming to be a small contributor committee, the candidates receiving the contributions were under the impression that they could receive the contributions made in Counts 3 through 5. However, as a general purpose committee, Respondents were required to abide by the applicable contribution limits for a general purpose committee. In mitigation, Respondents contend that they did not realize they could not make the contributions at issue. As such, a fine amount for Counts 3 through 5 of \$2,500 each is recommended.

### **PROPOSED PENALTY**

After consideration of the factors of Regulation 18361.5, as well as consideration of penalties in prior enforcement actions, the imposition of a penalty of Fifteen Thousand Five Hundred Dollars (\$15,500) is recommended.