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9 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
10 STATE OF CALIFORNIA

11 In the Matter of:

12 CHERYL HANSEN FOR COUNTY
SUPERINTENDENT OF SCHOOLS
13 2018; CHERYL HANSEN; and
14 WILLIAM BEEMER.

15 Respondents.

FPPC Case No. 18/586

STIPULATION, DECISION AND ORDER

16
17 **INTRODUCTION**

18 Respondent Cheryl Hansen (“Hansen”) was a candidate for Contra Costa County Superintendent
19 of Schools in the Primary and General Election in 2018. Respondent “Cheryl Hansen for County
20 Superintendent of Schools 2018” (“Committee”) is Hansen’s candidate-controlled committee. William
21 Beemer (“Beemer”) is the treasurer. The Committee, Hansen, and Beemer violated the Political Reform
22 Act¹ (“Act”) by failing to timely file a six campaign statements filed in connection with the June 5, 2018
23 Primary Election and the November 6, 2018 General Election.

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

3 When enacting the Political Reform Act, the people of California found and declared that previous
4 laws regulating political practices suffered from inadequate enforcement by state and local authorities.²
5 Thus, it was decreed that the Act “should be liberally construed to accomplish its purposes.”³

6 One purpose of the Act is to promote transparency by ensuring that receipts and expenditures in
7 election campaigns are fully and truthfully disclosed so that voters are fully informed and improper
8 practices are inhibited.⁴ Along these lines, the Act includes a comprehensive campaign reporting system.⁵
9 Another purpose of the Act is to provide adequate enforcement mechanisms so that the Act will be
10 “vigorously enforced.”⁶

11 **Duty to File Campaign Statements**

12 The Act requires candidates and their controlled committees to file campaign statements at specific
13 times disclosing information regarding contributions received and expenditures made by the campaign
14 committees.⁷

15 A committee must file two semi-annual campaign statements each year no later than July 31 for
16 the period ending June 30 and no later than January 31 for the period ending December 31.⁸ Whenever the
17 deadline falls on a Saturday, Sunday, or official state holiday, the filing deadline for a statement shall be
18 extended to the next regular business day.⁹

19 A candidate-controlled committee must file pre-election campaign statements prior to elections in
20 which the candidate appears on the ballot.¹⁰ Whenever the deadline falls on a Saturday, Sunday or official
21 state holiday, the filing deadline for a statement shall be extended to the next regular business day.¹¹ For
22 the June 5, 2018 Primary Election, a candidate-controlled committee was required to file a pre-election
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24 ² Section 81001, subdivision (h).

³ Section 81003.

⁴ Section 81002, subdivision (a).

⁵ Sections 84200, *et seq.*

⁶ Section 81002, subdivision (f).

⁷ Section 84200, *et seq.*

⁸ Section 84200, subdivision. (a).

⁹ Regulation 18116, subdivision. (a).

¹⁰ Section 84200.5, subdivision (b).

¹¹ Regulation 18116, subdivision (a).

1 campaign statement for the reporting period January 1, 2018 through April 21, 2018 no later than April 26,
2 2018 and for the reporting period April 22, 2018 through May 19, 2018, no later than May 24, 2018.¹² For
3 the November 6, 2018 General Election, a candidate-controlled committee was required to file pre-election
4 campaign statements for the reporting period July 1, 2018 through September 22, 2018, no later than
5 September 27, 2018 and for the reporting period September 23, 2018 through October 20, 2018, no later
6 than October 25, 2018.

7 **Joint and Several Liability of Committee, Candidate, and Treasurer**

8 It is the duty of a committee treasurer and the candidate to ensure that the committee complies with
9 the Act's campaign reporting.¹³ A treasurer and candidate may be held jointly and severally liable with the
10 committee for violations committed by the committee.¹⁴

11 **SUMMARY OF THE FACTS**

12 Hansen was a candidate for Contra Costa County Superintendent of Schools. Hansen placed second
13 in the Primary Election on June 5, 2018 with 30.35% of the vote. She continued to the General Election on
14 November 6, 2018 where she lost to her opponent. Hansen is currently in office, serving as a Trustee for
15 the Mt. Diablo Unified School District. She was first elected in 2010 and again in 2014, during which she
16 had experience filing pre-election campaign statements and regular semiannual statements for her
17 candidate-controlled committees.

18 The Committee was established in September 2017, when Hansen filed a statement of organization
19 with the Secretary of State, as Hansen's candidate-controlled committee. According to campaign
20 statements, the Committee reported receiving a total of about \$83,475 in contributions and reported making
21 \$97,732 in expenditures in 2018 for both the Primary and General Election.

22 The Committee was referred to the Enforcement Division by the local filing officer for failure to
23 timely file a pre-election statement during the Primary Election. Shortly after the Enforcement Division
24 made contact with the Committee, the Committee, Hansen and Beemer filed the late pre-election
25 statements. However, the Committee failed to timely file the semiannual statement and both pre-election
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¹² Section 84200.8.

¹³ Sections 81004, 84100, 84104, and Regulation 18427.

¹⁴ Sections 83116.5 and 91006.

statements in connection with the General Election. The Committee filed a final campaign statement after the election and was terminated effective December 17, 2018.

The following table summarizes the Committee’s filing history:

Statement	Reporting Period	Due Date	Date Filed	Contrib/Expend
Semiannual	11/01/17 – 12/31/17	01/31/18	02/05/18 5 Days Late	\$43,527 Contributions \$1,309 Expenditures
Pre-Election for June Primary	01/01/18 – 04/21/18	04/26/18	05/03/18 7 Days Late	\$4,920 in Contributions \$10,249 in Expenditures
Pre-Election for June Primary	04/22/18 – 05/19/18	05/24/18	05/29/18 5 Days Late	\$8,300 in Contributions \$16,904 in Expenditures
Semiannual	05/20/18 – 06/30/18	07/31/18	08/03/18 3 Days Late	\$34,625 in Contributions \$34,800 in Expenditures
Pre-Election for November Primary	07/01/18 – 09/22/18	09/27/18	10/01/18 4 Days Late	\$2,300 in Contributions \$2,082 in Expenditures
Pre-Election for November Primary	09/23/18 – 10/20/18	10/25/18	11/19/18* 25 Days Late Post-election	\$0 Contributions \$18,560 Expenditures

VIOLATIONS

Count 1

Failure to Timely File a Semiannual and Pre-Election Statements

The Committee, Hansen, and Beemer failed to timely file statements in connection with the June 5, 2018 Primary Election, including a semiannual statement for the reporting period of July 30, 2017 through December 31, 2017, the pre-election statement for the reporting period of January 1, 2018 through April 21, 2018, and the pre-election statement for the reporting period of April 22, 2018 through May 19, 2018, in violation of Sections 84200 and 84200.5.

Count 2

Failure to Timely File a Semiannual and Pre-Election Statements

The Committee, Hansen and Beemer failed to timely file statements in connection with the November 6, 2018 General Election, including a semiannual statement for the reporting period of May 20, 2018 through June 30, 2018, a pre-election statement for the reporting period of July 1, 2018 through

1 September 22, 2018, and the pre-election statement for the reporting period of September 23, 2018
2 through October 20, 2018, in violation of Sections 84200 and 84200.5.

3 **PROPOSED PENALTY**

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

6 In determining the appropriate penalty for a particular violation of the Act, the Commission
7 considers the facts of the case, the public harm involved, and the purposes of the Act. Also, the Commission
8 considers factors such as: (a) the seriousness of the violation; (b) the presence or absence of any intention
9 to conceal, deceive or mislead; (c) whether the violation was deliberate, negligent or inadvertent; (d)
10 whether the violation was isolated or part of a pattern; (e) whether corrective amendments voluntarily were
11 filed to provide full disclosure; and (f) whether the violator has a prior record of violations.¹⁶ The actions
12 of the Committee, Hansen, and Beemer appear to be the result of negligence. There is no evidence of
13 deliberate omission or attempts to conceal. The Committee has no prior enforcement history.

14 The Committee is being charged for all of the six late statements. Most of the statements were filed
15 only a few days late and on all but one, there was disclosure prior to the election. The statements have been
16 combined into two counts for settlement purposes.

17 In determining a penalty, the Commission considers penalties in prior cases with comparable
18 violations. A comparable case in which a penalty was charged for failure to timely file multiple statements
19 is, *In the Matter of Robert G. Jones, Robert G. Jones for Los Rios Trustee 2010, And Julianne C. Jones*,
20 FPPC No. 16/339 (The Commission approved a stipulated decision on March 22, 2018.) In *Robert G.*
21 *Jones*, the candidate-controlled committee failed to timely file two pre-election campaign statements and
22 one semi-annual statement. The pre-election statements were both filed almost 3 years late and the
23 semiannual was filed over a year late. The first pre-election reported \$20,000 in contributions and about
24 \$24,000 in expenditures, the other two statements total reported activity was under \$3,000. The
25 Commission imposed a penalty of \$2,000 for all three statements.

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28 ¹⁵ See Section 83116, subdivision (c).

¹⁶ Regulation 18361.5, subdivision (d).

1 Robert G. Jones was in office during his election and he lost; however, in contrast to *Hansen*, he
2 was previously only a short-form filer and had no experience filing the more detailed campaign statements.
3 The statements in *Jones* and here show a similar level of activity. The semiannual statement disclosed
4 considerable activity related to the Primary Election, including \$43,527 in contributions. The first pre-
5 election statement disclosed \$4,920 in contributions and \$10,240 in expenditures. The second pre-election
6 disclosed \$8,300 in contributions and \$16,904 in expenditures. Therefore, a penalty of \$2,000 is
7 recommended for Count 1.

8 For the violations listed in Count 2, the Committee had already received notice of their filing
9 obligation. They were contacted by the Enforcement Division and told to file the statements in connection
10 with the Primary Election. Despite this notice, the Committee continued to file required campaign
11 disclosures late. In further aggravation, the second pre-election statement for the General Election was
12 filed after the election. Again, the statements disclosed a similar activity level as the case of *Jones*, with
13 the semiannual disclosing \$34,625 in contributions and \$34,800 in expenditures, the first pre-election
14 disclosing \$2,300 in contributions and \$2,082 in expenditures, and the second pre-election disclosing \$0
15 in contributions and \$18,560 in expenditures. Therefore, a penalty of \$2,500 is recommended for Count 2.

16 After considering the factors listed in Regulation 18361.5 and penalties in prior similar cases, a
17 penalty of \$4,500 is recommended.

18 CONCLUSION

19 Complainant, the Enforcement Division of the Fair Political Practices Commission, and Cheryl
20 Hansen for County Superintendent of Schools 2018, Cheryl Hansen, and William Beemer hereby agree as
21 follows:

- 22 1. Respondents violated the Act as described in the foregoing pages, which are a true and
23 accurate summary of the facts in this matter.
- 24 2. This stipulation will be submitted for consideration by the Fair Political Practices
25 Commission at its next regularly scheduled meeting—or as soon thereafter as the matter may be heard.
- 26 3. This stipulation resolves all factual and legal issues raised in this matter—for the purpose
27 of reaching a final disposition without the necessity of holding an administrative hearing to determine the
28 liability of Respondents pursuant to Section 83116.

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

8 5. Respondents agree to the issuance of the decision and order set forth below. Also,
9 Respondents agree to the Commission imposing against them an administrative penalty in the amount of
10 \$4,500. One or more payments totaling said amount—to be paid to the General Fund of the State of
11 California—is/are submitted with this stipulation as full payment of the administrative penalty described
12 above, and same shall be held by the State of California until the Commission issues its decision and order
13 regarding this matter.

14 6. If the Commission declines to approve this stipulation—then this stipulation shall become
15 null and void, and within fifteen business days after the Commission meeting at which the stipulation is
16 rejected, all payments tendered by Respondents in connection with this stipulation shall be reimbursed to
17 Respondents. If this stipulation is not approved by the Commission, and if a full evidentiary hearing before
18 the Commission becomes necessary, neither any member of the Commission, nor the Executive Director,
19 shall be disqualified because of prior consideration of this Stipulation.

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1 7. The parties to this agreement may execute their respective signature pages separately. A
2 copy of any party's executed signature page, including a hardcopy of a signature page transmitted via fax
3 or as a PDF email attachment, is as effective and binding as the original.
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5 Dated: _____
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7 Galena West, Chief of Enforcement
8 Fair Political Practices Commission

9 Dated: _____
10 Cheryl Hansen, individually and on behalf of Cheryl Hansen
11 for County Superintendent of Schools 2018

12 Dated: _____
13 William Beemer, individually and on behalf of Cheryl
14 Hansen for County Superintendent of Schools 2018
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1 The foregoing stipulation of the parties “In the Matter of Cheryl Hansen for County
2 Superintendent of Schools 2018, Cheryl Hansen, and William Beemer,” FPPC Case No. 18/586 is hereby
3 accepted as the final decision and order of the Fair Political Practices Commission, effective upon
4 execution below by the Chair.

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6 IT IS SO ORDERED.

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8 Dated: _____

Richard C. Miadich, Chair
Fair Political Practices Commission