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

10
11 In the Matter of

FPPC Case No. 19/439

12 WILLIAM DODD,

STIPULATION, DECISION AND ORDER

13 Respondent.

14
15 **INTRODUCTION**

16 William Dodd is a member of the California State Senate, District 3. (He first was elected to this
17 position in 2016, and he was re-elected in 2020.) This case arose from a filing officer referral. This case
18 involves failure to timely file Form 803 behested payment reports regarding 27 charitable payments (of
19 \$5,000 or more)—totaling \$481,900—in violation of the Political Reform Act.¹ The payments were
20 made at Dodd’s behest in 2017 and 2018 by more than two-dozen donors to the Salvation Army and the
21 Napa Valley Education Foundation.

22 **SUMMARY OF THE LAW**

23 The Act and its regulations are amended from time to time. All legal references and discussions
24 of law are intended to be citations to statutes and regulations as they existed at the time of the violations
25 noted above.

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27 ¹ The Political Reform Act—sometimes simply referred to as the Act—is contained in Government Code sections 81000
28 through 91014. All statutory references are to this code. The regulations of the Fair Political Practices Commission are
contained in Sections 18104 through 18998 of Title 2 of the California Code of Regulations. All regulatory references are to
this source.

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

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

6 Payments made at the behest of elected officials—including charitable donations—are a means
7 by which donors may seek to gain favor with elected officials. One purpose of the Act is to ensure
8 transparent reporting of such activity. This serves to increase public awareness regarding potential
9 attempts to influence in this manner.⁴ Another purpose of the Act is to provide adequate enforcement
10 mechanisms so that the Act will be “vigorously enforced.”⁵

11 **Required Filing of Behested Payment Reports**

12 When an elected officer solicits a charitable donation or donations from one individual or
13 organization to another, the officer is required to disclose the payment(s) on a Form 803 behested
14 payment report, which must be filed with the officer’s agency within 30 days following the date on
15 which the payment(s) equal or exceed \$5,000 in the aggregate from the same source in the same calendar
16 year. The report is a public record, which must include the name and address of the payor, the amount of
17 the payment, the date of payment, the name and address of the payee, a brief description of the goods or
18 services provided or purchased (if any), and a description of the specific purpose or event for which the
19 payment or payments were made. Once the \$5,000 aggregate threshold from a single source has been
20 reached for a calendar year, all payments for the calendar year made by that source must be disclosed
21 within 30 days after the date the threshold was reached or the payment was made, whichever occurs
22 later.⁶

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24 _____
25 ² Section 81001, subdivision (h).

26 ³ Section 81003.

27 ⁴ See Sections 82004.5, 82041.3, and 84224, as in effect after 2017; and 82015, subdivision (b)(2)(B)(iii), as in effect before
28 2018.

29 ⁵ Section 81002, subdivision (f).

30 ⁶ See Sections 82004.5, 82041.3, and 84224, as in effect after 2017; and 82015, subdivision (b)(2)(B)(iii), as in effect before
31 2018.

1 These rules apply when the payment is “made at the behest” of the officer. This means that the
2 payment is made under any one (or more) of the following circumstances:⁷

- 3 1. at the request, suggestion, or direction of the officer (or his agent);
- 4 2. in concert with the officer (or his agent);
- 5 3. with the express, prior consent of the officer (or his agent);
- 6 4. in cooperation, consultation, or coordination with the officer (or his agent); or
- 7 5. under the control of the officer (or his agent).

8 An officer “has a duty to be informed of payments made at his or her behest, and must make an
9 effort to file required forms as soon as possible.”⁸ This is a duty to make reasonable inquiry.

10 SUMMARY OF THE FACTS

11 In 2017 and 2018, Dodd was a member of the California State Senate. During this time, numerous
12 charitable donations of \$5,000 or more were made to the Salvation Army and the Napa Valley Education
13 Foundation at Dodd’s behest. Dodd was required to file a Form 803 behested payment report with the
14 California State Senate within 30 days of each payment, but he failed to do so, as summarized in the
15 chart below:

| 16 Payee | 17 Payor | 18 Amount | 19 Payment Date | 20 Filing Due Date | 21 Date Filed |
|--------------------|----------------------------------|-----------|-----------------|--------------------|---------------|
| The Salvation Army | Hope Hofman | \$10,000 | 10/25/17 | 11/27/17 | 3/14/18 |
| The Salvation Army | Joy Gorman | \$10,000 | 11/10/17 | 12/11/17 | 3/14/18 |
| The Salvation Army | Delicato Vineyards | \$50,000 | 11/11/17 | 12/11/17 | 3/14/18 |
| The Salvation Army | Edwards Family Trust | \$20,000 | 12/1/17 | 1/2/18 | 3/14/18 |
| The Salvation Army | CA Beer & Beverage Distributors | \$5,000 | 12/8/17 | 1/8/18 | 3/14/18 |
| The Salvation Army | Anheuser-Busch | \$5,000 | 12/11/17 | 1/10/18 | 3/14/18 |
| The Salvation Army | Celeste & Robert White | \$10,000 | 12/11/17 | 1/10/18 | 3/14/18 |
| The Salvation Army | Comite Champagne | \$120,000 | 12/11/17 | 1/10/18 | 3/14/18 |
| The Salvation Army | KSyrah Syrah-Osgood Family Trust | \$5,000 | 12/11/17 | 1/10/18 | 3/14/18 |
| The Salvation Army | Meritage Resort and Spa | \$5,000 | 12/11/17 | 1/10/18 | 3/14/18 |
| The Salvation Army | Valley Rock | \$10,000 | 12/11/17 | 1/10/18 | 3/14/18 |
| The Salvation Army | Syar Foundation | \$5,000 | 12/12/17 | 1/11/18 | 3/14/18 |
| The Salvation Army | HomeAid Northern CA | \$100,000 | 12/18/17 | 1/17/18 | 3/14/18 |
| The Salvation Army | Adam Simms | \$10,000 | 12/20/17 | 1/19/18 | 3/14/18 |

27 ⁷ Regulation 18215.3, subdivision (a).

28 ⁸ See: [John St. Croix Advice Letter \(I-13-107\)](#), page 4.

| Payee | Payor | Amount | Payment Date | Filing Due Date | Date Filed |
|----------------------------------|--|------------------|--------------|-----------------|------------|
| The Salvation Army | Lori Cook | \$10,000 | 12/20/17 | 1/19/18 | 3/14/18 |
| The Salvation Army | Matt Schiefferly | \$5,000 | 12/20/17 | 1/19/18 | 3/14/18 |
| The Salvation Army | Ron Birtcher | \$10,000 | 12/20/17 | 1/19/18 | 3/14/18 |
| The Salvation Army | Scott & Tara Roseman Foundation | \$5,000 | 12/20/17 | 1/19/18 | 3/14/18 |
| The Salvation Army | Teaderman Business Park | \$5,000 | 12/20/17 | 1/19/18 | 3/14/18 |
| The Salvation Army | Craig and Kathryn Hall Foundation | \$25,000 | 12/22/17 | 1/22/18 | 3/14/18 |
| The Salvation Army | Paul Woolls | \$5,000 | 12/22/17 | 1/22/18 | 3/14/18 |
| The Salvation Army | National Electrical Contractors Assoc. | \$10,000 | 12/27/17 | 1/26/18 | 3/14/18 |
| The Salvation Army | The Westin Verasa Napa | \$10,000 | 1/2/18 | 2/1/18 | 3/14/18 |
| Napa Valley Education Foundation | Silverado Resort and Spa | \$5,000 | 10/4/18 | 11/5/18 | 1/7/19 |
| Napa Valley Education Foundation | Duckhorn Estates | \$14,400 | 10/10/18 | 11/9/18 | 1/7/19 |
| Napa Valley Education Foundation | Anheuser-Busch Foundation | \$7,500 | 10/17/18 | 11/16/18 | 1/7/19 |
| Napa Valley Education Foundation | Santa Ynez Band of Chumash Indians | \$5,000 | 10/17/18 | 11/16/18 | 1/7/19 |
| TOTAL: | | \$481,900 | | | |

VIOLATIONS

Counts 1 - 5: Failure to Timely File Behested Payment Reports

In this way, Dodd violated Section 82015, subdivision (b)(2)(B)(iii), as in effect prior to 2018— and Section 84224, as in effect after 2017. For settlement purposes, five counts are recommended (as discussed in more detail below).

STREAMLINE EXCLUSION

Due to the number of late-filed behested payment reports and the total amount of those behested payments, the extent and gravity of the public harm in the aggregate is more than minimal in this case. For this reason, the case is excluded from the streamline settlement program.

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1 **PROPOSED PENALTY**

2 The maximum penalty that may be imposed per count is \$5,000.⁹ In this case, five counts are
3 recommended, with a maximum penalty for these recommended counts of \$25,000.

4 In determining the appropriate penalty for a particular violation of the Act, the Enforcement
5 Division considers the typical treatment of a violation in the overall statutory scheme of the Act, with an
6 emphasis on serving the purposes and intent of the Act. Additionally, the Enforcement Division
7 considers the facts and circumstances of the violation in the context of the following factors:¹⁰

- 8 1. the extent and gravity of the public harm caused by the specific violation;
- 9 2. the level of experience of the violator with the requirements of the Act;
- 10 3. penalties previously imposed by the Commission in comparable cases;
- 11 4. the presence or absence of any intention to conceal, deceive or mislead;
- 12 5. whether the violation was deliberate, negligent or inadvertent;
- 13 6. whether the violator demonstrated good faith by consulting Commission staff or any other
14 governmental agency in a manner not constituting a complete defense under Section 83114,
15 subdivision (b);
- 16 7. whether the violation was isolated or part of a pattern—and whether the violator has a prior
17 record of violations of the Act or similar laws; and
- 18 8. whether the violator, upon learning of a reporting violation, voluntarily filed amendments to
19 provide full disclosure.

20 Payments made at the behest of elected officials—including charitable donations—are a means
21 by which donors may seek to gain favor with elected officials. Timely reporting of such activity serves to
22 increase public awareness regarding potential attempts to influence in this manner. There is inherent
23 public harm in non-disclosure because the public is deprived of important information that the Act
24 mandates must be disclosed. The Commission has found timely disclosure to be essential.

25 In this case, Dodd’s violations appear to be the result of negligence (including clerical error and
26 difficulty obtaining needed information from third parties). This case was opened based on two

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28 ⁹ See Section 83116, subdivision (c).

¹⁰ These factors are set forth in Regulation 18361.5, subdivision (e)(1) through (8).

1 staff/filing officer referrals. The referrals included Dodd’s Form 803 filings for each of the payments
2 noted in the chart above. The Form 803s were filed between 41 and 107 days late, but all were filed
3 before the referrals were made to the Enforcement Division. Each filing included the identity of the
4 donor, identity of the recipient, amount of the donation, date of payment, and the date that the Form 803
5 report was filed with Dodd’s agency. Filing dates were compared to the reported dates of payments—
6 meaning that the violations in this case were apparent from the face of the filings. Although the filings
7 were late, Dodd filed his reports without any prompting from the FPPC or the media.

8 **Comparable Case**

9 Historically, in cases with large numbers of violations involving failure to timely file behested
10 payment reports, Enforcement has used thresholds, on a case by case basis, to separate the most
11 egregious violations—in terms of reportable activity—from less egregious ones. For example, [In the](#)
12 [Matter of Charles Ramsey](#); FPPC Case No. 16/19823 (approved Feb. 21, 2019), the Commission
13 imposed a penalty in the amount of \$18,000 for failure to timely file behested payment reports regarding
14 39 payments (of \$5,000 or more)—totaling approximately \$485,000. Nine counts were charged—with a
15 penalty of \$2,000 per count.

16 Ramsey involved violations that appeared to be the result of negligence by an official with no
17 history of prior, similar violations. No intent to conceal was found. Ramsey voluntarily filed all required
18 reports, albeit late, but before Enforcement’s case was opened—and Ramsey cooperated with
19 Enforcement. Similar facts are present in the current case.

20 Also, both cases involve sophisticated respondents with many years of public service, during
21 which there was substantial reason and opportunity to become familiar with the Act’s requirements.
22 (Ramsey was a practicing attorney, who served on the school board for more than 20 years. Prior to
23 serving in the California Senate, Dodd served two years in the California Assembly, and before this, he
24 served 14 years on the Napa County Board of Supervisors.) Additionally, both cases involve a pattern of
25 filing violations that occurred over multiple calendar years—and very similar dollar amounts. (In the
26 current case, the late-filed reports encompassed behested payments totaling approximately \$481,900—
27 compared to \$485,000 in Ramsey.)

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1 The current case involves 27 payments—for which five counts are recommended—one for each
2 of the largest payments (ranging in amounts from \$20,000 to \$120,000). For settlement purposes, the
3 remaining 22 payments (ranging in amounts from \$5,000 to \$14,400) are noted as aggravating
4 information, similar to Ramsey. For five counts, a penalty in the amount of \$1,500 per count would
5 equate to a total penalty in the amount of \$7,500—or about 1.56% of the combined total of all behested
6 payments—and this is what Enforcement recommends. (This reduced percentage, amount, and number of
7 counts—compared to Ramsey—is consistent with the mitigating differences that are described above.
8 Also, the current case involves less late-filed reports than Ramsey: 27 vs. 39.)

9 A higher penalty is not being sought because Dodd cooperated with the Enforcement Division by
10 agreeing to an early settlement—in advance of the probable cause proceedings that otherwise would have
11 been held.

12 CONCLUSION

13 Complainant, the Enforcement Division of the Fair Political Practices Commission, and
14 respondent William Dodd hereby agree as follows:

- 15 1. Respondent violated the Act as described in the foregoing pages, which are a true and
16 accurate summary of the facts in this matter.
- 17 2. This stipulation will be submitted for consideration by the Fair Political Practices
18 Commission at its next regularly scheduled meeting—or as soon thereafter as the matter may be heard.
- 19 3. This stipulation resolves all factual and legal issues raised in this matter—for the purpose
20 of reaching a final disposition without the necessity of holding an administrative hearing to determine the
21 liability of respondent pursuant to Section 83116.
- 22 4. Respondent has been provided with an opportunity to consult with his attorney, Joseph
23 Guardarrama of the Kaufman Legal Group. Respondent understands and hereby knowingly and
24 voluntarily waives, any and all procedural rights set forth in Sections 83115.5, 11503, 11523, and
25 Regulations 18361.1 through 18361.9. This includes, but is not limited to the right to appear personally at
26 any administrative hearing held in this matter, to be represented by an attorney at respondent's own
27 expense, to confront and cross-examine all witnesses testifying at the hearing, to subpoena witnesses to

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1 testify at the hearing, to have an impartial administrative law judge preside over the hearing as a hearing
2 officer, and to have the matter judicially reviewed.

3 5. Respondent agrees to the issuance of the decision and order set forth below. Also,
4 Respondent agrees to the Commission imposing against him an administrative penalty in the amount of
5 \$7,500. One or more payments totaling this amount—to be paid to the General Fund of the State of
6 California—is/are submitted with this stipulation as full payment of the administrative penalty described
7 above, and they will be held by the State of California until the Commission issues its decision and order
8 regarding this matter.

9 6. If the Commission refuses to approve this stipulation—then this stipulation shall become
10 null and void, and within fifteen business days after the Commission meeting at which the stipulation is
11 rejected, all payments tendered by respondent in connection with this stipulation shall be reimbursed to
12 respondent. If this stipulation is not approved by the Commission, and if a full evidentiary hearing before
13 the Commission becomes necessary, neither any member of the Commission, nor the Executive Director,
14 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
3 fax or as a PDF email attachment—is as effective and binding as the original.
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6 Dated: _____

7 Angela Brereton, Chief of Enforcement
8 Fair Political Practices Commission

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10 Dated: _____

11 William Dodd, Respondent

12 The foregoing stipulation of the parties "In the Matter of William Dodd," FPPC Case No. 19/439,
13 is hereby accepted as the final decision and order of the Fair Political Practices Commission, effective
14 upon execution below by the Chair.
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16 IT IS SO ORDERED.

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18 Dated: _____

19 Richard C. Miadich, Chair
20 Fair Political Practices Commission
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