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3 **FAIR POLITICAL PRACTICES COMMISSION**
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8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
9 STATE OF CALIFORNIA
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12 In the Matter of) FPPC No. 14/319
13)
14 RANDOLPH B. BEASLEY, BEASLEY)
FOR SUPERVISOR 2014,) STIPULATION, DECISION and
15) ORDER
16 Respondents.)
17)

18 Complainant, the Enforcement Division of the Fair Political Practices Commission, and
19 Respondents Randolph B. Beasley and Beasley for Supervisor 2014 agree that this Stipulation will be
20 submitted for consideration by the Fair Political Practices Commission at its next regularly scheduled
21 meeting.

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

25 Randolph B. Beasley and Beasley for Supervisor 2014 understand, and hereby knowingly and
26 voluntarily waive, any and all procedural rights set forth in Sections 83115.5, 11503 and 11523 of the
27 Government Code, and in Sections 18361.1 through 18361.9 of Title 2 of the California Code of
28 Regulations. This includes, but is not limited to, the right to personally appear at any administrative

1 hearing held in this matter, to be represented by an attorney at Respondents' own expense, to confront
2 and cross-examine all witnesses testifying at the hearing, to subpoena witnesses to testify at the
3 hearing, to have an impartial administrative law judge preside over the hearing as a hearing officer, and
4 to have the matter judicially reviewed.

5 It is further stipulated and agreed that Randolph B. Beasley and Beasley for Supervisor 2014
6 violated the Political Reform Act by accepting two loans in cash totaling \$8,200, in violation of
7 Government Code Section 84300, subdivisions (a) and (c) (1 count). This count is described in Exhibit
8 1, which is attached hereto and incorporated by reference as though fully set forth herein. Exhibit 1 is a
9 true and accurate summary of the facts in this matter.

10 Randolph B. Beasley and Beasley for Supervisor 2014 agree to the issuance of the Decision and
11 Order, which is attached hereto. Randolph B. Beasley and Beasley for Supervisor 2014 also agree to
12 the Commission imposing upon them an administrative penalty in the amount of One Thousand Five
13 Hundred Dollars (\$1,500). A cashier's check from Randolph B. Beasley and Beasley for Supervisor
14 2014 in said amount, made payable to the "General Fund of the State of California," is submitted with
15 this Stipulation as full payment of the administrative penalty, to be held by the State of California until
16 the Commission issues its decision and order regarding this matter. The parties agree that in the event
17 the Commission refuses to accept this Stipulation, it shall become null and void, and within fifteen (15)
18 business days after the Commission meeting at which the Stipulation is rejected, all payments tendered
19 by Respondent in connection with this Stipulation shall be reimbursed to Randolph B. Beasley and
20 Beasley for Supervisor 2014. Randolph B. Beasley and Beasley for Supervisor 2014 further stipulate
21 and agree that in the event the Commission rejects the Stipulation, and a full evidentiary hearing before
22 the Commission becomes necessary, neither any member of the Commission, nor the Executive
23 Director, shall be disqualified because of prior consideration of this Stipulation.

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Dated: _____

Galena West, Acting Chief of Enforcement
Fair Political Practices Commission

Dated: _____

Randolph B. Beasley, Respondent, individually,
and on behalf of, Beasley for Supervisor 2014, Respondent

EXHIBIT 1

INTRODUCTION

Randolph B. Beasley was an unsuccessful candidate for San Bernardino County Supervisor, District 2, in the June 3, 2014 election, and Beasley for Supervisor 2014 is his candidate controlled committee.

This case arose from the Enforcement Division of the Fair Political Practices Commission's ("Commission") audit of Beasley for Supervisor 2014, required by the Government Code Section 83123.5 and the County of San Bernardino Campaign Finance Reform Ordinance (the "Ordinance"). The Commission is authorized to be the civil prosecutor of the Ordinance. The audit covered the period January 1, 2014 through June 30, 2014, and Beasley for Supervisor 2014 reported \$21,825 in contributions received and \$21,621 in expenditures made for the time period. Respondents violated the Political Reform Act (the "Act")¹ by accepting a contribution that was not drawn from the bank account of the contributor.

SUMMARY OF THE LAW

An express purpose of the Act 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.² The Act therefore establishes a campaign reporting system designed to accomplish this purpose of disclosure.

Contributions Not Drawn on the Contributor's Bank Account

No contribution of \$100 or more shall be made or received in cash.³ All contributions of \$100 or more must be made in the form of a written instrument containing the name of the contributor and drawn from the account of the contributor.⁴ The Act defines "contribution" to include any payment made for political purposes.⁵ The Act goes on to specify that loans, in particular, are contributions if not made by a commercial lending institution.⁶

SUMMARY OF THE FACTS

The Enforcement Division's audit found that Beasley and Beasley for Supervisor 2014, by in large, complied with the Act and the Ordinance's campaign reporting requirements. However, the audit revealed that Beasley and Beasley for Supervisor 2014 received and

¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. The regulations of the Fair Political Practices Commission are contained in Sections 18109 through 18997 of Title 2, California Code of Regulations.

² Section 81002, subdivision (a).

³ Section 84300, subdivision (a).

⁴ Section 84300, subdivision (c).

⁵ Section 82015.

⁶ Sections 82044 and 84216.

deposited into the campaign bank account two cash loans of \$4,100, totaling \$8,200, from Burton and Cheryl Birge on March 07, 2014.

VIOLATION

Count 1: Receiving Contribution Not Drawn From the Bank Account of the Contributor

On March 07, 2014, Randolph B. Beasley and Beasley for Supervisor 2014 received two cash loans totaling \$8,200, in violation of Government Code Section 84300, subdivisions (a) and (c).

CONCLUSION

This matter consists of one count of violating the Act, which carries a maximum administrative penalty of \$5,000.

In determining the appropriate penalty for a particular violation of the Act, the Commission 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. Additionally, the Commission considers the facts and circumstances of the violation in context of the factors set forth in Regulation 18361.5, subdivision (d): 1) the seriousness of the violations; 2) the presence or lack of intent to deceive the voting public; 3) whether the violation was deliberate, negligent, or inadvertent; 4) whether the Respondent demonstrated good faith in consulting with Commission staff; 5) whether there was a pattern of violations; and 6) whether, upon learning of the violation, the violator voluntarily provided amendments to provide full disclosure.

The Commission also considers penalties in prior cases involving similar violations. A recent similar case involving the acceptance of a contribution in the form of cashier's checks or money orders is:

- In *the Matter of Dan Hamburg, Dan Hamburg for Supervisor 2010, and Geoffrey Baugher*, FPPC Nos. 10/751 and 10/981. Hamburg made two contributions totaling \$1,500 to the committee by money order on or about November 8, 2010. On April 25, 2013, the Commission approved a penalty of \$1,500 for the violation.

In mitigation, Beasley has not previously violated the Act. The loans were properly reported on the first pre-election campaign statement, and refunded after notification during the audit. Beasley stated that he did not realize there was a prohibition against accepting cash, and that he accepted the loans to pay the cost of publishing the candidate statement in the voter guide. He added that he had no prior experience running for political office.

PROPOSED PENALTY

After review of the facts of this case, including consideration of the factors of Regulation 18361.5, the imposition of a penalty of \$1,500 is recommended.