

1 GALENA WEST  
Chief of Enforcement  
2 CHRISTOPHER BURTON  
Commission Counsel  
3 Fair Political Practices Commission  
428 J Street, Suite 620  
4 Sacramento, CA 95814  
Telephone: (916) 322-5660

5 Attorneys for Complainant  
6 Fair Political Practices Commission, Enforcement Division

7  
8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION  
9 STATE OF CALIFORNIA

10  
11 In the Matter of:

12 W.V. GRAHAM MATTHEWS, III,  
13 Respondent.

FPPC Case No. 16/194

STIPULATION, DECISION AND ORDER

14  
15 **INTRODUCTION**

16 W.V. Graham Matthews, III (“Matthews”) is a planning commissioner for the County of Trinity  
17 and a board member of the Weaverville-Douglas City Parks and Recreation District. As a planning  
18 commissioner, Matthews must file a Statement of Economic Interests (“SEI”) annually. Despite this  
19 requirement, Matthews failed to timely file his annual SEI for the years 2014 and 2015, in violation of  
20 Section 87203 of the Political Reform Act (the “Act”).<sup>1</sup>

21 **SUMMARY OF THE LAW**

22 The Act and its regulations are amended from time to time. The violations in this case occurred  
23 in 2015 and 2016. For this reason, all legal references and discussions of law pertain to the Act’s  
24 provisions as they existed at that time.

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27 <sup>1</sup> The Act is contained in Government Code sections 81000 through 91014. All statutory references are to the  
28 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.

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

2                    When enacting the Act, the people of California found and declared that previous laws regulating  
3 political practices suffered from inadequate enforcement by state and local authorities.<sup>2</sup> For this reason,  
4 the Act is to be construed liberally to accomplish its purposes.<sup>3</sup> Further, the Act provides adequate  
5 enforcement mechanisms so that the Act will be “vigorously enforced.”<sup>4</sup>

6                    Duty to File Statements of Economic Interests

7                    An express purpose of the Act is to ensure that the assets and income of public officials that may  
8 be materially affected by their official actions be disclosed, so that conflicts of interests may be avoided.<sup>5</sup>  
9 In furtherance of this purpose, the Act requires every person who holds an office specified in Section  
10 87200 to file annual SEIs, disclosing the person’s reportable economic interests including investments,  
11 interests in real property, and sources of income.<sup>6</sup> “Members of planning commissions” are included.<sup>7</sup>  
12 These SEIs must be filed with the Fair Political Practices Commission (the “Commission”) no later than  
13 April 1 of the following year.<sup>8</sup>

14                    **SUMMARY OF THE FACTS**

15                    Matthews, a planning commissioner for the County of Trinity and a board member of the  
16 Weaverville-Douglas City Parks and Recreation District, is required to file annual SEIs by April 1 of  
17 each year. Matthews failed to file his 2014 SEI by April 1, 2015, and his 2015 SEI by April 1, 2016, as  
18 is required. On February 27, 2017, the Enforcement Division of the Commission sent Matthews a letter  
19 asking that he file the past-due SEIs by March 29, 2017. Matthews filed the missing SEIs with the  
20 Commission on March 28, 2017.

21                    **VIOLATIONS**

22                    Count 1: Failure to Timely File an Annual Statement of Economic Interests

23                    Matthews failed to timely file his 2014 annual SEI, which was due by April 1, 2015, in violation  
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25                    <sup>2</sup> Section 81001, subd. (h).

26                    <sup>3</sup> Section 81003.

27                    <sup>4</sup> Section 81002, subd. (f).

28                    <sup>5</sup> Section 81002, subd. (c).

<sup>6</sup> Section 87203.

<sup>7</sup> Section 87200.

<sup>8</sup> Regulation 18723, subd. (b)(2).

1 of Section 87203 of the Act, and Regulation 18723, subdivision (b)(2).

2 Count 2: Failure to Timely File an Annual Statement of Economic Interests

3 Matthews failed to timely file his 2015 annual SEI, which was due by April 1, 2016, in violation  
4 of Section 87203 of the Act, and Regulation 18723, subdivision (b)(2).

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 is \$10,000.<sup>9</sup>

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. Also, 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.<sup>10</sup>

15 Additionally, the Commission considers penalties in prior cases involving similar violations.  
16 Recent similar cases include the following:

17 • *In the Matter of Albert Robles, Friends of Albert Robles Officeholder Account, Committee to Re-*  
18 *Elect Albert Robles, and Robles for Carson City Council 2013*, FPPC Nos. 13/217 and 16/9754.

19 Respondent, the Mayor of Carson, failed to timely file his 2014 annual SEI. Further, on his 2014 SEI,  
20 Respondent failed to report all elected and designated positions he held during 2014. In December 2016,  
21 the Commission imposed a penalty of \$2,000.

22 • *In the Matter of Carlos Baker, Jr.*, FPPC No. 15/820. Respondent, a retired superior court judge  
23 who was assigned to work 30 days or more in 2014, failed to timely file his 2014 annual SEI. In  
24 November 2016, the Commission imposed a penalty of \$1,500.

25 The failure to timely file SEIs violates one of the Act's central purposes: that the assets and  
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28 <sup>9</sup> Section 83116, subd. (c).

<sup>10</sup> Regulation 18361.5, subd. (d).

1 income of public officials that may materially affect their official decisions should be disclosed in order  
2 to avoid conflicts of interest. Matthews' violations deprived the public of timely access to important  
3 information regarding his economic interests. In particular, Matthews' 2014 SEI was filed almost two  
4 years late, and his 2015 SEI was close to one year tardy. In aggravation, Matthews has a prior  
5 enforcement history with the Commission arising from the same type of violation. In April 2014, in  
6 FPPC Case No. 14/123, the Commission approved a streamline fine of \$300 against Matthews for his  
7 failure to file his 2012 annual SEI.

8 Based on the foregoing, a penalty in the amount of \$2,000 is recommended for each count, for a  
9 total administrative penalty of \$4,000.

### 10 CONCLUSION

11 Complainant, the Enforcement Division of the Fair Political Practices Commission, and  
12 Respondent W.V. Graham Matthews, III, hereby agree as follows:

13 1. The Respondent violated the Act as described in the foregoing pages, which are a true and  
14 accurate summary of the facts in this matter.

15 2. This stipulation will be submitted for consideration by the Fair Political Practices  
16 Commission at its next regularly scheduled meeting—or as soon thereafter as the matter may be heard.

17 3. This stipulation resolves all factual and legal issues raised in this matter—for the purpose  
18 of reaching a final disposition without the necessity of holding an administrative hearing to determine the  
19 liability of the Respondent pursuant to Section 83116.

20 4. The Respondent understands, and hereby knowingly and voluntarily waives, any and all  
21 procedural rights set forth in Sections 83115.5, 11503, 11523, and Regulations 18361.1 through 18361.9.  
22 This includes, but is not limited to, the right to appear personally at any administrative hearing held in  
23 this matter, to be represented by an attorney at the Respondent's own expense, to confront and cross-  
24 examine all witnesses testifying at the hearing, to subpoena witnesses to testify at the hearing, to have an  
25 impartial administrative law judge preside over the hearing as a hearing officer, and to have the matter  
26 judicially reviewed.

27 5. The Respondent agrees to the issuance of the decision and order set forth below. Also, the  
28 Respondent agrees to the Commission imposing against him an administrative penalty in the amount of

1 \$4,000. One or more cashier's checks or money orders totaling said amount—to be paid to the General  
2 Fund of the State of California—is/are submitted with this stipulation as full payment of the  
3 administrative penalty described above, and same shall be held by the State of California until the  
4 Commission issues its decision and order regarding this matter.

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

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

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15 Dated: \_\_\_\_\_  
16 Galena West, Chief of Enforcement  
17 Fair Political Practices Commission

18 Dated: \_\_\_\_\_  
19 W.V. Graham Matthews, III

1 The foregoing stipulation of the parties “In the Matter of W.V. Graham Matthews,” FPPC Case No.  
2 16/194 is hereby accepted as the final decision and order of the Fair Political Practices Commission,  
3 effective upon execution below by the Chair.

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5 IT IS SO ORDERED.

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7 Dated: \_\_\_\_\_

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9 Joann Remke, Chair  
10 Fair Political Practices Commission  
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