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

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

# Requirements for Mass Mailings

The Act requires that a mass mailing disclose the name, street address, and city of the controlled committee that sent the mailing, as well as the name of the person controlling the committee.<sup>5</sup> Further, the words "Paid for by" must precede the identifying information on the mass mailing. A mass mailing has been made when more than 200 substantially similar pieces of mail are sent in a calendar month.<sup>7</sup> The committee that pays for the largest portion of expenditures related to a mass mailing—including design, printing, and postage—is considered the sender.<sup>8</sup>

## **SUMMARY OF THE FACTS**

As of February 15, 2020, the Committee had received \$146,349 in contributions and made \$122,334 in expenditures. Dahle was successful in the March 3, 2020 Primary Election, receiving approximately 54.7 percent of the vote and advancing to the November 3, 2020 General Election.

In early February 2020, the Committee sent out a mailer to 59,663 recipients. Although the mailer included a "Paid for by" disclosure, the disclosure identified the responsible committee as Dahle for Senate 2019, instead of Megan Dahle for Assembly 2020. Complicating matters further is the fact that Megan's husband, Brian Dahle, controls a committee named Brian Dahle for Senate 2019, thereby causing confusion as to whether his committee may have funded his wife's mailer.

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<sup>2</sup> Section 81001, subd. (h).

<sup>&</sup>lt;sup>3</sup> Section 81003.

<sup>&</sup>lt;sup>4</sup> Section 81002, subd. (f).

<sup>&</sup>lt;sup>5</sup> Section 84305, subds. (a) and (d).

<sup>&</sup>lt;sup>6</sup> Regulation 18435, subd. (c).

<sup>&</sup>lt;sup>7</sup> Section 82041.5; Regulation 18435, subd. (a).

<sup>&</sup>lt;sup>8</sup> Regulation 18435, subd. (b).

#### **VIOLATIONS**

# Count 1: Failure to Comply with Disclosure Requirements for Mass Mailings

The Committee and Dahle failed to include the name of the Committee on a mass mailing, in violation of Section 84305.

#### PROPOSED PENALTY

This matter consists of one count. The maximum penalty that may be imposed is \$5,000 per count. Thus, the maximum penalty that may be imposed is \$5,000.9

In determining the appropriate penalty for a particular violation of the Act, the Commission considers the facts of the case, the public harm involved, and the purposes of the Act. Also, the Commission considers factors such as: (a) the seriousness of the violation; (b) the presence or absence of any intention to conceal, deceive or mislead; (c) whether the violation was deliberate, negligent or inadvertent; (d) whether the violation was isolated or part of a pattern; (e) whether corrective amendments voluntarily were filed to provide full disclosure; and (f) whether the violator has a prior record of violations.<sup>10</sup>

Here, the Enforcement Division found no evidence that Respondents intended to conceal, deceive, or mislead the public. Further, Respondents do not have a prior history of violating the Act.

Respondents also self-reported the violation to the Enforcement Division, although multiple complaints and media reports regarding the matter had already preceded their submission.

Additionally, the Commission considers penalties in prior cases involving similar violations.

Recent similar cases involving a failure to comply with advertising disclosure requirements include the following:

• In the Matter of Bluff Cove Homeowners' Association Measure E Opposition Committee, Jennifer Hope, and Robert L. Chapman, Jr.; FPPC No. 18/188. Respondents, a primarily formed ballot measure committee, and its principal officer and treasurer, failed to include the name of the committee or requisite "Paid for by" phrase on 25,900 total copies of five different mailer advertisements, in violation of

<sup>&</sup>lt;sup>9</sup> Section 83116, subd. (c).

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

Sections 84502 and 84504.2, subdivision (a). The mailers also included the name of a group other than the responsible committee, causing further confusion as to who was behind the mailers. In October 2018, the Commission approved a fine of \$2,000 on one count.

As to Count 1, a penalty higher than that approved in the comparable case is warranted, given that more than double the amount of mailers were distributed in this case.

In mitigation, the Committee reported the expenditures associated with the subject mailer on the respective campaign statement, which was timely filed prior to the election; therefore, there was some disclosure related to the mailer.

Based on the foregoing, a penalty in the amount of \$2,500 is recommended on Count 1.

## CONCLUSION

Complainant, the Enforcement Division of the Fair Political Practices Commission, and Respondents, Megan Dahle for Assembly 2020 and Megan Dahle, hereby agree as follows:

- 1. Respondents violated the Act as described in the foregoing pages, which are a true and accurate summary of the facts in this matter.
- 2. This stipulation will be submitted for consideration by the Fair Political Practices

  Commission at its next regularly scheduled meeting—or as soon thereafter as the matter may be heard.
- 3. This stipulation resolves all factual and legal issues raised in this matter—for the purpose of reaching a final disposition without the necessity of holding an administrative hearing to determine the liability of Respondents pursuant to Section 83116.
- 4. Respondents have consulted with their attorney, Stephen Duvernay, Benbrook Law Group, PC, and understand, and hereby knowingly and voluntarily waive, all procedural rights set forth in Sections 83115.5, 11503, 11523, and Regulations 18361.1 through 18361.9. This includes, but is not limited to, the right to appear personally at any administrative hearing held in this matter, to be represented by an attorney at Respondents' own expense, to confront and cross-examine all witnesses testifying at the hearing, to subpoena witnesses to testify at the hearing, to have an impartial administrative law judge preside over the hearing as a hearing officer, and to have the matter judicially reviewed.
  - 5. Respondents agree to the issuance of the decision and order set forth below. Also,

Respondents agree to the Commission imposing against them an administrative penalty in the amount of \$2,500. One or more payments totaling this amount, to be paid to the General Fund of the State of California, is/are submitted with this stipulation as full payment of the administrative penalty described above, and they will be held by the State of California until the Commission issues its decision and order regarding this matter.

- 6. If the Commission declines to approve this stipulation—then this stipulation shall become null and void, and within fifteen business days after the Commission meeting at which the stipulation is rejected, all payments tendered by Respondents in connection with this stipulation shall be reimbursed to Respondents. If this stipulation is not approved by the Commission, and if a full evidentiary hearing before the Commission becomes necessary, neither any member of the Commission, nor the Executive Director, shall be disqualified because of prior consideration of this Stipulation.
- 7. The parties to this agreement may execute their respective signature pages separately. A copy of any party's executed signature page including a hardcopy of a signature page transmitted via fax or as a PDF email attachment is as effective and binding as the original.

Dated:	 
	Galena West, Chief of Enforcement
	Fair Political Practices Commission
Dated:	
Duteu.	 Megan Dahle, individually and on behalf of Megan Dahle for Assembly 2020

1	The foregoing stipulation of the parties "In the Matter of Megan Dahle for Assembly 2020 and Megan	
2	Dahle," FPPC Case No. 20/323 is hereby accepted as the final decision and order of the Fair Political	
3	Practices Commission, effective upon execution below by the Chair.	
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5	IT IS SO ORDERED.	
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7	Dated:	
8	Richard C. Miadich, Chair Fair Political Practices Commission	
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