

1 GALENA WEST  
Chief of Enforcement  
2 CHRISTOPHER BURTON  
Senior Commission Counsel  
3 Fair Political Practices Commission  
1102 Q Street, Suite 3000  
4 Sacramento, CA 95811  
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 PATTY PADILLA-SALSBERG FOR  
SUHSD BOARD OF TRUSTEES 2015,  
13 PATRICIA PADILLA-SALSBERG, AND  
GUADALUPE OSORNIO,

14 Respondents.

FPPC Case No. 18/633

15 STIPULATION, DECISION AND ORDER

16 INTRODUCTION

17 Patty Padilla-Salsberg for SUHSD Board of Trustees 2015 (the “Committee”) was the controlled  
18 committee of Patricia Padilla-Salsberg (“Padilla-Salsberg”) in conjunction with her campaign for  
19 reelection to the Salinas Union High School District Board of Trustees in the November 3, 2015 General  
20 Election. Guadalupe Osornio (“Osornio”) was the treasurer of the Committee.

21 Respondents committed numerous violations of the Political Reform Act (the “Act”),<sup>1</sup> including a  
22 failure to timely file seven semiannual campaign statements; and failure to pay certain expenditures from  
23 the designated campaign bank account.

24 ///

25 ///

26  
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 **SUMMARY OF THE LAW**

2 The Act and its regulations are amended from time to time. The violations in this case occurred  
3 between 2016 and 2019. For this reason, all legal references and discussions of law pertain to the Act’s  
4 provisions as they existed at that time.

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

6 When enacting the Act, the people of California found and declared that previous laws regulating  
7 political practices suffered from inadequate enforcement by state and local authorities.<sup>2</sup> To that end, the  
8 Act is to be construed liberally to accomplish its purposes.<sup>3</sup>

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

14 Mandatory Filing of Campaign Statements

15 At the core of the Act’s campaign reporting system is the requirement that committees file  
16 campaign statements and reports for certain reporting periods and by certain deadlines.<sup>7</sup>

17 The Act requires recipient committees to file semiannual campaign statements twice per year  
18 disclosing campaign contributions and expenditures. Recipient committees must file a semiannual  
19 statement by January 31 for the period ending December 31 and by July 31 for the period ending June  
20 30, or the next business day if the deadline falls on a weekend or holiday.<sup>8</sup>

21 ///

22 ///

24 \_\_\_\_\_  
25 <sup>2</sup> Section 81001, subd. (h).

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

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

28 <sup>5</sup> Sections 84200, *et seq.*

<sup>6</sup> Section 81002, subd. (f).

<sup>7</sup> Sections 84200, *et seq.*

<sup>8</sup> Section 84200, subd. (a); Regulation 18116, subd. (a).

1 One Bank Account Rule

2 To ensure full disclosure of campaign activity and to guard against improper use of campaign  
3 funds, a candidate must establish a single, designated campaign bank account upon filing a statement of  
4 intention to be a candidate.<sup>9</sup> All campaign contributions and loans must be deposited into the campaign  
5 account.<sup>10</sup> Personal funds of the candidate that will be used for the campaign must be deposited in the  
6 campaign account prior to expenditure.<sup>11</sup> All campaign expenditures must be made from the campaign  
7 account.<sup>12</sup>

8 Joint and Several Liability of Candidate, Committee, and Treasurer

9 It is the duty of a committee treasurer to ensure that the committee complies with the campaign  
10 reporting provisions of the Act.<sup>13</sup> A treasurer may be held jointly and severally liable, along with the  
11 candidate and the committee, for violations committed by the committee.<sup>14</sup>

12 **SUMMARY OF THE FACTS**

13 Padilla-Salsberg was successful in the November 3, 2015 General Election, receiving  
14 approximately 70.5 percent of the vote. Her current term expires in 2020. During 2015, the Committee  
15 reported receiving \$12,016 in contributions and making \$12,005 in expenditures.

16 The Committee qualified on July 16, 2015 and terminated on October 15, 2018. The Committee  
17 failed to timely file all campaign statements covering the period of October 18, 2015 through October 15,  
18 2018, as summarized below:

19

Statement/ Report Type	Reporting Period	Due Date	Date Filed	Days Late	Amount of Contributions/ Expenditures
Semiannual	10/18/15 – 12/31/15	2/1/16	N/A	N/A	\$2,384/\$2,623.04
Semiannual	1/1/16 – 6/30/16	8/1/16	10/16/18	806	\$1,884/\$4,161.24

20  
21  
22  
23  
24

25 <sup>9</sup> Section 85201, subd. (a).

26 <sup>10</sup> Section 85201, subd. (c).

27 <sup>11</sup> Section 85201, subd. (d).

28 <sup>12</sup> Section 85201, subd. (e).

<sup>13</sup> Sections 81004, 84100, 84104, and 84213; Regulation 18427.

<sup>14</sup> Sections 83116.5 and 91006.

Semiannual	7/1/16 – 12/31/16	1/31/17	10/16/18	623	\$0/\$0
Semiannual	1/1/17 – 6/30/17	7/31/17	10/16/18	442	\$0/\$0
Semiannual	7/1/17 – 12/31/17	1/31/18	10/16/18	258	\$0/\$0
Semiannual	1/1/18 – 6/30/18	7/31/18	10/16/18	77	\$0/\$0
Semiannual	7/1/18 – 10/15/18	1/31/19	N/A	N/A	N/A

The Committee also ran afoul of the Act’s one bank account rule. In particular, Padilla-Salsberg made payments on behalf of the Committee using personal funds. Padilla-Salsberg paid for expenditures including office supplies and phone banking, with the Committee reimbursing her for the payments. Padilla-Salsberg made a total of \$2,513.57 in expenditures outside of the bank account during the reporting period of July 1, 2015 to September 19, 2015; and \$1,568.43 during the reporting period of January 1, 2016 to June 30, 2016.

### **VIOLATIONS**

#### Counts 1 and 2: Failure to Timely File Semiannual Campaign Statements

The Committee, Padilla-Salsberg, and Osornio failed to timely file the Committee’s semiannual campaign statements for the reporting periods of October 18, 2015 to December 31, 2015; January 1, 2016 to June 30, 2016; July 1, 2016 to December 31, 2016; January 1, 2017 to June 30, 2017; July 1, 2017 to December 31, 2017; January 1, 2018 to June 30, 2018; and July 1, 2018 to October 15, 2018, in violation of Section 84200, subdivision (a).

#### Count 3: Failure to Pay Expenditures From Campaign Bank Account

The Committee and Padilla-Salsberg failed to pay \$4,082 in expenditures from the designated campaign bank account, in violation of Section 85201, subdivisions (c), (d), and (e).

### **PROPOSED PENALTY**

This matter consists of three counts. The maximum penalty that may be imposed is \$5,000 per

1 count. Thus, the maximum penalty that may be imposed is \$15,000.<sup>15</sup>

2 In determining the appropriate penalty for a particular violation of the Act, the Commission  
3 considers the facts of the case, the public harm involved, and the purposes of the Act. Also, the  
4 Commission considers factors such as: (a) the seriousness of the violation; (b) the presence or absence of  
5 any intention to conceal, deceive or mislead; (c) whether the violation was deliberate, negligent or  
6 inadvertent; (d) whether the violation was isolated or part of a pattern; (e) whether corrective  
7 amendments voluntarily were filed to provide full disclosure; and (f) whether the violator has a prior  
8 record of violations.<sup>16</sup>

9 Here, the Enforcement Division found no evidence that Respondents intended to conceal,  
10 deceive, or mislead the public. Further, Respondents do not have a prior history of violating the Act.  
11 However, Respondents' failure to timely file campaign statements over the course of several years  
12 exhibits a pattern of violating the Act.

13 Additionally, the Commission considers penalties in prior cases involving similar violations.  
14 Recent similar cases involving a failure to timely file semiannual campaign statements include the  
15 following:

16 • *In the Matter of Butte County Awareness and Accountability and Thomas Kozik*; FPPC No.  
17 16/706. Respondents, a general purpose committee and its principal officer-treasurer, failed to timely file  
18 five semiannual campaign statements, in violation of Section 84200. In January 2020, the Commission  
19 approved a fine of \$1,500 on each of two counts.

20 As to Counts 1 and 2, Respondents are deserving of a per count penalty higher than that approved  
21 in the comparable case given the higher number of campaign statements at issue.

22 Recent similar cases involving a failure to pay expenditures from the designated campaign bank  
23 account include the following:

24 • *In the Matter of Friends of Lilia Leon for Council 2013 and Lilia Leon*; FPPC No. 16/116.  
25 Respondents, a candidate and her controlled committee, made \$1,190 in charitable donations, and  
26

27 \_\_\_\_\_  
<sup>15</sup> Section 83116, subd. (c).

28 \_\_\_\_\_  
<sup>16</sup> Regulation 18361.5, subd. (d).

1 \$2,286.96 in other expenditures, outside of the designated campaign bank account, in violation of Section  
2 85201. In September 2019, the Commission approved a penalty of \$2,000 on one count.

3 As to Count 3, Respondents are deserving of a penalty higher than the one approved in the *Leon*  
4 case. Although a similar amount of financial activity was not processed through the campaign bank  
5 account, the violations here are aggravated by the fact that the Committee also failed to timely report the  
6 related expenditures on its campaign statements. Although the Committee reported the reimbursements to  
7 Padilla-Salsberg, including a general description of the expenditures, it failed to report the original  
8 expenditures themselves.

9 In aggravation of all counts, Respondents committed additional violations of the Act that are not  
10 being charged herein in the interest of settlement. In particular, the Committee failed to timely file an  
11 amendment to its statement of organization following qualification. Although the Committee qualified on  
12 July 16, 2015, with an amendment due on July 26, 2015, it was not filed until September 8, 2015.  
13 Further, in addition to the expenditures referenced above that were not timely reported, the Committee  
14 failed to timely report an additional \$691.56 in expenditures during the reporting period of July 1, 2015  
15 to September 19, 2015; \$1,195.06 during the period of September 20, 2015 to October 17, 2015; and an  
16 additional \$336.28 in expenditures during the reporting period of January 1, 2016 to June 30, 2016. As  
17 with the payments made directly by Padilla-Salsberg, these additional expenditures were incorrectly  
18 reported as reimbursements to campaign volunteers. Finally, Respondents failed to timely file four 24-  
19 hour contribution reports for a total of \$8,500 in contributions; however, the subject reports were filed  
20 prior to the election and the entirety of the subject activity was reported on preelection campaign  
21 statements filed prior to the election

22 Based on the foregoing, the following penalties are recommended:

Count	Violation	Proposed Penalty
1	Failure to Timely File Semiannual Campaign Statements	\$2,000
2	Failure to Timely File Semiannual Campaign Statements	\$2,000
3	Failure to Pay Expenditures From Campaign Bank Account	\$2,500
<b>TOTAL:</b>		<b>\$6,500</b>

1 **CONCLUSION**

2 Complainant, the Enforcement Division of the Fair Political Practices Commission, and  
3 Respondents, Patty Padilla-Salsberg for SUHSD Board of Trustees 2015, Patricia Padilla-Salsberg, and  
4 Guadalupe Osornio, hereby agree as follows:

5 1. Respondents violated the Act as described in the foregoing pages, which are a true and  
6 accurate summary of the facts in this matter.

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

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

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

19 5. Respondents agree to the issuance of the decision and order set forth below. Also,  
20 Respondents agree to the Commission imposing against them an administrative penalty in the amount of  
21 \$6,500. One or more payments totaling this amount, to be paid to the General Fund of the State of  
22 California, is/are submitted with this stipulation as full payment of the administrative penalty described  
23 above, and they will be held by the State of California until the Commission issues its decision and order  
24 regarding this matter.

25 6. If the Commission declines to approve this stipulation—then this stipulation shall become  
26 null and void, and within fifteen business days after the Commission meeting at which the stipulation is  
27 rejected, all payments tendered by Respondents in connection with this stipulation shall be reimbursed to  
28 Respondents. If this stipulation is not approved by the Commission, and if a full evidentiary hearing